DRAFT RED HERRING PROSPECTUS
Dated July 14, 2018
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
(Please read Section 32 of the Companies Act, 2013)
Book Building Offer

AFFLE (INDIA) LIMITED

Our Company was incorporated as 'Tejus Securities Private Limited' under the Companies Act, 1956, with a certificate of incorporation issued by the Registrar of Companies, Maharashtra ("**RoC**") on August 18, 1994 at Mumbai. Subsequently, the name of our Company was changed to 'Affle (India) Private Limited' and a fresh certificate of incorporation was issued by the RoC on September 29, 2006. Our Company was subsequently converted to a public limited company and the name of our Company was changed to our present name, i.e., 'Affle (India) Limited', and a fresh certificate of incorporation consequent upon conversion was issued by the RoC on July 13, 2018. For details of changes in the name and registered office address of our Company, see "*History and Certain Corporate Matters*" on page 152.

Registered Office: 312, B-Wing, Kanakia Wallstreet, Andheri Kurla Road, Andheri (East), Mumbai 400 093
Corporate Office: 601-612, 6th Floor, Tower C, JMD Megapolis, Sohna Road, Sector 48, Gurgaon 122 018
Contact Person: Akanksha Gupta, Company Secretary and Compliance Officer; **Tel.**: +91 124 4992 914; **Fax**: +91 124 2213 847
E-mail: compliance@affle.com; **Website**: www.affle.com; **CIN:** U65990MH1994PLC080451

PROMOTERS OF OUR COMPANY: ANUJ KHANNA SOHUM AND AFFLE HOLDINGS PTE. LTD.

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF AFFLE (INDIA) LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "OFFER PRICE"), AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER") COMPRISING OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 900 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 5,500,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY AFFLE HOLDINGS PTE. LTD. THE OFFER SHALL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.
THE PRICE BAND AND MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDER IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED IN [●] EDITIONS OF [●], AN ENGLISH DAILY NEWSPAPER, [●] EDITIONS OF [●], A HINDI DAILY NEWSPAPER AND [●] EDITIONS OF [●], A MARATHI DAILY NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE IN THE STATE WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the Syndicate Members.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**") read with Regulation 41 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "**SEBI ICDR Regulations**"). This Offer is being made through the Book Building Process in accordance with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer shall be Allotted on a proportionate basis to Qualified Institutional Buyers ("**QIB**s"). Our Company and the Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75% of the Offer cannot be Allotted to QIBs, all the application monies will be refunded/ unblocked forthwith. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. For details, see "*Offer Procedure*" on page 367.

RISKS IN RELATION TO FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each and the Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value of our Equity Shares. The Offer Price, as determined and justified by our Company and the Selling Shareholder in consultation with the Book Running Lead Managers in accordance with the SEBI ICDR Regulations and as stated in "*Basis for Offer Price*" on page 93 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 18.

COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of this Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 435.

BOOK RUNNING LEAD MANAGERS

ICICI Securities Limited
ICICI Centre
H.T. Parekh Marg
Churchgate, Mumbai 400 020
Maharashtra, India
Tel.: +91 22 2288 2460
Fax: +91 22 2282 6580
E-mail: affle.ipo@icicisecurities.com
Investor grievance e-mail: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Arjun A Mehrotra/ Rishi Tiwari/ Nidhi Wangnoo
SEBI Registration No.: INM000011179

Nomura Financial Advisory and Securities (India) Private Limited
Ceejay House, Level 11, Plot F, Shivsagar Estate
Worli, Mumbai 400 018
Maharashtra, India
Tel: +91 22 4037 4037
Fax: +91 22 4037 4111
E-mail: affleipo@nomura.com
Investor grievance E-mail: investorgrievances-in@nomura.com
Website: www.nomuraholdings.com/
company/group/asia/india/index.html
Contact Person: Chirag Shah / Srishti Tyagi
SEBI Registration No.: INM000011419

REGISTRAR TO THE OFFER

Karvy Computershare Private Limited
Karvy Selenium Tower B Plot 31-32, Gachibowli
Financial District, Nanakramguda
Hyderabad 500 032, India
Tel: +91 40 6716 2222
Fax: +91 40 2343 1551
E-mail: einward.ris@karvy.com
Investor Grievance E-mail: affletechnology.ipo@karvy.com
Website: https://karisma.karvy.com
Contact Person: Murali Krishna
SEBI Registration No.: INR000000221

BID/OFFER PROGRAMME

BID/ OFFER OPENS ON: *	[●]
BID/ OFFER CLOSES ON: **	[●]

* *Our Company and the Selling Shareholder may, in consultation with the BRLMs, consider participation by Anchor Investors. Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.*
** *Our Company and the Selling Shareholder may, in consultation with the BRLMs, decide to close Bidding by QIBs one day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act or regulation, as amended or re-enacted from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

General Terms

Term	Description
"the Company", "our Company", or "the Issuer"	Affle (India) Limited, a public limited company incorporated under the Companies Act, 1956, and having its registered office at 312, B-Wing, Kanakia Wallstreet, Andheri Kurla Road, Andheri (East), Mumbai 400 093, and corporate office at 601-612, 6th Floor, Tower C, JMD Megapolis, Sohna Road, Sector 48, Gurgaon 122 018.
"we", "our" or "us"	Affle (India) Limited, together with its Subsidiaries, collectively.

Company and Business Related Terms

Term	Description
2017 Scheme	The scheme of amalgamation between AD2C Holdings Private Limited, AD2C (India) Private Limited, Appstudioz Technologies Private Limited with our Company and their respective shareholders and creditors, more particularly described in "*History and Other Corporate Matters – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets*" on page 156.
AD2C Holdings	AD2C Holdings Private Limited.
AD2C India	AD2C (India) Private Limited.
Affle Global	Affle Global Pte. Ltd.
Affle Holdings	Affle Holdings Pte. Ltd.
'Affle International' or 'Singapore Subsidiary'	Affle International Pte. Ltd.
Affle UK	Affle Limited.
ATPL	Appstudioz Technologies Private Limited
"Articles", "Articles of Association" or "AoA"	The articles of association of our Company, as amended from time to time.
ARC	Affle Reusable Components, a platform of our Company for faster mobile development.
Audit Committee	The audit committee of our Board, as described in "*Our Management*" on page 160.
"Auditors" or "Statutory Auditors"	The current statutory auditors of our Company, namely, S. R. Batliboi & Associates LLP, Chartered Accountants.
"Board" or "Board of Directors"	The board of directors of our Company, including a duly constituted committee thereof.
Corporate Office	The corporate office of our Company located at 601-612, 6th Floor, Tower C, JMD Megapolis, Sohna Road, Sector 48, Gurgaon 122 018.
CSR Committee	The corporate social responsibility committee of our Board, as described in "*Our Management*" on page 160.
Director(s)	The director(s) on our Board.
Equity Shares	The equity shares of our Company of face value of ₹ 10 each.
Group Companies	The companies which are covered under the applicable accounting standards and other companies as considered material by our Board, as described in "*Our Group Companies*" on page 188.
Indonesian Subsidiary	PT Affle Indonesia.
IPO Committee	The committee constituted by our Board for the Offer, as described in "*Our Management*" on page 160.
Key Management Personnel	Key management personnel of our Company in terms of the SEBI ICDR Regulations or the key managerial personnel of our Company in terms of the Companies Act, 2013 and as disclosed in "*Our Management*" on page 160.

Term	Description
"Memorandum" or "Memorandum of Association" or "MoA"	The memorandum of association of our Company, as amended from time to time.
mTraction CDP	mTraction Customer Data Platform, our Company's platform for app analytics and CRM
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in "*Our Management*" on page 160.
on a Proforma Basis	Certain proforma statistical and business related information included in this Draft Red Herring Prospectus, as described in "*Certain Conventions, Use of Financial Information and Market Data And Currency Of Presentation*" on page 13.
Proforma Financial Statements	The Proforma financial information for illustrative purposes presented by the Company to illustrate the impact of the Transaction and includes the unaudited proforma combined balance sheet as at March 31, 2018, which gives effect to the Transaction as if it occurred on March 31, 2018 and the unaudited proforma combined statement of profit and loss for the year ended March 31, 2018 which gives effect to the Transaction as if it occurred on April 1, 2017. PT Affle Indonesia and Affle Global are entities under common control and the proforma financial information has been prepared by considering the assets and liabilities of PT Affle Indonesia and assets taken over at their carrying amounts.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations. For details, see "*Our Promoters and Promoter Group*" on page 181.
Promoters	The promoters of our Company, being Anuj Khanna Sohum and Affle Holdings.
Registered Office	The registered office of our Company located at 312, B-Wing, Kanakia Wallstreet, Andheri Kurla Road, Andheri (East), Mumbai 400 093.
"Registrar of Companies" or "RoC"	Registrar of Companies, Maharashtra at Mumbai.
Restated Financial Statements	Collectively: (i) Restated Indian GAAP Summary Statements and (ii) Restated Ind AS Summary Statements.
Restated Indian GAAP Summary Statements	The restated summary statements of assets and liabilities as at March 31, 2015 and March 31, 2014 and the restated statements of profit and loss and cash flows for the fiscals ended 2015 and 2014 of our Company, prepared in accordance with the Companies Act, 2013, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations and the Prospectus Guidance Note.
Restated Ind AS Summary Statements	The restated summary statements of assets and liabilities as at March 31,2018, March 31, 2017 and March 31, 2016 (proforma) and the restated statements of profit and loss (including other comprehensive income) cash flows and changes in equity for the fiscals ended 2018, 2017 and 2016 (proforma) of our Company, prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 ("**Ind AS Rules**") and restated in accordance with the SEBI ICDR Regulation SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 ("**SEBI IndAS Circular**") and the Guidance Note on Reports in Company Prospectuses 2016 issued by the ICAI ("**Prospectus Guidance Note" and such summary statements the "Restated Ind AS Summary Statements**").
Selling Shareholder	Affle Holdings.
Shareholders	The holders of the Equity Shares from time to time.
Stakeholders Relationship Committee	The stakeholders' relationship committee of our Board as described in "*Our Management*" on page 160.
Subsidiaries	The subsidiaries of our Company as set out in "*History and Certain Corporate Matters – Subsidiaries of our Company*" on page 158.

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to the Bidder as proof of registration of the Bid / Bid cum Application Form.
"Allot" or "Allotment" or "Allotted"	Allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholder pursuant to the Offer for Sale to successful Bidders.
Allotment Advice	Advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom an Allotment is made.

Term	Description
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with SEBI ICDR Regulations and the Red Herring Prospectus, who has Bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors according to the terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company and the Selling Shareholder in consultation with the BRLMs.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Selling Shareholder in consultation with the BRLMs.
Anchor Investor Pay-in Date	In the event the Anchor Investor Offer Price is higher than the Anchor Investor Allocation Price, the date as mentioned in the CAN but not later than two Working Days after the Bid/ Offer Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Selling Shareholder in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
"ASBA" or "Application Supported by Blocked Amount"	The application, whether physical or electronic, used by an ASBA Bidder to make a Bid authorising the relevant SCSB to block the Bid Amount in the relevant ASBA Account.
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidder(s)	Any Bidder in the Offer except Anchor Investors.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Banker(s) to the Offer	Collectively, the Escrow Collection Banks(s), Refund Bank(s) and Public Offer Account Bank.
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, which is described in "*Offer Procedure*" on page 367.
Bid(s)	An indication by an ASBA Bidder to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, as permissible under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account, as the case may be, upon submission of the Bid.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, *i.e.*, Designated Branches of SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and

Term	Description
	Designated CDP Locations for CDPs.
Bid Lot	[●] Equity Shares.
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in [●] edition of [●], an English daily newspaper, [●] edition of [●], a Hindi daily newspaper and [●] edition of [●], a Marathi daily newspaper (Marathi being the regional language in the state where our Registered Office is located), each with wide circulation and in case of any revision, the extended Bid/Offer Closing Date shall also be notified on the website and terminals of the Syndicate Members. Our Company and the Selling Shareholder, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in [●] editions of [●], an English daily newspaper, [●] editions of [●], a Hindi daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language in the state where our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid/Offer Opening Date also to be notified on the website and terminals of the Syndicate Members.
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made.
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer, being ICICI Securities and Nomura.
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
"CDP" or "Collecting Depository Participant"	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Cut-Off Price	Offer Price, which shall be any price within the Price Band finalised by our Company and the Selling Shareholder, in consultation with the BRLMs. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, as updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on

Term	Description
	the respective websites of the Stock Exchanges (at www.bseindia.com and www.nseindia.com, respectively,) as updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account(s), and the SCSBs transfer funds from the ASBA Accounts to the Public Offer Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus, after the Prospectus is filed with the RoC.
Designated Intermediary(ies)	Collectively, the Syndicate, Sub-Syndicate Members/ agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect ASBA Forms from the ASBA Bidders in the Offer.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, respectively.
Designated Stock Exchange	[●]
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated July 14, 2018 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/NACH/RTGS in respect of the Bid Amount while submitting a Bid.
Escrow Agreement	The agreement dated [●] amongst our Company, the Selling Shareholder, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank(s), the Public Offer Account Bank and the Refund Bank(s) for collection of the Bid Amounts and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account(s) will be opened, in this case being [●].
First or sole Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted.
Fresh Issue	The issue of up to [●] Equity Shares aggregating up to ₹ 900 million by our Company for subscription pursuant to the terms of the Red Herring Prospectus.
"General Information Document" or "GID"	The General Information Document for investing in public issues, prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, suitably modified and updated pursuant to, *inter alia*, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by SEBI and included in "*Offer Procedure*" on page 367.
ICICI Securities	ICICI Securities Limited
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot, computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	5% of the Net QIB Portion or [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Net Proceeds	The proceeds of the Fresh Issue less our Company's share of the Offer related expenses.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Nomura	Nomura Financial Advisory and Securities (India) Private Limited.
Non-Institutional Bidders	Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity

Term	Description
	Shares for an amount more than ₹ 200,000.
Non-Institutional Portion	The portion of the Offer being not more than 15% of the Offer consisting of [●] Equity Shares which shall be available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
"Non-Resident" or "NR"	A person resident outside India, as defined under FEMA and includes FPIs, VCFs, FVCIs and NRIs.
Offer	The initial public offer of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share, consisting of the Fresh Issue and the Offer for Sale.
Offer Agreement	The agreement dated July 14, 2018 amongst our Company, the Selling Shareholder and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer for Sale	The offer for sale of up to 5,500,000 Equity Shares aggregating up to ₹ [●] million by Affle Holdings, in terms of the Red Herring Prospectus.
Offer Price	The final price at which Equity Shares will be Allotted to successful Bidders in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company and the Selling Shareholder in consultation with the BRLMs on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus.
Offered Shares	Equity Shares being offered for sale by the Selling Shareholder in the Offer.
Offer Proceeds	The proceeds of this Offer based on the total number of Equity Shares Allotted under this Offer and the Offer Price.
Price Band	The price band ranging from the Floor Price of ₹ [●] per Equity Share to the Cap Price of ₹ [●] per Equity Share, including any revisions thereof. The Price Band and minimum Bid Lot size, as decided by our Company and the Selling Shareholder, in consultation with the BRLMs will be advertised in [●] editions of [●], an English daily newspaper, [●] editions of [●], a Hindi daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language in the state where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company and the Selling Shareholder, in consultation with the BRLMs, will finalise the Offer Price.
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account	The bank account opened with the Bankers to the Offer under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
Public Offer Account Bank	The bank(s) with which the Public Offer Account for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts will be opened, in this case being [●].
"QIBs" or "Qualified Institutional Buyers"	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations.
QIB Bidders	QIBs who Bid in the Offer.
QIB Portion	The portion of the Offer, being at least 75% of the Offer, which shall be Allotted to QIBs (including Anchor Investors).
QIB Bid/Offer Closing Date	In the event our Company and the Selling Shareholder, in consultation with the BRLMs, decide to close Bidding by QIBs one day prior to the Bid/Offer Closing Date, the date which is one day prior to the Bid/Offer Closing Date; otherwise it shall be the same as the Bid/Offer Closing Date.
"Red Herring Prospectus" or "RHP"	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date.

Term	Description
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank(s)	The Bankers to the Offer with whom the Refund Account(s) will be opened, in this case being [●].
Registrar Agreement	The agreement dated July 14, 2018 amongst our Company, the Selling Shareholder and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI.
"RTAs" or "Registrar and Share Transfer Agents"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
"Registrar to the Offer" or "Registrar"	Karvy Computershare Private Limited.
Resident Indian	A person resident in India, as defined under FEMA.
"Retail Individual Bidder(s)" or "Retail Individual Investor(s)" or RII(s) or RIB(s)	Bidders (including HUFs applying through their Karta and Eligible NRIs) who have Bid for Equity Shares for an amount less than or equal to ₹ 200,000 in any of the bidding options in the Offer.
Retail Portion	The portion of the Offer being not more than 10% of the Offer, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders as per the SEBI ICDR Regulations.
Revision Form	Form used by the Bidders (other than QIBs and Non-Institutional Investors) to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date.
"Self Certified Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time.
Share Escrow Agent	The escrow agent appointed pursuant to the Share Escrow Agreement, namely [●].
Share Escrow Agreement	The agreement dated [●] amongst our Company, the Selling Shareholder and the Share Escrow Agent in connection with the deposit of the portion of the Offered Shares and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment.
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated [●] amongst our Company, the Registrar to the Offer, the Selling Shareholder, the BRLMs and the Syndicate Members in relation to the procurement of Bid cum Application Forms by the Syndicate.
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●].
"Syndicate" or "Members of the Syndicate"	The BRLMs and the Syndicate Members.
Underwriters	[●].
Underwriting Agreement	The agreement dated [●] amongst the Underwriters, our Company and the Selling Shareholder, entered into on or after the Pricing Date but prior to filing of Prospectus.
Working Day	All days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to the time period between (a) announcement of Price Band; and (b) Bid/Offer Closing Date, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on

Term	Description
	the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

Technical/ Industry Related Terms or Abbreviations

Term	Description
API	Application programmatic interfaces.
ASCI	Advertising Standards Council of India.
ASCI Code	ASCI code for Self-Regulation in Advertising, 1985.
B2C	Business to consumer.
CPA	Cost per action.
CPC	Cost per click.
CPCU	Cost per converted user.
CPM	Cost per thousand impressions.
CPV	Cost per view.
CRM	Customer resources management.
GDPR	General Data Protection Regulation (EU) 2016/679.
IAMAI	Internet and Mobile Association of India.
IMDA	Infocomm Media Development Authority of Singapore.
Intermediaries Rules	Information Technology (Intermediaries Guidelines) Rules, 2011.
ITP	Intelligent Tracking Prevention.
MAAS	Mobile Advertising as a Service.
Personal Data Protection Rules	Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011.
PII	Personally identifiable information.
SKD	Software development kit.
S2S	Server to server.
White Paper	White Paper on Data Protection Framework for India issued by the MEITY in December 2017.

Conventional and General Terms or Abbreviations

Term	Description
₹ or "Rs." or "Rupees" or "INR"	Indian Rupees, the official currency of the Republic of India.
AGM	Annual general meeting.
AIF	Alternative Investment Fund registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
"AS" or "Accounting Standards"	Accounting standards issued by the Institute of Chartered Accountants of India.
BSE	BSE Limited.
CAGR	Compounded Annual Growth Rate.
Category II FPI	FPIs registered as "Category II foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Category III FPI	FPIs registered as "Category III foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
CARO	Companies (Auditor's Report) Order, 2015 and 2003, as applicable, on the financial statements for the year ended March 31, 2015 and March 31, 2014 respectively & Companies (Auditor's Report) Order, 2016, as applicable, on the financial statements for the years ended March 31, 2018, 2017 and 2016.
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer.
CIN	Corporate Identity Number.
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder.
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections by the Ministry of Corporate Affairs, Government of India as of the date of this DRHP, along

Term	Description
	with the relevant rules made thereunder.
Copyright Act	Copyright Act, 1957.
CSR	Corporate social responsibility.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, read with regulations thereunder.
DIN	Director Identification Number.
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.
DoIT	Department of Information Technology.
DP ID	Depository Participant's Identification.
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act.
EGM	Extraordinary general meeting.
EPS	Earnings per share.
ERP	Enterprise Resource Planning.
FAQ	Frequently asked question.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.
"Financial Year" or "Fiscal" or "Fiscal Year" or "FY"	Unless stated otherwise, the period of 12 months ending March 31 of that particular year.
FPI(s)	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations.
GDP	Gross Domestic Product.
"GoI" or "Government" or "Central Government"	Government of India.
GST	Goods and Services Tax.
HUF	Hindu Undivided Family.
ICAI	The Institute of Chartered Accountants of India.
ICDS	Income Computation and Disclosure Standards.
IFRS	International Financial Reporting Standards.
Income Tax Act	The Income Tax Act, 1961, read with rules thereunder.
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 and referred to in the Ind AS Rules.
India	Republic of India.
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended.
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
IPO	Initial public offering.
IRDAI	Insurance Regulatory and Development Authority of India.
IST	Indian Standard Time.
IT	Information technology.
MCA	Ministry of Corporate Affairs, Government of India.
MEITY	Ministry of Electronics and Information Technology, Government of India
MICR	Magnetic ink character recognition.
Mn or mn	Million.
MoU	Memorandum of Understanding.
N.A. or NA	Not Applicable.
NAV	Net Asset Value.
NACH	National Automated Clearing House.
NCLT	National Company Law Tribunal.
NEFT	National Electronic Fund Transfer.
NRE Account	Non-Resident External account.
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000.
NRO Account	Non Resident Ordinary Account.
NSDL	National Securities Depository Limited.
NSE	The National Stock Exchange of India Limited.

Term	Description
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer.
p.a.	Per annum.
P/E Ratio	Price/Earnings Ratio.
PAN	Permanent Account Number.
PAT	Profit after tax.
Prospectus Guidance Note	The Guidance Note on Reports in Company Prospectuses, 2016, issued by the ICAI.
RBI	Reserve Bank of India.
RoNW	Return on net worth.
"Rp" or "IDR"	Rupiah, the official currency of the Republic of Indonesia.
RTGS	Real Time Gross Settlement.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
SEBI Ind AS Circular	The SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.
"SGD" or "S$"	Singapore Dollars, the official currency of the Republic of Singapore.
State Government	The government of a state in India.
Stock Exchanges	BSE and NSE.
STT	Securities Transaction Tax.
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company registered with the RBI and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements.
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
TAN	Tax deduction account number.
TDS	Tax deducted at source.
"U.S." or "USA" or "United States"	United States of America.
"USD" or "US$"	United States Dollars.
U.S. Securities Act	U.S. Securities Act, 1933.
VAT	Value Added Tax.
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations.
"Year" or "Calendar Year"	Unless context otherwise requires, shall refer to the twelve month period ending December 31.

The words and expressions used but not defined herein shall have the same meaning as assigned to such terms under the SEBI ICDR Regulations, the Companies Act, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing, capitalised terms in "*Statement of Tax Benefits*", "*Objects of the Offer*", "*Financial Information*", "*Basis for Offer Price*", "*Regulations and Policies*", "*History and Certain Corporate Matters*", "*Financial Indebtedness*" "*Outstanding Litigation and Material Developments*" and "*Offer Procedure*" beginning on pages 95, 87, 193, 93, 144, 152, 333, 334 and 367 respectively, shall have the meanings given to such terms in such sections.

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

Certain Conventions

In this Draft Red Herring Prospectus, all references to "India" are to the Republic of India, all references to the "U.S.", "US", "USA" or "United States" are to the United States of America, all references to "Singapore" are to the Republic of Singapore and all references to Indonesia are to the Republic of Indonesia.

Page Numbers

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

Currency and Units of Presentation

All references to *"Rupee(s)"*, *"Rs."* or "₹" or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to *"US$"* or *"U.S. Dollars"* or *"USD"* are to United States Dollars, the official currency of the United States of America. All references to "*SGD*" or "*S$*" are to Singapore Dollars, the official currency of the Republic of Singapore. All references to "*IDR*" or "*Rp*" are to the Rupiah, the official currency of the Republic of Indonesia.

Exchange Rates

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

	Exchange rate as on				
Currency	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 30, 2014**
USD[#]	65.04[**]	64.84	66.33	62.59	60.09[*]
SGD[***]	49.52	46.40	46.89	45.50	47.45
Rp ('000)[***]	4.72	4.86	4.95	4.76	5.28

Source: [#]RBI Reference Rates.
[*]Exchange rate as on March 28, 2014, as RBI Reference Rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.
[**]Exchange rate as on March 28, 2018, as RBI Reference Rate is not available for March 31, 2018, March 30, 2018 and March 29, 2018 being a Saturday and public holidays, respectively.
[***]oanda website.

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

Time

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

Financial and Other Data

Unless the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Ind AS Summary Statements for Fiscal Years 2018, 2017 and 2016 (proforma) and the Restated Indian GAAP Summary Statements for the Fiscal Years 2015 and 2014. Please note that these Restated Ind AS Summary Statement for fiscal year ended 2016 (referred as "**2016 (proforma)**"), which are prepared in accordance with SEBI circular (no. SEBI/HO/CFD/DIL/CIR/P/2016/47) dated March 31, 2016 are different from the Proforma Financial Statements prepared for fiscal year ended 2018 on an illustrative basis to illustrate the impact of the acquisition by Affle International of Affle Global's platform related business and investment in the Indonesian Subsidiary ("**Transaction**")" and includes the unaudited proforma combined balance sheet as at March 31, 2018, which gives effect to the Transaction as if it occurred on March 31, 2018 and the unaudited proforma combined statement of profit and loss for the year ended March 31 2018 which gives effect to the Transaction as if it occurred on April 1, 2017 ("**Proforma Financial Statement**"). PT Affle Indonesia and Affle Global are entities under common control and the proforma financial information has been prepared by considering the assets and liabilities of PT Affle Indonesia and assets taken over at their carrying amounts.

On February 16, 2015, the Ministry of Corporate Affairs, Government of India **("MCA**") issued the Ind AS Rules for the purpose of enacting changes to Indian GAAP that are intended to align Indian GAAP further with IFRS. The Ind AS Rules provide that the financial statements of the companies to which they apply shall be prepared in accordance with Ind AS. Further, SEBI issued a circular (no. SEBI/HO/CFD/DIL/CIR/P/2016/47) dated March 31, 2016, which provides certain clarifications on the accounting framework to be to be applied by issuer companies filing draft offer documents with it. We have transitioned to the Ind AS accounting standards with effect from April 1, 2016.

Indian GAAP and Ind AS differ from accounting principles with which prospective investors may be familiar in other countries, including International Financial Reporting Standards ("**IFRS**") and the Generally Accepted Accounting Principles in the United States of America ("**U.S. GAAP**"). Accordingly, the degree to which the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices. Any reliance by persons not familiar with Indian GAAP, Ind AS, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to quantify the impact of the IFRS or the U.S. GAAP on the Restated Financial Statements included in this Draft Red Herring Prospectus, nor have we provided a reconciliation of our Restated Financial Statements to those under the US GAAP or the IFRS and we urge you to consult your own advisors regarding such differences and their impact on our financial statements.

Although proforma financial information giving effect to the Transaction is not required under the Issue of Capital and Disclosure Requirements (ICDR) Regulations 2009 as amended (the SEBI Regulations"), the Company has presented proforma financial information for illustrative purposes. The unaudited proforma combined balance sheet as at March 31, 2018 gives effect to the transaction as if it occurred on March 31, 2018. The unaudited proforma combined statement of profit and loss for the year ended March 31, 2018 gives effect to the transaction as if it occurred on April 1, 2017. Affle, PT Affle Indonesia and the AGPL are entities under common control and the proforma financial information has been prepared by considering the assets and liabilities of AGPL and PT Affle at their carrying amounts. The unaudited proforma combined financial information because of its nature, addresses a hypothetical situation and therefore does not represent the Company's actual financial position or results. Please note that these Proforma Financial Statements for fiscal year ended 2018 are different from the Restated Ind AS Summary Statement for fiscal year ended 2016 (referred as "2016 (proforma)"), which are prepared in accordance with SEBI circular (no. SEBI/HO/CFD/DIL/CIR/P/2016/47) dated March 31, 2016.

Our Company has, in this Draft Red Herring Prospectus, presented proforma statistical and business related information ("on a Proforma Basis"), such as revenue from operation, revenue from our top 10 customers, top customer, consumer profiles, data points, and average CPCU, (collectively, "Statistical Information") for illustrative purposes to reflect the Transaction. Statistical Information on a Proforma Basis given as at March 31, 2018 gives effect to the Transaction as if it occurred on March 31, 2018. Statistical Information on a Proforma Basis for Fiscal 2018 gives effect to the Transaction as if it occurred on April 1, 2017. The Statistical Information on a Proforma Basis, because of its nature, addresses a hypothetical situation and therefore does not represent our Company's actual Statistical Information.

Our Company's fiscal year commences on April 1 of each year and ends on March 31 of the next year. Accordingly, all references to a particular fiscal year (referred to herein as "**Fiscal**", "**Fiscal Year**" or "**FY**") are to the 12 months period ended March 31 of that particular year, unless otherwise specified.

All the figures in this Draft Red Herring Prospectus have been presented in millions or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Draft Red Herring Prospectus, including our financial statements, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. In this Draft Red Herring Prospectus, any discrepancies in any table between the sums of the amounts listed in the table and totals are due to rounding off. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Industry and Market Data

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

The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 18. In particular, see "*Risk Factors - Statistical and industry data in this Draft Red Herring Prospectus is derived from the Frost & Sullivan Report. The Frost & Sullivan Report is not exhaustive and is based on certain assumptions and parameters/conditions. The Frost & Sullivan Reports states that a blanket, generic use of the derived results in the report or the methodology used in the report is not encouraged. Actual results and future events could differ materially from the forecasts, predictions or other forward-looking statements in the Frost & Sullivan Report.*" on page 42.

This Draft Red Herring Prospectus contains certain industry and market data and statements concerning our industry obtained from the report titled: "*Industry Insights on the Advertising and Ad Tech Market*", dated July 12, 2018 prepared by Frost & Sullivan ("**Frost & Sullivan Report**"). The Frost & Sullivan Report is subject to the following disclaimer:

*"This independent market research report on the advertising and ad tech market has been prepared by Frost & Sullivan India Pvt. Ltd. ("**Frost & Sullivan**") for Affle (India) Limited ("**Affle**") in relation to the initial public offering of Affle's equity shares ("**Equity Shares**") and the listing of the Equity Shares on certain stock exchanges in India.*

Frost & Sullivan has prepared this report through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Frost & Sullivan has prepared this report in an independent and objective manner, and has taken adequate care to ensure its accuracy and completeness. Frost & Sullivan believes that this report presents a true and fair view of the global and Indian advertising and ad tech markets and within the limitations of, among others, secondary statistics research, but it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged."

Unless stated otherwise, all analysis, estimates, and forecasts, predictions, and other forward-looking statements contained in this report are Frost & Sullivan's. Frost & Sullivan's analysis, estimates and forecasts, predictions, and other forward-looking statements contained in this report are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

Forecasts, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, predictions or such statements.

In making any decision regarding an investment in the Equity Shares, the reader should conduct its own investigation and analysis of all facts and information contained in Affle's draft red herring prospectus/red herring prospectus/prospectus and the reader must rely on its own examination and the terms of the offer. The reader should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and is advised to consult its own business, financial, legal, taxation, and other advisors concerning the offer of the Equity Shares.

This report has been prepared for Affle's internal use, submission, and sharing with all parties advising on the offer of Equity Shares as well as for the inclusion of all of it or any parts thereof in Affle's draft red herring prospectus/red herring prospectus/prospectus."

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "goal", "expect", "estimate", "intend", "objective", "plan", "project", "should" "will", "will continue", "seek to", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. For the reasons described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

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

- Our ability to collect and store significant amounts of data.
- Regulatory, legislative or self-regulatory developments regarding data protection.
- Our failure to predict an engagement by consumers with mobile ads with a sufficient degree of accuracy.
- Competition in the mobile advertising market.
- Our ability to protect our proprietary information or other intellectual property.
- Infringement of the intellectual property rights of others.
- Our inability to retain key customers or failure to diversify our customer base.
- Relationships with the advertising agencies.
- Innovation, adaptability and effective response to changing technology.
- Our ability to control fraudulent and non-human traffic on our platforms and solutions.

For a further discussion of factors that could cause our actual results to differ from our expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 18, 125 and 314, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect our views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on the currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, Promoters, Directors, the Selling Shareholder, the BRLMs or their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with regulatory requirements, our Company will ensure that investors in India are informed of material developments from the date of registration of the Red Herring Prospectus with the RoC until the date of Allotment. The Selling Shareholder will ensure that investors are informed of material developments in relation to the statements and undertakings expressly made by the Selling Shareholder in this Draft Red Herring Prospectus until the date of Allotment.

SECTION II - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. This section should be read in conjunction with "Industry Overview", "Our Business", "Financial Information", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 97, 125, 193 and 314, respectively, before making an investment decision in relation to the Equity Shares.

The risks and uncertainties described in this section are not the only risks that are relevant to us or the Equity Shares. Additional risks and uncertainties not currently known to us or that we currently believe to be immaterial may also have an adverse effect on our *business, results of operations, cash flows and financial condition. If any of the following risks or other risks that are not currently known or are now deemed immaterial actually occur, our business, results of operations, cash flows and financial condition could be adversely affected and the trading price of the Equity Shares could decline and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors described below. However, there are certain risk factors where such implications are not quantifiable, and hence any quantification of the underlying risks has not been disclosed in such risk factors.*

In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

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

Risks Relating to Our Business and Industry

1. ***If our ability to collect significant amounts of data from various sources is restricted by consumer choice, restrictions imposed by customers, publishers and browsers or other software developers, or changes in technology it may have a material adverse effect on our business, results of operations, cash flows and financial condition.***

   Our ability to optimize the delivery of mobile ads for our customers depends on our ability to successfully leverage user data, including data that we collect from our customers, data we receive from our publisher partners and third parties and data from our own operating history. Using cookies, device identifiers and similar tracking technologies, we collect information about the interactions of consumers with our customers' and publishers' digital properties (including, for example, information about the placement of ads and consumers' shopping or other interactions with our customers' websites or ads, information about apps used, clicks or other actions initiated, in-app actions and purchases by users). Our ability to successfully leverage such data depends on our continued ability to access and use such data, which could be restricted by a number of factors, including consumer choice, restrictions imposed by customers, publishers and web browser developers or other software developers, changes in technology, including changes in web browser technology and new developments in, or new interpretations of, laws, regulations and industry standards.

   Consumer resistance to the collection and sharing of the data used to deliver targeted advertising, increased visibility of consent or "do not track" mechanisms as a result of industry regulatory and/or legal developments, the adoption by consumers of browsers settings or "ad-blocking" software and the development and deployment of new technologies could have a material adverse effect on our ability to collect data or reduce our ability to deliver relevant ads, which could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Further, there is a risk that web browser developers, such as Apple Inc. ("**Apple**"), Microsoft Corp. ("**Microsoft**") or Alphabet Inc., which owns "**Google**", may implement changes in browser or device functionality that impair our ability to understand the preferences of consumers, including by limiting the use of third-party cookies or other tracking technology or data indicating or predicting consumer preferences. These web browser developers may have significant resources at their disposal and command substantial market share and any restrictions they impose could foreclose our ability to understand the preferences of a substantial number of consumers. For example, Apple launched its *Intelligent Tracking Prevention* ("**ITP**") feature in its Safari browser in September 2017, which blocks some or all third-party cookies by default on mobile and desktop and therefore makes it more difficult for third-party providers, such as us, to access data on Safari consumers.

*(Source:*https://techcrunch.com/2017/09/15/apple-defends-new-ad-tracking-prevention-measures-in-safari/.

Further, Apple has announced measures to address concerns regarding privacy and data collection by social media companies. In June 2018, Apple further announced that it would make it more difficult for websites to track users, build profiles of them and provide ads to them around the internet. *(Source: https://www.apple.com/newsroom/2018/06/apple-previews-ios-12/).* Safari users will further be notified where an application attempts to track their data. Similarly, search engines and other service providers that explicitly do not allow the tracking of data, such as DuckDuckGo, Inc., have been growing and may continue to grow in popularity. There can be no assurance that developers will not release technology that further inhibits our ability to collect data or that regulators will not challenge the transparency of our solutions. In addition, the adaptations to our offering that we have implemented or may implement in response to browser changes like Safari's ITP feature may prove objectionable to regulators, customers, consumers or others and changes in legal regulations or interpretations of legal regulations regarding data protection could prevent or prohibit the implementation of such adaptations. If we are blocked from serving ads to a significant portion of mobile users, it could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Furthermore, by restricting our access to data, browser features such as Safari's ITP feature diminish the overall quantity of the data we collect on consumers and by extension, our ability to consistently predict consumer engagement towards advertising content. If we are unable to mitigate the impacts of any such browser features on our business for a substantial period of time, as a result of such diminution in collected data, the accuracy, effectiveness and value of our solutions could be materially impacted.

Beyond browser-based tracking, both Apple and Google provide advertisement ids. While these are explicitly for advertisement purposes, the rules may change affecting the capabilities for tracking user behaviour across events and sessions. Currently, Apple and Google enable users to reset these ids or even disable them.

Further, third party and user-data is also amenable to tampering, inflated or altered, and our use of such data could reduce the accuracy of our recommendation and predictive algorithm.

Any of the foregoing limitations on our ability to successfully collect, utilize and leverage data could also materially impair the optimal performance of our solutions and severely limit our ability to reach and engage consumers with our customers' ads, which could have a material adverse effect on our business, results of operations, cash flows and financial condition.

2. Regulatory, legislative or self-regulatory developments regarding data protection could adversely affect our ability to conduct our business.

The legal, regulatory and judicial environment we face around data protection and other matters is constantly evolving and can be subject to significant change. Various governments have enacted, considered or are considering legislation or regulations that could significantly restrict our ability to collect, process, use, transfer and pool data collected from and about consumers and devices. Trade associations and industry self-regulatory groups have also promulgated best practices and other industry standards relating to targeted advertising. Various governments, self-regulatory bodies and public advocacy groups have called for new regulations specifically directed at the digital advertising industry and we expect to see an increase in legislation, regulation and self-regulation in this area. Additionally, public perception and standards related to the privacy of personal information can shift rapidly, in ways that may affect our business or influence regulators to enact regulations and laws that may limit our ability to provide certain products and services. Any failure or perceived failure by us to comply with Indian or foreign laws and regulations, including laws and regulations regulating privacy, data security, or consumer protection, or other policies, public perception, standards, self-regulatory requirements or legal obligations, could result in lost or restricted business, proceedings, actions or fines brought against us or levied by governmental entities or could adversely affect our business and our reputation.

In particular, legislative, judicial and regulatory developments in Europe, including the General Data Protection Regulation, or GDPR, the review of the E-Privacy Directive Amendment and country-specific laws pursuant thereto, may reduce the amount of data we can collect or process from persons in the European Union, which in turn could materially impact the accuracy, effectiveness and value of our services in Europe. As at March 31, 2018, we had approximately 148 million consumer profiles in Europe. On a Proforma Basis, our revenue from operations from countries in Europe for Fiscal 2018 was 5.6% of our total revenue from operations. The GDPR came into effect on May 25, 2018 and significantly increased the level of sanctions for non-compliance. Data protection authorities will have the power to impose administrative fines of up to a maximum of €20 million or 4% of the data controller's or data processor's total worldwide global turnover of the preceding financial year.

The Indian Supreme Court, in a judgment delivered in August 2017, held that the right to privacy is a fundamental right. Consequently, a robust data protection regime is an important concern of the GoI and the ruling government may choose to reconsider and reconfigure India's data protection model. In December 2017, a Committee of Experts set up by the GoI to examine data protection issues in India released a "White Paper of the Committee of Experts on a Data Protection Framework of India" ("**White Paper**"), which set forth a preliminary framework and certain questions for public comments on a proposed Indian data-protection legislation. The White Paper posits that the Indian data-protection framework must be technology agnostic, capable of holistic application, as well as be predicated on data minimisation, controller accountability, structured enforcement and deterrent penalties. Key items mooted in the White Paper include (a) extra-territorial application of data-protection law to any data collector processing personal data of Indian citizens, irrespective of its location; (b) the need for a constructive and dynamic definition of "personal data" accounting for modern technologies such as the Internet of Things; (c) exemptions (subject to well-laid out safeguards) to certain activities in national interest; (d) data localisation (i.e., storage and processing of Indian data within servers located within India); (e) consent of the individual and her right to have "control over data" to be the foundation of any data-protection law; (f) considerations around evolution of the "right to be forgotten"; and (g) the use of regulatory tools to achieve enforcement objectives. For further details, see "*Regulations and Policies*" on page 144. The development and eventual codification of data-privacy legislation as envisaged by the White Paper could, therefore, compel us to re-orient our data-collection and processing protocols, re-negotiate our customer agreements and expose us to higher liability thresholds than earlier set forth under Indian law.

Data protection laws in the United States are a combination of legislation, regulation and self-regulation rather than just government enforcements. Laws such as The Health Insurance Privacy, Portability and Accountability Act are for specific sectors and there is no common regulatory body that acts as a common data protection authority. The country also does not have a common legislation at the federal level regarding this but has ensured data privacy through the United States Privacy Act, the Safe Harbor Act and the Health Insurance Portability and Accountability Act. In some cases, legislations have been developed when self-regulation was challenging. *(Source: Frost & Sullivan Report)*

In addition, although the consumer information we retain relates primarily to purchase intent and does not permit us to personally identify individual consumers, the interpretation of "personally identifiable information" ("**PII**"), personal data (both directly and indirectly, identifying information) and sensitive data and our obligations relating thereto, may vary from one country to the other. In some countries, operating a local data centre is compulsory for the processing of PII. Moreover, in certain countries, the legal requirements surrounding PII are so new that their impact on doing business is not yet clear.

If all types of PII (whether they allow direct identification of a person or whether they only permit the singling out of a person without identifying them) are treated the same way, thus requiring an opt-in for the processing of browsing data, our business could be materially impacted. Evolving definitions of PII may require us to change our business practices, diminish the quality of our data and the value of our platform, or hamper our ability to expand our business to new geographic markets.

Clarifications of and changes to these existing and proposed laws, regulations, judicial interpretations and industry standards can be costly to comply with and we may be unable to pass along those costs to our customers, which may negatively affect our results of operations, cash flows and financial condition. Such changes can also delay or impede the development of new products, result in negative publicity and reputational harm, require significant incremental management time and attention, increase our risk of non-compliance and subject us to claims or other remedies, including fines or demands that we modify or cease existing business practices, including our ability to charge per action or click. Additionally, any perception that our practices or products are an invasion of privacy, whether or not such practices or products are consistent with current or future regulations and industry practices, may subject us to public criticism, private class actions, reputational harm or actions by regulators, which could disrupt our business and expose us to increased liability.

Regulators globally are also imposing greater monetary fines for privacy violations and some regulators may pass legislation that would impose fines for privacy violations based on a percentage of global revenues. Responding to an investigation or enforcement action could divert attention and resources of our management, which would cause us to incur investigation, compliance and defence costs and other professional fees and adversely affect our business, operating results, financial condition and cash flows.

We strive to comply with all applicable laws and regulations and industry standards relating to privacy and data collection, processing, use and disclosure. However, these laws, regulations and standards are continually evolving and often unclear and inconsistent across the jurisdictions in which we do business, and the measures we take to ensure our compliance with these may not be successful. For example, our ability to comply depends in part on our customers' adherence to privacy laws and regulations and their use of our services in ways consistent with mobile users' expectations. We rely on representations made to us by publishers and data platforms that they will comply with all applicable laws, including all relevant privacy and data protection regulations. We make reasonable efforts to enforce such representations and contractual requirements, but we do not audit our customers' compliance with our recommended disclosures or their adherence to privacy laws and regulations.

If our customers fail to adhere to our contracts in this regard, or a court or governmental agency determines that we have not adequately, accurately or completely described our own products, services and data collection, use and sharing practices in our own disclosures to consumers, then we and our customers may be subject to potentially adverse publicity, damages and related possible investigation or other regulatory activity in connection with our privacy practices or those of our customers. If customers, publishers or networks on whom we rely fail to obtain the legally required consent, we could potentially be liable under these guidelines and could suffer damages, fines, penalties and reputational harm.

3. If we fail to predict an engagement by consumers with mobile ads with a sufficient degree of accuracy, it could have a material adverse effect on business, results of operations, cash flows and financial condition.

We are a global technology company with a proprietary consumer intelligence platform that delivers consumer acquisitions, engagements and transactions through relevant mobile advertising. Our consumer platform aims to enhance returns on marketing spend through delivering contextual mobile ads and reducing digital ad fraud, while proactively addressing consumer privacy expectations (the "**Consumer Platform**"). For more details, see "*Our Business*" on page 125. For Fiscal 2018, on a Proforma Basis, our revenue from our Consumer Platform represented 97.0% of our revenue from operations. We primarily earn revenue from our Consumer Platform on a cost per converted user ("**CPCU**") basis, which comprises user conversions based on consumer acquisition and transaction models. Our consumer acquisition model focuses on acquiring new consumers for businesses, which is usually in the form of a targeted user downloading and opening an App or engaging with an App after seeing an advertisement delivered by us. Our transaction model is usually in the form of a targeted user submitting a lead acquisition form or purchasing a product or service after seeing an advertisement delivered by us. We also earn revenue from our Consumer Platform through awareness and engagement type advertising, which comprises cost per thousand impressions ("**CPM**"), cost per view ("**CPV**") and cost per click ("**CPC**") models.

We have to pay for mobile ad inventory regardless of whether or not the consumer takes an action needed for us to earn revenue (e.g., download an App). As the amount of data and number of variables we process increases, the risk of our systems not working at the required level increases. Although the accuracy of our prediction and recommendation algorithm usually improves as we gather more data, the calculations that the algorithm must compute become increasingly complex as we gather more data and there is a chance that its accuracy will decrease. If we fail to predict engagement by consumers with mobile ads with a sufficient degree of accuracy, this may result in the delivery of ads that are less relevant or irrelevant to consumers, which would lower profitability per action, up to and including negative margins. This may have a material adverse effect on our business, results of operations, cash flows and financial condition.

4. The market in which we participate is intensely competitive and we may not be able to compete successfully with our current or future competitors.

The market for mobile advertising solutions is highly competitive and rapidly changing with multiple regional and global players. Although it is dominated by digital giants such as Google and Facebook, there are over a hundred companies around the world who offer one or more components of this solution. However, only a few companies operate internationally, including, among others, our Company, InMobi, Criteo, Tradedesk, Freakout, Mobvista and YouAppi. *(Source: Frost & Sullivan Report)*. For more information on competition, see "*Industry Overview –Advertising Technology Market*" on page 115.

Some of these companies could leverage their positions to make changes to, among other things, their web browsers, mobile operating systems, platforms, exchanges, networks or other products or services that could be significantly harmful to our business and results of operations, cash flows and financial condition. Some of these companies also have access to a significantly larger pool of data than we do and this larger pool of data may allow them to foreclose opportunities that might otherwise be available to us.

Our current and potential competitors may have significantly more financial, technical, marketing and other resources than us, be able to devote greater resources to the development, promotion, sale and support of their products and services, have more extensive customer bases than us and have longer operating histories and greater name recognition than us. As a result, these competitors may be able to respond more quickly to new technologies, introduce new competitive services making our technology less advanced, add new functionality to their services, acquire competitive products and services, form strategic alliances with other companies, develop deeper customer relationships or offer services at lower prices. We may also face competition from companies we do not yet know about. If existing or new companies develop, market or resell competitive high-value marketing products or services, acquire one of our existing competitors or form a strategic alliance with one of our competitors, our ability to compete effectively could be significantly compromised and our results of operations, cash flows and financial condition could be harmed. Additionally, we may be required to incur additional marketing and branding expenses to retain our competitive position.

Any of these developments would make it more difficult for us to sell our solutions and could result in increased pricing pressure, reduced gross margins, increased sales and marketing expense and/or the loss of market share, any of which may have a material adverse effect on our business, results of operations, cash flows and financial condition.

5. ***If we are unable to protect our proprietary information or other intellectual property, our business, results of operations, cash flows and financial condition could be adversely affected.***

We generally seek to protect our proprietary information through confidentiality, non-disclosure and assignment of invention agreements with our employees and confidentiality provisions in agreements with parties with whom we do business. Further, our standard form employment agreement contains non-compete clauses that prohibit employees from providing services similar to those of our Company, or utilising business information or knowledge acquired during employment with our Company in business that competes with our Company, or solicit or recruit employees of our Company for a stipulated period after expiry or termination of their employment with us. However, we may not execute these agreements with every party who has access to our confidential information or contributes to the development of our intellectual property. Further, non-compete provisions in agreements subject to Indian laws may not be enforceable to the same extent as they are in other jurisdictions. In addition, we may not be able to ensure that such non-compete, non-disclosure and confidentiality agreements are not breached and we may not have adequate remedies or be able to effectively enforce these provisions in case of for any such breach.

Breaches of the security of the cloud-based systems and infrastructure or other IT resources that we utilise could also expose us to a risk of loss of proprietary information.

We cannot be certain that the steps we have taken will prevent unauthorized use or reverse engineering of our technology or information. Moreover, our intellectual property may be disclosed to or otherwise become known or be independently developed by competitors. If, for any of the above reasons, our intellectual property is disclosed or misappropriated, it would harm our ability to protect our rights and may have an adverse effect on our business, results of operations, cash flows and financial condition.

Although we also rely on copyright laws to protect works of authorship created by us, including software, we do not register the copyrights in any of our copyrightable works. The (Indian) Copyright Act, 1957 recognizes that software, both in source and object code, constitutes literary work and amenable to copyright protection. The owner of such software becomes entitled to protect his works against unauthorised use and misappropriation of the copyrighted work or a substantial part thereof. Any such acts entitle the copyright owner to obtain relief from a court of law including injunction, damages and accounts of profits. Reproduction of a copyrighted software for sale or hire or commercial rental, offer for sale or commercial rental, issuing copies of the computer programme or making an adaptation of the work without consent of the copyright owner amounts, subject to certain fair use exceptions, to infringement of the copyright. Since we have not registered our copyrightable works, we may be unable to effectively enforce and contest any infringement of such works in a timely manner.

We hold three patents in the United States and have applied for seven patents in India. We have registered our "affle" corporate logo as a trademark in India, which is valid until October 2025. While Affle International has granted our Company the right to use the "Affle" trademark in or outside India, we are yet to apply for trademark registration over the "Affle" name in India. Effective trademark and patent protection are expensive to develop and maintain, both in terms of initial and ongoing registration requirements and the costs of defending our rights and there may be certain areas of our business that we cannot protect through the use of trademarks or patents. Further, as intellectual property rights protection is limited by territory, successfully obtaining intellectual property rights protection in one jurisdiction may not necessarily provide protection in another jurisdiction and we may have to seek such protection in multiple jurisdictions where we and our customers operate. The process for obtaining intellectual property rights protection in certain jurisdictions can be lengthy and may entail substantial costs.

Any of our existing or future patents, trademarks or other intellectual property rights may not provide sufficient protection for our business or may be challenged by others or invalidated through administrative process or litigation. In addition, in the event that our trademarks are successfully challenged, we could be forced to rebrand our solutions, which could result in loss of brand recognition and could require us to devote resources to advertising and marketing our new brands. Further, we cannot assure you that competitors will not infringe our trademarks, or that we will have adequate resources to enforce our trademarks. In addition, patents in India have a term of 20 years from the date of the application. There can be no assurance that we will be able to protect our intellectual property rights in the future, including by successfully maintaining or renewing our intellectual property registrations.

Our existing patents and any patents issued in the future may be successfully challenged, invalidated or circumvented by third parties, may give rise to ownership claims or to claims for the payment of additional remuneration of fair price by the persons having participated in the creation of the inventions and may not be of sufficient scope or strength to provide us with any meaningful protection or competitive advantage. Further, as we continue to expand our business geographically, it may become desirable for us to protect our intellectual property in an increasing number of jurisdictions, which is expensive and may not be successful and which we may not pursue.

Once we file a patent application in one country, we have a limited period of time to file it in all other countries in which we want to have patent protection over a certain invention. If we fail to file in those other countries, we will be precluded from having patent protection for that invention in those countries. Without patent protection, others will be free to utilize that invention in those countries. Further, the laws of certain countries do not protect proprietary rights to the same extent as the laws of India and, therefore, in certain jurisdictions, we may be unable to protect our proprietary technology adequately against unauthorized third-party copying, infringement or use, which could adversely affect our competitive position.

In addition, as we continue to develop new solutions and expand our platforms using new technologies, our exposure to threats of infringement may increase. Likewise, any of the services provided by us could also be subject to intellectual property infringement claims. To protect or enforce our intellectual property rights, we may initiate litigation against third parties. Any lawsuits that we initiate could be expensive, take significant time and divert management's attention from other business concerns. Additionally, we may unintentionally provoke third parties to assert claims against us. These claims could invalidate or narrow the scope of our own intellectual property. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially valuable. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property. The occurrence of any of these events may adversely affect our business, results of operations, cash flows and financial condition.

6. Our business may suffer if it is alleged or determined that our technology or another aspect of our business infringes the intellectual property rights of others.

The mobile advertising industry is characterized by the existence of large numbers of patents, copyrights, trademarks, trade secrets and other intellectual property and proprietary rights. Companies in our industry are often required to defend against litigation claims that are based on allegations of infringement or other violations of intellectual property rights. Our technologies may not be able to withstand any third-party claims or rights against their use.

Our success depends, in part, upon non-infringement of intellectual property rights owned by others and being able to resolve claims of intellectual property infringement or misappropriation without major financial expenditures or adverse consequences. From time to time, we may be the subject of claims that our products and underlying technology infringe or violate the intellectual property rights of others, particularly as we expand the scope and complexity of our business. To the extent that our employees, contractors or other third parties with whom we do business use intellectual property owned by others in their work for us, disputes may arise as to the rights to such intellectual property.

Regardless of whether claims that we are infringing patents or other intellectual property rights have any merit, these claims are time-consuming and costly to evaluate and defend and the outcome of any litigation is inherently uncertain. Some of our competitors have substantially greater resources than we do and may be able to sustain the costs of complex intellectual property litigation to a greater degree and for longer periods of time than we could. Claims that we are infringing on patents or other intellectual property rights could:

- subject us to significant liabilities for monetary damages;
- prohibit us from developing, commercializing or continuing to provide some or all of our offering unless we obtain licenses from, and pay royalties to, the holders of the patents or other intellectual property rights, who may not be willing to offer them on terms that are acceptable to us, or at all;
- subject us to indemnification obligations or obligations to refund fees to, and adversely affect our relationships with, our current or future customers, advertising agencies, media networks and exchanges or publishers;
- cause delays or stoppages in providing our solutions;
- divert the attention and resources of management and technical personnel;
- harm our reputation and market standing; and
- require technology or branding changes to our solutions that would cause us to incur substantial cost and that we may be unable to execute effectively or at all.

In addition, we may be exposed to claims that the content contained in advertising campaigns violates the intellectual property or other rights of third parties. Such claims could be made directly against us or against the advertising agencies we work with, our customers, or media networks, exchanges and publishers from whom we purchase advertising inventory. Generally, under our agreements with advertising agencies, media networks, exchanges and publishers, we are required to indemnify the advertising agencies, media networks, exchanges and publishers up to contractually specified limits against any such claim with respect to an advertisement we served. We generally require our customers to indemnify us for any damages from any such claims, but such indemnities are often capped and may not allow us to recover the full amount of losses suffered by us on account of infringing advertising content. Further, there can be no assurance that our customers will have the ability to satisfy their indemnification obligations to us and pursuing any claims for indemnification may be costly or unsuccessful.

We do not maintain any liability insurance. As a result, we may be required to satisfy our indemnification obligations to advertising agencies, media networks and exchanges and publishers or claims against us with our assets. This result could significantly harm our business, results of operations, cash flows and financial condition.

7. Our business is concentrated around key customers, which account for a significant amount of our revenue. If we fail to keep these customers or fail to diversify our customer base, our business, results of operations, cash flows and financial condition may be materially adversely affected.

Revenue from our top 10 customers was ₹ 322.57 million, ₹ 416.31 million and ₹ 686.24 million for Fiscals 2016, 2017 and 2018, respectively, which represented 36.7%, 63.4% and 81.9% of our revenue from operations for those respective periods. Six of our top 10 customers in Fiscal 2018 were also our customers in Fiscals 2016 and 2017. The revenue contribution of these six recurring customers grew from ₹ 155.72 million for Fiscal 2016 to ₹ 335.32 million for Fiscal 2017 and to ₹ 623.97 million for Fiscal 2018, representing a CAGR of 100.2%. Our top 10 customers contributed 41.0% of our revenue from operations for Fiscal 2018, on a Proforma Basis. Our revenue from our top customer in Fiscal 2018, an advertising agency group, was ₹ 73.17 million, ₹ 225.34 million and ₹ 512.34 million for Fiscals 2016, 2017 and 2018, which represented 8.3%, 34.3% and 61.2% of our revenue from operations for those respective periods. Our top customer, an advertising agency group, contributed 30.6% of our revenue from operations for Fiscal 2018 on a Proforma Basis. If we fail to keep these customers or fail to attract a broader range of customers, it would have a material adverse effect on our business, results of operations, cash flows and financial condition.

Furthermore, our entry into new markets has largely been in order to cater to existing major customers. If we fail to retain these customers, we may have fewer prospects for expansion of our business to new markets.

8. ***A significant amount of our business is conducted through advertising agencies. If we cannot maintain our relationships with these advertising agencies, or if these relationships cease to be effective, it may have a material adverse effect on our business, results of operations, cash flows and financial condition.***

Six of our top 10 customers for Fiscal 2018, on a Proforma Basis were advertising agencies. Most of our agreements with these parties are typically for a period of one year or two years. There is no guarantee that these agreements will be extended, renewed or replaced.

If we have an unsuccessful engagement with an advertising agency on a particular advertising campaign, we risk losing the ability to work not only for the company for whom the campaign was run, but also for other companies represented by that agency. Further, our agreements with advertising agencies may rely on those agencies building good relationships with advertisers, over which we may have no control. If we fail to maintain, renew, or replace these agreements, or if these advertising agencies fail to connect us with enough advertisers, it would adversely affect our business, results of operations, cash flows and financial condition.

Additionally, our customers may move from one advertising agency to another and, accordingly, even if we have a positive relationship with an advertising agency, we may lose the underlying customer's business when the customer switches to a new agency. The presence of advertising agencies as intermediaries between us and our customers thus creates a challenge to building our own brand awareness and maintaining an affinity with our customers, who are the ultimate sources of our revenue. In the event we were to become more dependent on advertising agencies as intermediaries, this may adversely affect our ability to independently attract and retain business. In addition, an increased dependency on advertising agencies may harm our results of operations, cash flows and financial condition as a result of the increased agency fees we may be required to pay and/or as a result of longer payment terms from agencies.

9. ***If we fail to innovate, adapt and respond effectively to rapidly changing technology, our solutions may become less competitive or obsolete.***

Our continued success will depend on our ability to continuously enhance and improve our solutions to meet customers' needs. If we are unable to enhance our solutions to meet market demand in a timely manner, we may not be able to maintain our existing customers or attract new customers, which would have a material adverse effect on our business, results of operations, cash flows and financial condition.

10. ***The proper functioning of our solutions may be impaired by fraudulent or malicious activity, including non-human traffic.***

It is possible that fraudulent or malicious activity, including non-human traffic, could impair the proper functioning of our solutions. For example, the use of bots or other automated or manual mechanisms to generate fraudulent clicks or misattribute clicks on ads we deliver could overstate the performance of our advertising. Although we have developed and implemented an ad fraud detection and prevention platform called mFaaS, preventing and combating fraud requires constant vigilance and we may not always be successful in our efforts to do so. It may be difficult to detect fraudulent or malicious activity, particularly because the perpetrators of such activity may have significant resources at their disposal, may frequently change their tactics and may become more sophisticated, requiring us to update, upgrade and improve our processes for detecting and controlling such activity. Such fraudulent or malicious activity could result in negative publicity and reputational harm and require significant additional management time and attention. Further, if we fail to detect or prevent fraudulent or malicious activity in a timely manner, or at all, our customers may experience or perceive a reduced return on their investment or heightened risk associated with the use of our products, resulting in refusals to pay, demands for refunds, loss of confidence, withdrawal of future business and potential legal claims.

Similarly, if we show advertising that is fraudulent, we may lose the trust of our customers, which would likewise harm our brand and reputation. If potential customers perceive that our solution is vulnerable to bots or similar non-human traffic, fraudulent app downloads, clicks or other malicious activity, we may not be able to maintain our existing customers or attract new customers, which could have a material adverse effect on our business, results of operations, cash flows and financial condition.

11. Our business depends on our ability to maintain the quality of content for our customers and publishers.

If we are unable to keep our customers' ads from being placed in unlawful or inappropriate content, our reputation and business may suffer. In particular, we could be treated as a spammer and blocked by internet service providers or face regulatory liability. In addition, if we place ads on websites containing content that is not permitted under the terms of the applicable agreements with a customer, we may be unable to charge the customer for actions or clicks generated on those sites, the customer may terminate their campaign, blacklist us and require us to indemnify them for any resulting third party claims, or the customer may allege breach of contract. For example, the contracts we currently have with our customers typically prohibit the placement of advertising content on unsafe, obscene or illegal websites. Further, publishers rely upon us not to place ads on websites that are unlawful or inappropriate. If we are unable to maintain the quality of our customer and publisher content as the number of customers and publishers we work with continues to grow, our reputation and business may suffer and we may not be able to retain or secure additional customers or publisher relationships.

12. We may not be able to effectively integrate the businesses we acquire, which may adversely affect our ability to achieve our growth and business objectives. In addition, acquisitions, including our recent acquisitions, involve numerous risks, any of which could harm our business, results of operations, cash flows and financial condition.

One of our strategies is to seek to acquire additional businesses. However, there can be no assurance that we will be able to identify an appropriate acquisition candidate and we may not be successful in negotiating the terms and/or financing of the acquisition.

Any acquisition or investment may require us to use significant amounts of cash, issue potentially dilutive Equity Shares or incur debt. In addition, acquisitions, including our recent acquisitions, involve numerous risks, any of which could harm our business, results of operations, cash flows and financial condition, including:

- risks arising from change of control provisions in contracts of any acquired company, local law factors and risks associated with restructuring operations;
- our inability to turnaround or grow a business, which may also result in our inability to meet acquisition finance costs;
- underestimated costs associated with the acquisition or over-valuation by us of acquired companies;
- incurring of debt or loan liabilities in order to finance an acquisition and execution of financing agreements with restrictive covenants in under such financing arrangements;
- insufficient indemnification from the selling parties for legal liabilities incurred by the acquired company prior to the acquisition;
- failure to discover issues around an acquired company's intellectual property, customer relationships, accounting practices or regulatory compliances;
- difficulties in integrating the operations, technologies, services and personnel of acquired businesses, especially if those businesses operate outside of our core competency;

- the need to integrate operations across different geographies, cultures and languages and to address the particular economic, currency, political and regulatory risks associated with specific countries;

- cultural challenges associated with integrating employees from the acquired company into our organization;

- the potential loss of key employees of acquired businesses;

- ineffectiveness or incompatibility of acquired technologies or services;

- inability to maintain the key business relationships and the reputation of acquired businesses;

- failure to successfully further develop the acquired technology in order to recoup our investment;

- unfavourable reputation and perception of the acquired product or technology by the general public;

- diversion of management's attention from other business concerns;

- liability or litigation for activities of the acquired business, including claims from terminated employees, customers, former shareholders or other third parties;

- foreign exchange controls and other changes in regulatory environment;

- implementation or remediation of controls, practices, procedures and policies at acquired businesses, including the costs necessary to establish and maintain effective internal controls; and

- increased fixed costs.

If we are unable to successfully overcome the potential difficulties associated with the integration process and achieve our objectives following an acquisition, the anticipated benefits and synergies from it may not be realized fully, or at all, or may take longer to realize than expected, and it could have a material adverse effect on our business, results of operations, cash flows and financial condition.

13. There are outstanding litigations against our Company, our corporate Promoter and certain of our Directors and any adverse outcome in any of these litigations could have an adverse impact on our business, results of operations, cash flows and financial condition.

Our Company, our Promoters and certain of our Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters and actions by regulatory/ statutory authorities against our Company, our Promoters and certain of our Directors have been set out below. Further, the summary of the outstanding matters also includes other outstanding matters pending against our Company, our Promoters and certain of our Directors that exceed the applicable materiality threshold as determined by our Board.

Litigation against our Company

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Direct tax matters	1	0.09
Indirect tax matters	1	2.60
Other matters exceeding ₹ 4.41 million or other material litigation	1	17.50

Litigation against our corporate Promoter

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Other matters exceeding ₹ 4.41 million or other material litigation	1*	109.29

* *Counter-claim filed in a proceeding initiated by our corporate Promoter.*

Litigation against our individual Promoter

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Other matters exceeding ₹ 4.41 million or other material litigation	1	-

Litigation against certain of our Directors

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Criminal matter	3	-
Direct tax matters	2	9.64

For details of such litigation, see "*Outstanding Litigation and Material Developments*" on page 334.

The amounts claimed in these legal proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in the applicable laws or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that these legal proceedings will be decided in favour of our Company, our Promoters, and certain of our Directors, as the case may be, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations, cash flows and financial condition.

14. Our international operations and expansion expose us to several risks.

We have two international offices: one in Singapore; and one in Indonesia. In Fiscal 2018, on a Proforma Basis, the combined revenue from operations of Affle Global Pte. Ltd. ("**Affle Global**") and PT Affle Indonesia (the "**Indonesian Subsidiary**") represented 51.8% of our revenues from operations. One of our strategies is to expand our international business through local business development efforts and through referrals from our existing customers. Having international operations involves a variety of risks, including:

- localization of the product interface and systems, including translation into foreign languages and adaptation for local practices;

- compliance with (and liability for failure to comply with) applicable local laws and regulations, including, among other things, laws and regulations with respect to data protection and consumer privacy, consumer protection, spam and content, labour and tax legislation, intellectual property laws, anti-competition regulations, import and foreign currency legislation, which laws and regulations may be inconsistent across jurisdictions;

- more stringent regulations relating to data security and the unauthorized use of, or access to, commercial and personal information, particularly in the European Union;

- taxation in a variety of jurisdictions with increasingly complex tax laws, the application of which can be uncertain and subject to change;

- the intensity of local competition for mobile advertising budgets and inventory;

- unexpected changes in laws and regulatory requirements, trade laws, tariffs, export quotas, customs duties or other trade restrictions;

- changes in a specific country's or region's political or economic conditions;

- challenges inherent to hiring and efficiently managing an increased number of employees over large geographic distances, including the need to implement appropriate systems, policies, benefits and compliance programs;

- risks resulting from changes in currency exchange rates and the implementation of exchange controls;

- lower payment cycles and reduced ability to timely collect amounts owed to us by our customers in countries where our recourse may be more limited;

- limitations on our ability to reinvest earnings from operations derived from one country to fund the capital needs of our operations in other countries

- restrictions on foreign ownership and investments;

- limited or unfavourable intellectual property protection;

- exposure to liabilities under anti-money laundering laws, international and international sanction requirements and anti-corruption laws, including the U.S. Foreign Corrupt Practices Act of 1977 and similar laws and regulations in other jurisdictions; and

- restrictions on repatriation of earnings.

In particular, PT Affle Indonesia (the "**Indonesian Subsidiary**"), our Indonesian subsidiary, is subject to oversight by (i) the Indonesian Investment Coordination Board (*Badan Koordinasi Penanaman Modal* or the "**BKPM**"), a non-departmental government institution overseeing foreign investment in Indonesia, (ii) the Ministry of Law and Human Rights of Indonesia (*Menteri Hukum dan Hak Asasi Manusia*), and (iii) the Ministry of Communication and Informatics (*Menteri Komunikasi dan Informatika* or "**MOCIT**"). The policies of government bodies, such as the BKPM and the MOCIT, are subject to changes from time to time, depending on the then policies of the government of Indonesia. In the event that the policies of government bodies, such as the BKPM, change, our business in Indonesia may be materially and adversely affected. A change of BKPM policy may result in restrictions and changes in the scope of business operations that the Indonesian Subsidiary may carry out as a foreign investment limited liability company in Indonesia. Furthermore, the complexity and ambiguity of laws and regulations in Indonesia, as well as the corresponding guidelines, interpretations and policies may have an impact on our business. Furthermore, as a foreign investment limited liability company in Indonesia, the Indonesian Subsidiary is subject to continuing reporting and compliance obligations in Indonesia *vis-a-vis* the BKPM, among others. Accordingly, the Indonesian Subsidiary incurs reporting and compliance costs on an annual basis. In the event of changes to laws and regulations and their corresponding interpretations as well as policies of supervising government bodies, the Indonesian Subsidiary's costs of compliance may also increase.

In addition, we may not possess the same familiarity with the economy, customer preferences and commercial operations in some of the markets where we propose to expand our operations. Further, expanding our geographical footprint poses risks and potential costs, including the risk that we fail to attract a sufficient number of customers, or to anticipate competitive conditions that are different from those in our existing markets, as well as significant marketing and promotion costs. We may face the risk that our competitors and the established players in such geographies may enjoy better brand visibility, may be more experienced in such markets and may enjoy better relationships with customers and publishers, providing them with early access to information regarding attractive marketing opportunities, making them better placed to launch services with other advantages of being a first mover.

Additionally, operating in international markets also requires significant management attention and financial resources. We cannot be certain that the investment and additional resources required in establishing operations in other countries will produce desired levels of revenue or profitability.

Further, while we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities, we are yet to obtain a few approvals, licenses, registrations and permits. We cannot assure you that we will apply for and receive these approvals and clearances in time or at all. There can be no assurance that the relevant authority will issue an approval within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could adversely affect our related operations. For further details see "*Government and Other Approvals*" on page 341.

15. Our business depends substantially on the continuing efforts of Mr. Anuj Khanna Sohum (who is our Chairman, CEO and one of our Promoters) and our Key Management Personnel and our business operations may be severely disrupted if we lose their services.

Our success to-date is attributable to the contributions and expertise of Mr. Anuj Khanna Sohum, who is our individual Promoter, chairman, Managing Director and CEO, as well as our Key Management Personnel who have valuable and extensive experience and knowledge in our other businesses and industry. Our continued success and growth will depend, to a large extent, on our ability to retain the services of Mr. Anuj Khanna Sohum and our Key Management Personnel. If Mr. Anuj Khanna Sohum or any of our Key Management Personnel were to reduce or cease their involvement with us, it may take time for us to hire a suitably qualified replacement with the necessary experience and expertise and this may adversely affect our business, results of operations, cash flows and financial condition. Further, we do not currently maintain key-person insurance and do not expect to obtain such insurance in the future.

In the event that we need to increase employee compensation levels substantially to attract and/or retain any Key Management Personnel, our costs may increase and our results of operations, cash flows and financial position may be materially and adversely affected.

Our Company's CEO, Mr. Anuj Khanna Sohum, currently receives a nominal yearly salary of ₹ 252,000 from our Company (subject to review at the end of each financial year) and is entitled to variable salary of up to 5% of our Company's available net profits (in accordance with the Companies Act, 2013). There can be no assurance that Mr. Anuj Khanna Sohum will remain the CEO of our Company upon the end of his current term. If we were obligated to pay our CEO (Mr. Anuj Khanna Sohum, or if he were to leave our Company, his replacement) fair market salary, this would be an additional expense and would adversely affect our results of operations, cash flows and financial condition.

16. Our business involves the use, transmission and storage of confidential information and the failure to properly safeguard such information could result in significant reputational harm and monetary damages.

Our business involves the storage and transmission of confidential consumer, customer and publisher information, including certain purchaser data, as well as financial, employee and operational information. Security breaches could expose us to unauthorized disclosure of this information, litigation and possible liability, as well as damage to our relationships with our customers and publishers. If our security measures are breached as a result of third-party action, employee or contractor error, malfeasance or otherwise and, as a result, someone obtains unauthorized access to our data or the data of consumers, our customers, publishers, employees or other third parties, our reputation could be damaged, our business may suffer and we could incur significant regulatory liability. For example, under the Information Technology Act, we are subject to civil liability for wrongful loss or gain arising from any negligence by us in implementing and maintaining reasonable security practices and procedures with respect to sensitive personal data or information on our computer systems, networks, databases and software. Our Company also subject to the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, which impose limitations and restrictions on the collection, use, disclosure and transfer of personal information.

Techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until launched against a target. As a result, we may be unable to anticipate some of these techniques or to implement adequate preventative measures. In addition, the perpetrators of such activity often are very sophisticated and can hire other parties with significant resources at their disposal. If an actual or perceived security breach occurs, the market perception of our security measures could be harmed and we could lose both customers and revenue. Any significant violations of data protection or other security breaches could result in the loss of business, litigation and regulatory investigations and penalties that could damage our reputation and adversely impact our results of operations, cash flows and financial condition. Moreover, if a high profile security breach occurs with respect to another provider of commerce marketing solutions, our customers and potential customers may lose trust in the security of providers of commerce marketing in general and advertising solutions in particular, which could adversely impact our ability to retain existing customers or attract new ones.

Additionally, third parties may attempt to fraudulently induce employees, consumers, our customers, our publishers or third-party providers into disclosing sensitive information such as consumer names, passwords or other information in order to gain access to our data, our customers' data or our publishers' data, which could result in significant legal and financial exposure and a loss of confidence in the security of our offering and, ultimately, harm to our future business prospects. A party who is able to compromise the security of our facilities, including our data centres or office facilities, or any device, such as a smartphone or laptop, connected to our systems could misappropriate our proprietary information or the proprietary information of consumers, our customers and/or our publishers, or cause interruptions or malfunctions in our operations or those of our customers and/or publishers. We may be required to expend significant resources to protect against such threats or to alleviate problems caused by breaches in security. Finally, computer viruses, malware, ransomware, worms, or trojans may harm our systems or cause the loss or alteration of data and the transmission of computer viruses or malware via our technology could expose us to litigation and a loss of confidence in the security of our technology. We do not have an errors and omissions insurance policy.

17. Failures in systems and infrastructure supporting our system and operations could significantly disrupt our operations and have a material adverse effect on our business, results of operations, cash flows and financial condition.

In addition to the optimal performance of our services, our business relies on the continued and uninterrupted performance of our software and hardware infrastructures. We currently license and/or utilise platforms from certain third parties and if we were to suffer any software glitches, malfunctioning, low performance, hacking, disruptions and or shut down of these services it could materially impact the functioning of certain and/or all modules of our platforms, which could have a material adverse effect on our business, results of operations, cash flows and financial condition. We currently lease space from cloud data providers for our computing requirements some of these are global in nature and span different locations around the world. Most of our processing servers are located in the United States, Singapore and India. We also rely on bandwidth providers and internet service providers to deliver ads. Sustained or repeated system failures of our software or hardware infrastructures (such as massive and sustained data centre outages) or of the software or hardware infrastructures of our third-party providers, which interrupt our ability to deliver ads quickly and accurately, our ability to serve and track ads, our ability to process consumers' responses to those ads or otherwise disrupt our internal operations, could significantly reduce the attractiveness of our solutions to customers, reduce our revenue or otherwise negatively impact our financial results, impair our reputation and subject us to significant liability.

In addition, while we seek to maintain excess capacity to facilitate the rapid provision of new customer deployments and the expansion of existing customer deployments, we may need to increase data centre hosting capacity, bandwidth, storage, power or other elements of our system architecture and our infrastructure as our customer base and/or our traffic continues to grow. Our existing systems may not be able to scale up in a manner satisfactory to our existing or prospective customers and may not be adequately designed with the necessary reliability and redundancy of certain critical portions of our infrastructure to avoid performance delays or outages that could be harmful to our business.

Our failure to continuously upgrade or increase the reliability and redundancy of our infrastructure to meet the demands for our solutions could adversely affect the functioning and performance of our technology and could in turn affect our results of operations, cash flows and financial condition.

Any steps we take to increase the security, reliability and redundancy of our systems supporting our technology or operations may be expensive and may not be successful in preventing system failures. If we are unable to prevent system failures, the functioning and performance of our solution could suffer, which in turn could interrupt our business and harm our results of operations, cash flows and financial condition.

In addition, the occurrence of a natural disaster, an act of terrorism, vandalism or sabotage, a decision to close any data centre or the facilities of any other third-party provider without adequate notice, or other unanticipated problems at these facilities could result in lengthy interruptions in the availability of our technology or operations. The testing of our services during actual disasters or similar events has been limited. If any such event were to occur, our business, results of operations, cash flows and financial condition could be adversely affected.

18. If we are unable to use software licensed from third parties or if we make use of open source software under license terms that interfere with our proprietary rights it could disrupt our business.

Our technology platform and internal systems incorporate software licensed from third parties, including some software, known as open source software, which we use without charge. Although we monitor our use of open source software, the terms of many open source licenses to which we are subject have not been interpreted by the courts of many jurisdictions and there is a risk that such licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to provide our technology offering to our customers. In the future, we could be required to seek licenses from third parties in order to continue offering our solution, which licenses may not be available on terms that are acceptable to us, or at all. Alternatively, we may need to re-engineer our offering or discontinue using portions of the functionality provided by our technology. In addition, the terms of open source software licenses may require us to provide software that we develop using such software to others on unfavourable terms, such as by precluding us from charging license fees or by requiring us to disclose our source code. Any such restriction on the use of our own software, or our inability to use open source or third-party software, could result in disruptions to our business or operations, or delays in our development of future solutions or enhancements of our existing platform, which could impair our business.

19. The loss of certificates, keys and passwords may result in a loss of access to our servers and the services of third parties, which may result in a loss of data, which could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Due to security considerations, access to our servers and services of third parties are controlled by multifactor authentication, which include certificates, keys and passwords. These certificates, keys and passwords are typically stored on our employee’s computers. The loss of these certificates, keys and passwords may result in a loss of access to our servers or the services of third parties, which may result in a loss of data, which could have a material adverse effect on our business, results of operations, cash flows and financial condition.

20. Businesses may delay or reduce their spending on marketing in periods of economic uncertainty, which could materially harm our business.

Historically, economic downturns have resulted in overall reductions in advertising spending and businesses may curtail spending both on advertising in general and on solutions such as ours. Therefore, any macroeconomic deterioration in the future could have a material effect on our business, results of operations, cash flows and financial condition.

21. We have limited knowledge and records of documents relating to corporate actions undertaken by our Company prior to January 2006.

Until January 2006, our Company was owned and managed by Mukesh Tulsyan, Raj Pal Singh Rana and certain other shareholders. Subsequently, in January 2006, the entire equity share capital of our Company (then known as Tejus Securities Private Limited) was acquired by Anuj Khanna Sohum, our individual Promoter, along with certain other individuals (collectively, the "**Tejus Acquirers**"). We have been unable to trace the complete set of documents pertaining to corporate, accounting, financial, legal and other statutory records, including any supporting documents and/or RoC filings for the period from incorporation in August 1994 up to January 2006 (prior to the acquisition by the Tejus Acquirers). Therefore, we are unable to conclusively ascertain, among other things, all amendments to the Memorandum of Association of our Company up to January 2006. Further, we do not have any supporting documents to ascertain whether our Company had at any point in time prior to January 2006 entered into any arrangement or scheme of amalgamation, acquired any business or undertaking, undertaken a revaluation of its assets, carried out a public offering of debt securities, experienced strikes, lock-outs or time/cost overruns, defaulted on or rescheduled its borrowings from financial institutions or banks or changed its registered office. The relevant documents are also not available at the office of the RoC (which included inspection of filings of the Company available with the RoC), as certified by Jagdish Patel & Co, Company Secretaries, pursuant to their certificate dated May 7, 2018, based on the search performed by them. Consequently, disclosures on changes in our issued, subscribed and paid up share capital from incorporation up to January 2006 have been made in reliance of the annual returns filed with the RoC, to the extent available. We cannot assure you that these form filings and corporate records will be available in the future or that we will not be subject to any penalty imposed by the competent regulatory authorities in this respect or incur additional expenses arising from our inability to furnish correct particulars in respect of the RoC filings or other corporate records or for any misrepresentation of facts which may occur as a result of the non-availability of relevant documents.

22. There have been instances in the past where we have not made certain regulatory filings with the RoC and failed to comply with some of our reporting obligations in respect of inward remittances and our issuance of equity shares.

Copies of the shareholders' resolutions dated April 28, 2014, April 28, 2014 and September 25, 2014, authorizing the Company to enter into related party transactions with AD2C (India) Private Limited, Affle Holdings Pte. Ltd. and Appstudioz Technologies Private Limited, respectively, were not filed with the RoC as required under section 188 of the Companies Act, 2013. In respect of the delay, we have filed applications for condonation of delay dated September 24, 2015 with the Secretary, Ministry of Corporate Affairs. By orders dated March 2, 2016, the Assistant Director, Ministry of Corporate Affairs condoned the delay without imposing any penalty and permitted our Company to file the requisite forms. We have subsequently filed copies of the aforementioned orders and shareholders' resolutions with the RoC on March 16, 2016. In addition, we were delayed in reporting certain details in connection with the 2017 Scheme in Form CAA.8 in terms of section 232(7) of the Companies Act, 2013, and are in the process of filing necessary applications for compounding/ condonation/ payment of penalties for such delay. We cannot assure you that such delays will not reoccur, or that we will not be subject to any penalties for delays in future.

Further, our Company filed an application dated March 29, 2017 before the RBI for compounding of contraventions of the provisions of FEMA and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, for (i) delay in reporting receipt of foreign inward remittances towards subscription to equity; (ii) delay in submission of Form FC-GPR to the RBI after issue of shares to a person resident outside India; (iii) delay in issuance of equity instruments to the foreign investor beyond the prescribed time period of 180 days from the receipt of inward remittance. The RBI passed an order dated August 2, 2017, compounding the violations and levying a penalty of ₹ 0.46 million and the compounding application was accordingly disposed of. Our Company has paid this penalty to the RBI. There can be no assurance that we will not be subject to regulatory actions including imposition of fines and other penalties in respect of such non-compliances in future.

23. We are exposed to foreign exchange risks

Our exposure to the risk of changes in foreign exchange rates relates primarily to our operating activities (when revenue or expense is denominated in a foreign currency). To the extent that our revenue or receipts and costs or payments are not perfectly matched in the same currency or there are time gaps between revenue recognition and actual receipts and between cost recognition and actual payments, we will be exposed to foreign exchange fluctuations. We do not use derivative financial instruments such as forward exchange contracts or options to hedge its risk associated with foreign currency fluctuations or for trading or speculation purposes.

Following the acquisition of Affle Global's business, intangible assets and all of the equity interests in our Indonesian Subsidiary, we earn more revenue in foreign currency, which increases our foreign currency risk. Given that the reporting currency of our Company's financial statements is Rupees, in order to prepare our consolidated financial statements in the future, we would need to translate the financial statements of our Singapore Subsidiary from SGD to Rupees based on the average exchange rates prevailing over the relevant period of the profit and loss account and based on the closing exchange rates for the balance sheet. Our and the Singapore Subsidiary's consolidated financial statements will include the Indonesian Subsidiary's financial statements, which are prepared in Indonesian Rupiah. Therefore, depreciation of the SGD against the Rupee and the Indonesian Rupiah against the Rupee may adversely affect our results of operations, cash flows and financial condition.

24. We may be subject to increased taxes in India relating to past transactions with associated companies

Under Indian law, we are required to appoint an independent consultant to issue a report on whether our transaction with associated enterprises, as defined per 92E of Income Tax Act, 1961, were undertaken on an arm's length price We have appointed an independent consultant to conduct a transfer pricing study to determine whether the transactions with associated companies and associated enterprises were undertaken at an 'arm's length price' for Fiscal 2018. While we believe that all transactions with associated companies and associated enterprises were undertaken at a negotiated contracted price on usual commercial terms, if the independent consultant finds otherwise, our Company may be subject to more income tax than recorded in our statement of profit and loss for Fiscal 2018. Adjustment, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed.

25. Our Subsidiaries may not pay cash dividends. Consequently, our Company may not receive any return on investments in our Subsidiaries.

Our Subsidiaries are separate and distinct legal entities, having no obligation to pay dividends and may be restricted from doing so by law or contract, including applicable laws, foreign exchange regulations, charter provisions and the terms of their financing arrangements. Further, dividends received from our Singapore Subsidiary are liable to be taxed in India. If the dividend paying company is resident of a country with which India has signed an agreement for avoidance of double taxation, the taxability of dividend income will be determined by the provisions of such agreement. Our Company is entitled to certain benefits pursuant to a double taxation avoidance agreement entered into between India and Singapore. For instance, Singapore does not impose any withholding tax on dividends paid by a Singapore company to a non-resident company.

Our Company owns its 100% equity interest in our Indonesian Subsidiary through our Singapore Subsidiary. Our Singapore Subsidiary is entitled to certain benefits pursuant to a double taxation avoidance agreement entered into between Singapore and Indonesia. For instance, Indonesia imposes a 10% withholding tax on dividends paid by a Indonesian company to a Singapore company if the recipient owns directly at least 25% of the capital of the company paying the dividends. Should these tax treaties be suspended or revoked or adversely modified, our Company's results of operations, cash flows and financial condition on a standalone basis could be adversely affected and our Company's ability to pay dividends on the Equity Shares may also be restricted. We cannot assure you that our Subsidiaries will generate sufficient profits and cash flows to be able to pay dividends, or if they do, they will not be restricted from doing so.

26. We are exposed to the credit risks of our customers.

We may extend credit terms to our customers ranging from 35 to 70 days on a case-by-case basis depending on, amongst others, their creditworthiness and the length of the customer relationship. The impairment allowance of trade receivables and unbilled revenue in each of Fiscals 2018, 2017 and 2016 were ₹ 11.22 million, ₹ 11.21 million and ₹ 23.27 million, respectively.

Our customers may be unable to meet their contractual payment obligations to us, either in a timely manner or at all. The reasons for payment delays, cancellations or default by our customers may include insolvency, bankruptcy, insufficient financing or working capital due to late payments by their respective end-customers. We may not be able to enforce our contractual rights to receive payment through legal proceedings. In the event that we are not able to collect payments from our customers, our business, results of operations, cash flows and financial condition may be adversely affected.

27. We are dependent on the credit terms given by our suppliers.

Our suppliers typically grant us credit terms of 30 days. In the event that our suppliers terminate or shorten the credit terms granted to us and we are unable to seek alternative sources in a timely manner and/or at competitive costs, our business, results of operations, cash flows and financial condition may be adversely affected.

28. We have not purchased any insurance policies that cover us for any business related risks. If we were to incur a material liability or loss, it could have a material adverse effect on our results of operations, cash flows and financial condition.

We have not purchased any insurance policies that cover us for any business related risks. For instance**,** we are not insured against liabilities for any damage to property, acts or omissions, consequential damages or business interruption. If we were to incur a material liability or loss, it could have a material adverse effect on our results of operations, cash flows and financial condition.

29. Our Promoters and Promoter Group will continue to have the ability to control or influence the outcome of matters submitted to Shareholders for approval and their interests may differ from those of other Shareholders.

Our Promoters and Promoter Group currently own 100% of the outstanding Equity Shares. Immediately upon the closing of the Offer, our Promoters and Promoter Group will hold [●]% of the outstanding Equity Shares (assuming all the Equity Shares offered in the Offer are Allotted). As long as our Promoters and Promoter Group continues to hold a significant ownership stake in our Company, they will have the ability to control or influence the outcome of any matter submitted to our shareholders for approval, including matters relating to sale of all or part of our business, mergers, or acquisitions or disposal of assets; the distribution of dividends; appointment or removal of our directors or officers; and our capital structure or financing. This control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company, even if it is in the best interests of other shareholders. Our Promoters and Promoter Group may have interests that are adverse to the interests of our shareholders and may take positions with which our other Shareholders do not agree.

30. We have entered into and may continue to enter into related party transactions. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition, results of operations, cash flows and financial condition.

We have entered into certain related party transactions in the past. For further details, see "*Related Party Transactions*" on page 191. Since April 1, 2018, we have continued to enter into related party transactions. For example, we purchased Affle Global's business, intangible assets and all of the equity interests in the Indonesian Subsidiary for US$ 2.09 million, effective July 1, 2018. Affle Global is a member of our Promoter Group and a Group Company. For further details, see "*History and Certain Corporate Matters*" on page 152.

While we believe that all such transactions have been conducted on an arm's length basis or on terms favourable to us, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, our Company expects to enter into related party transactions in the future.

31. Default or non-compliance with our financing arrangements may adversely affect our business, results of operations, cash flows and financial condition.

As at July 10, 2018, we availed of working capital facilities of ₹ 135.00 million from a lender, of which ₹ 28.62 million was outstanding. We are required to comply with certain conditions and covenants under this arrangement, including submitting periodic financial results and stock statements, opening credit accounts and facilities with such lender. Further, our lender may cancel any undrawn portion of this facility on demand at any time. For details of certain restrictive covenants in connection with this facility, see "*Financial Indebtedness*" on page 333.

Failure to observe the covenants and conditions under our financing arrangement may lead to the termination of our credit facilities, acceleration of all amounts due under such facilities and the enforcement of any security provided, which could adversely affect our business, results of operations, cash flows and financial condition.

32. We have had negative cash flows in the past and it is possible that we may experience negative cash flows in the future.

The table below sets forth selected information from our statements of cash flows in the periods indicated below.

(in ₹ million)

	Fiscal 2018	**Fiscal 2017**	**Fiscal 2016 (Proforma)**
Net cash generated from operating activities	174.02	58.30	19.43
Net cash used in investing activities	(14.00)	(57.01)	(42.88)
Net cash generated/ (used) from financing activities	(81.20)	(22.09)	68.07
Net change in cash and cash equivalents	78.82	(20.80)	44.62

For further details, see "*Financial Statements–Restated Ind AS Summary Statements–Annexure III*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 208 and 314, respectively.

33. We do not own any of the properties from which we operate. If we are unable to renew our current leases or if we renew them on terms which are detrimental to our Company, we may suffer a disruption in our operations or increased relocating costs, or both, which could adversely affect our business, results of operations, cash flows and financial condition.

We lease/license four properties for our operations, comprising our corporate office in Gurugram (India) and commercial offices in each of Mumbai (India), Singapore, and Jakarta (Indonesia). There is no guarantee that these leases/licences will be renewed or extended once their term is complete. If we are unable to renew or extend our current leases/licenses, or if we renew or extend them on terms which are detrimental to us, we may suffer a disruption in our operations or increased relocating costs, or both, which could adversely affect our business, results of operations, cash flows and financial condition.

34. We earn more revenue in the third quarter due to the festive season.

Our business earns relatively more revenue in the third quarter of each fiscal year, as compared to the other quarters, as Diwali, Christmas and Black Friday occur in this period and e-commerce companies increase their digital ad spend in that period.

35. Our Group Companies have made losses in the last three years.

Affle Global, a member of our Promoter Group and a Group Company, incurred a loss after tax of ₹ 80.60 million in Fiscal 2016. For further details, see "*Our Group Companies*" on page 188.

36. Our Statutory Auditors have included an emphasis of matter and certain modifications to the information required to be disclosed pursuant to the Companies (Auditor's Report) Order, 2015 and 2003, as applicable, on the financial statements for the year ended March 31, 2015 and March 31, 2014 respectively & Companies (Auditor's Report) Order, 2016, as applicable, on the financial statements for the years ended March 31, 2018, 2017 and 2016 in their reports on our Company's audited financial statements for certain previous fiscal years.

In its report on the audited financial statements of our Company as at and for the year ended March 31, 2018, our Auditors included an emphasis of matter, drawing attention to a note in the financial statements which indicates that our Company has, in Fiscal 2018, accounted for a business combination under common control using the purchase method in accordance with previous generally accepted accounting principles as prescribed under a court scheme, instead of using the pooling interest method as prescribed under Ind AS 103 Business Combinations, since the approved court scheme prevails over applicable accounting standards.

Our Auditors have also included certain modifications in the annexures to their audit reports on the financial statements of our Company as at and for the years ended March 31, 2014, 2015, 2016, 2017 and 2018 pursuant to the Companies (Auditor's Report) Order, 2015 and 2003, as applicable, on the financial statements for the year ended March 31, 2015 and March 31, 2014 respectively and Companies (Auditor's Report) Order, 2016, as applicable, on the financial statements for the years ended March 31, 2018, 2017 and 2016 that pertained to: (a) undisputed statutory dues including income tax, provident fund, service taxes, excise duties, value added taxes and cesses not being regularly deposited, or being disputed with serious delays (for Fiscals 2014, 2015, 2016, 2017 and 2018); (b) idle/surplus funds not being gainfully invested in fixed deposits (during Fiscal 2016), (c) certain undisputed statutory dues being outstanding for over six months (in Fiscal 2015) and (d) our Company's accumulated losses exceeding 50% of its net-worth (in Fiscal 2014). For further details, see "*Financial Information*" on page 193. Potential investors should consider these matters in evaluating our financial position, cash flows and results of operations.

EXTERNAL RISKS

37. Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, cash flows and financial condition.

India is our key market. For Fiscal 2018, 92.0% of our Company's revenue from operations was from India. For Fiscal 2018 On a Proforma Basis, the revenue from operations from our Company represented 48.2% of our revenue from operations. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and our business, results of operations, cash flows and financial condition.

38. All Indian companies, including our Company, are subject to a new revenue recognition standard, Ind AS 115, effective April 1, 2018.

On March 28, 2018, the Ministry of Company Affairs has notified that Ind AS 115 will be effective for accounting periods beginning on or after April 1, 2018. Ind AS 115 supersedes current accounting standards for revenue, including Ind AS 18, Revenue. Ind AS 115 introduces a single model for recognizing revenue from contracts with customers. This standard applies to all contracts with customers, with only some exceptions, including certain contracts accounted for under other Ind ASs. The standard requires revenue to be recognized in a manner that depicts the transfer of promised goods or services to a customer and at an amount that reflects the consideration expected to be received in exchange for transferring those goods or services. There is no assurance that the application of Ind AS 115 will not have a material adverse effect on our results of operations, cash flows and financial condition.

39. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.

Our business is subject to various laws and regulations, which are evolving and subject to change. For details, see "*Regulations and Policies*" on page 144. We are also subject to corporate, taxation and other laws in effect in India, Singapore and Indonesia, which require continued monitoring and compliance. These laws and regulations and the way in which they are implemented and enforced may change. There can be no assurance that future legislative or regulatory changes will not have any adverse effect on our business, results of operations, cash flows and financial condition.

RISKS RELATING TO THE EQUITY SHARES AND THE OFFER

40. Our historical financial and operating results are not indicative of future performance.

Our historical financial and operating results should not be considered indicative of our future performance. In our case this will particularly be so because of our acquisition of Affle Global's business, intangible assets and all of the equity interests in the Indonesian Subsidiary, effective July 1, 2018. For further details, see "*History and Certain Corporate Matters*" on page 152. This Draft Red Herring Prospectus includes proforma financial statements for Fiscal 2018 to show what our results of operations, cash flows and financial condition would have been had we acquired the above mentioned businesses effective April 1, 2017. For Fiscal 2018, on a Proforma Basis, our total revenue was ₹ 1,677.32 million and our profit after tax was ₹ 276.20 million. As per our Restated Ind AS Summary Statements, for Fiscal 2018 our total revenue was ₹ 848.78 million and our total comprehensive income for the year was ₹ 88.23 million.

41. Our Proforma Financial Statements are illustrative in nature and have not been prepared in accordance with accounting or other standards and practices generally accepted in any jurisdiction and accordingly should not be relied upon as if they had been prepared in accordance with those standards and practices.

Our Proforma Financial Statements are illustrative in nature and have not been prepared in accordance with accounting or other standards and practices generally accepted in any jurisdiction and accordingly should not be relied upon as if they had been prepared in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors on such proforma information should be limited. In addition, the rules and regulations related to the preparation of proforma financial information in any jurisdiction may also vary significantly from the basis of preparation as set out in our notes to the Proforma Financial Statements.

Proforma Financial Statements have been prepared on the basis of the assumptions set forth in the notes to the Proforma Financial Statements. Accordingly, our Proforma Financial Statements are illustrative only and should not be taken as an indication of the financial impact of our Company, the Singapore Subsidiary and the Indonesian Subsidiary combined or our future results of operation, financial condition or cash flows.

42. Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchanges.

There has been no public market for our Equity Shares prior to the Offer. The purchase price of our Equity Shares in the Offer will be determined by our Company and the Selling Shareholder, in consultation with the BRLMs, pursuant to the Book Building Process. This price will be based on numerous factors, as described under in "*Basis for Offer Price*" on page 93. This price may not necessarily be indicative of the market price of our Equity Shares after the Offer is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on NSE and BSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

The price at which our Equity Shares will trade at after the Offer will be determined by the marketplace and may be influenced by many factors, including:

- Our financial condition, results of operations and cash flows;
- The history of and prospects for our business;
- An assessment of our management, our past and present operations and the prospects for as well as timing of our future revenues and cost structures; and
- The valuation of publicly traded companies that are engaged in business activities similar to ours.
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affect our business;
- additions or departures of Key Management Personnel;
- changes in the interest rates;
- fluctuations in stock market prices and volume; and general economic conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in our Equity Shares may experience a decrease in the value of our Equity Shares regardless of our financial performance or prospects.

43. We do not currently intend to pay dividends on our Equity Shares and, consequently, your ability to achieve a return on your investment will depend on appreciation in the price of the Equity Shares.

We have never declared or paid any cash dividends on our Equity Shares and do not currently intend to do so for the foreseeable future. We currently intend to invest our future earnings, if any, to fund our growth, both organic and inorganic. Because you are not likely to receive any dividends on your Equity Shares for the foreseeable future, the success of an investment in Equity Shares will depend upon any future appreciation in their value. Consequently, investors may need to sell all or part of their Equity Shares after price appreciation, which may never occur, as the only way to realize any future gains on their investment.

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and subsequent approval of our shareholders and will depend on factors that our Board and shareholders deem relevant. Our Company may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares.

44. Our Company will not receive any proceeds from the Offer for Sale portion

This Offer includes an offer for sale of up to 5,500,000 Equity Shares aggregating up to ₹ [●] million by Affle Holdings (our corporate Promoter). The proceeds from the Offer for Sale will be paid to the Selling Shareholder and our Company will not receive any such proceeds. See "*Objects of the Offer*" on page 87.

45. Our Company's management will have flexibility in utilising the Net Proceeds of the Fresh Issue.

We intend to use the Net Proceeds of the Fresh Issue as described in "*Objects of the Offer*" on page 87. Further, our management will have broad discretion to use the Net Proceeds of the Fresh Issue and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds of the Fresh Issue. Pursuant to Section 27 of the Companies Act 2013, any variation in the objects of the Offer would require a special resolution of the Shareholders and our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects of the Offer, in accordance with the Articles of Association of our Company and as may otherwise be prescribed by the SEBI.

46. Any future issuance of Equity Shares by us or sales of Equity Shares by the Promoters could adversely affect the trading price of our Equity Shares and in the case of the issuance of Equity Shares by us result in the dilution of our then current shareholders.

As disclosed in "*Capital Structure*" on page 77, an aggregate of 20% of our fully diluted post-Offer capital held by our Promoters shall be considered as minimum Promoters' contribution and locked in for a period of three years and the balance Equity Shares held by the Promoters following the Offer (assuming all of the Offered Shares are sold in the Offer) will be locked-in for one year from the date of Allotment. Except for the customary lock-in on our ability to issue equity or equity-linked securities discussed in "*Capital Structure*" on page 77, there is no restriction on our ability to issue Equity Shares. As such, there can be no assurance that our Company will not issue additional Equity Shares after the lock-in period expires or that the Promoters will not sell, pledge or encumber their Equity Shares after the lock-in periods expire. Future issuances of Equity Shares or convertible securities and the sale of the underlying Equity Shares could dilute the holdings of our Shareholders and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the then trading price of our Equity Shares or the Offer Price. Sales of Equity Shares by the Promoters could also adversely affect the trading price of our Equity Shares.

47. You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.

Previously, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if Securities Transaction Tax ("**STT**") was paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of Equity Shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

48. QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Offer within six Working Days from the Bid/ Offer Closing Date, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur and such events may limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Offer or may cause the trading price of our Equity Shares to decline on listing.

49. Public companies in India, including us, are required to compute income tax under the ICDS. We may be may be negatively affected by ICDS.

The Ministry of Finance, Government of India had issued a notification dated March 31, 2015 presenting the ICDS, which creates a new framework for the computation of taxable income. The ICDS was applicable from April 1, 2016, with Fiscal 2017 being the first assessment year. The ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. For example, where ICDS-based calculations of taxable income differ from Indian GAAP or Ind AS-based concepts, the ICDS-based calculations have the effect of requiring taxable income to be recognised earlier, increasing overall levels of taxation or both. There can be no assurance that the adoption of the ICDS will not adversely affect our results of operation and financial condition.

ICDS is being defined as Income Computation and Disclosure Standards.

50. Statistical and industry data in this Draft Red Herring Prospectus is derived from the Frost & Sullivan Report. The Frost & Sullivan Report is not exhaustive and is based on certain assumptions and parameters/conditions. The Frost & Sullivan Reports states that a blanket, generic use of the derived results in the report or the methodology used in the report is not encouraged. Actual results and future events could differ materially from the forecasts, predictions or other forward-looking statements in the Frost & Sullivan Report.

This Draft Red Herring Prospectus includes information that is derived from the Frost & Sullivan Report, which was prepared by Frost & Sullivan pursuant to an engagement with our Company. Frost & Sullivan is not in any manner related to our Company, our Directors or our Promoters. Our Company has not independently verified data obtained from industry publications and other sources referred to in this Draft Red Herring Prospectus.

The Frost & Sullivan Report states that Frost & Sullivan has prepared the report in an independent and objective manner, and has taken adequate care to ensure its accuracy and completeness. Frost & Sullivan believes that its report presents a true and fair view of the global and Indian advertising and ad tech markets and within the limitations of, among others, secondary statistics research, but it does not purport to be exhaustive. The results that can be or are derived from the findings in the Frost & Sullivan Report are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that Frost & Sullivan's assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus.

The Frost & Sullivan Report also highlights that forecasts, predictions, and other forward-looking statements contained in the report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, predictions or such statements.

Further, potential investors should not construe any of the contents of the Frost & Sullivan Report as advice relating to business or investment matters and are advised by Frost & Sullivan to consult their own business or investment and other advisors concerning the Offer.

Prominent Notes

- Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] million, comprising a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 900 million by our Company and an Offer for Sale of up to 5,500,000 Equity Shares aggregating up to ₹ [●] million by Affle Holdings. The Offer shall constitute [●]% of the post-Offer paid-up capital of our Company.

- As at March 31, 2018, the restated net worth of our Company was ₹ 301.65 million as per our Restated Financial Statements.

- As at March 31, 2018, the net asset value per Equity Share of our Company was ₹ 12.42 as per our Restated Financial Statements.

- The average cost of acquisition per Equity Share by our Promoters, namely, Anuj Khanna Sohum and Affle Holdings is 'Nil' and ₹ 11.23, respectively. The average cost of acquisition per Equity Share has been arrived using weighted average method. For further details, see "*Capital Structure*" on page 77.

- Except as described in "*Our Group Companies*" and "*Related Party Transactions*" on pages 188 and 191, respectively, none of our Group Companies have any business or other interests in our Company.

- For details of transactions entered into by our Company with our Subsidiaries and Group Companies in Fiscal Year 2018, and the cumulative amounts involved in these transactions, see "*Related Party Transactions*" on page 191.

- Pursuant to the resolutions passed by the Shareholders at the EGM held on June 10, 2018, our Company was converted to a public limited company and the name of our Company was changed to 'Affle (India) Limited', and a fresh certificate of incorporation consequent upon conversion was issued by the RoC on July 13, 2018. Subsequent to our conversion, there has been no variation of the activities being undertaken by our Company. Accordingly, the objects clause of our Memorandum of Association was not required to be altered.

- There are no financing arrangements pursuant to which the members of Promoter Group, the directors of our corporate Promoter, our Directors and/ or their relatives have financed the purchase of Equity Shares by any other person during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with SEBI.

- All BRLMs have submitted a due diligence certificate with SEBI. Investors may contact any of the BRLMs, for any complaints pertaining to this Offer. Investors may also contact the Company Secretary and Compliance Officer, and the Registrar to the Offer for complaints pertaining to this Offer. For details see "*General Information – Offer related grievances*" on page 69.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

MACROECONOMIC OVERVIEW

Banking on the resurgence of global majors and the continuing policy stimulus-driven growth in China, India and similar economies, the outlook for global GDP growth for 2018 is 3.7%. While the U.S. is expected to see a modest growth pick-up due to stronger business and consumer confidence, both Europe and Japan are forecast to have stronger and sustained momentum with diminished political uncertainty and growing private consumption respectively.

Among all large economies, India is likely to demonstrate a rapid and sustainable growth, at a CAGR of 9.46% from 2016 to 2021, driven by strong manufacturing-led industrial expansion and consumption demands from the private sector. According to Frost & Sullivan's analysis based on data from 2017 IMF WEO Update, the country's GDP is well positioned to cross USD 3,000 billion (INR 200 trillion) by 2020; in the event of accelerated manufacturing and investment, this figure could even potentially balloon to USD 3,600 billion (INR 240 trillion).

THE GROWING IMPACT OF E-COMMERCE

E-commerce comprised one-tenth of the total global retail sales at USD 2.29 trillion (Source: eMarketer 2017), with about a fifth of this contribution coming from the United States. The U.S. has over 200 million e-commerce users (comprising 74% of its Internet users) and generated about USD 460 billion in 2017. This market is expected to grow to 250 million by 2022, exceeding USD 640 billion in revenue.

The Indian e-commerce market had revenues of USD 38.5 billion in 2017 and is likely to grow at a CAGR of 12.4% to USD 69.2 billion by 2022. However, with further increase in avenues for digital payments, accelerated broadband penetration, and an increasing number of product options across the breadth of the country, the market has the potential to grow to USD 130 billion over the same time period.

M-commerce (goods and services purchased via mobile) contributed about 55% of the total Indian e-commerce market in 2017. With increasing data speeds, along with falling data access prices, this is likely to grow to over 70% of the e-commerce market by 2022.

Regional Focus across India

Transactions from Tier 2 cities and beyond are growing 3X faster than metropolitan cities, unleashing an untapped market for the next growth phase. Initiatives by the government including the Jan DhanYojana-Aadhaar-Mobile (JAM) scheme, and Unified Payments Interface (UPI) have led to the adoption of digital payments. While they are yet to drive critical mass in adoption, they will be essential in boosting large-scale uptake among rural users.

Targeting the e-commerce shopper in India

E-commerce spending in India is still reserved and currently at an annual average of USD 385 compared to USD 1,700 in the U.S.

The Growing Influence of Amazon Over the Internet

Apart from the U.S., which continues to be its single biggest market, the company has had considerable success in Germany, Japan, the U.K., China and India, and through its international shipping feature enables selling to customers across 100 countries.

China's Growth Trends: Holding up a Mirror to India

India with its 1.3 billion people represents a significant market potential for any business, but for sceptics, its prospects are marred by its challenges, such as inadequate infrastructure, poor access to broadband and technology, and regulatory and taxation roadblocks. However, several initiatives taken over the last decade including electrification, BharatNet, Aadhar, GST, telecom spectrum allocation, higher FDI approvals, among others, have triggered rapid change that will eventually cause significant growth, and native business catering to local demand will stand to benefit.

China faced similar scepticism in the late nineties and early 2000s, but grew to become a formidable world economy over the past two decades riding on the back of investment in public infrastructure, manufacturing, its rural economy and technology. Such stimulus boosted GDP per capita 4x from 2000 to 2010 and increased FDI inflows. Once on this trajectory, China's growth only spiralled leading to transformation across sectors including information, communication and technology.

China's Internet penetration grew by leaps and bounds from 2006 onwards, also reflecting a similar trend in e-commerce adoption.

By 2016, China's digital economy accounted for USD 3.4 trillion contributing to over 30% of the country's GDP. China's digital economy has been fuelled by its state-driven and local enterprises that have constantly customized their offerings to suit the highly populous but fragmented demographic.

THE ADVERTISING AND THE AD TECH INDUSTRY

India is one of the very few markets in the world where advertising spends are likely to grow at double digits. While adversely impacted by demonetisation and the introduction of GST in 2017, the industry grew by 9.6% in 2017 compared to 11.9% in 2016, increasing spends driven by e-commerce, major events such as IPL and World Cup FIFA, as well as campaigns for the upcoming elections in 2019 will likely boost higher growth at 12.5% to reach USD 8.1 billion in 2018, and a CAGR of 13% to USD 13.2 billion by 2022.

Digital advertising spend in India has ramped up in growth over the past three years. It gained USD 1.1 billion in revenue in 2017 and will likely grow at a CAGR of 28.6% to USD 4 billion.

A segment that is fuelling growth for digital segment is mobile advertising, driven by 4G penetration, cost-effective data packages, proliferation of the mobile apps and social media, M-commerce and rapid growth in smartphone penetration. Mobile advertisement spend is expected to grow at a CAGR of 32.7% to reach USD 1.93 billion in 2022. Among types of advertising, there is a gradual shift from display and paid search ads to other forms - especially online video, and social media. The availability of smartphones and access to free data has increased the viewership for video-on-demand content (such as Hotstar, Prime and Netflix) and enabled easy access to social media.

In terms of contribution towards digital advertising spend by sector, banking and financial institutions (BFSI) is currently the largest in India, accounting for 22% of all digital spend (Source: Dentsu Aegis Reports and Frost & Sullivan Estimates). There is significant momentum on part of banks and financial institutions to push digital banking, digital payments, and other services such as insurance. It is followed by e-commerce, fast-moving consumer goods (FMCG) and telecom.

Digital advertising by e-commerce is forecast to grow at a CAGR of 35% to equal 22% of the total digital ad spend, while FMCG is forecast to comprise 19% in 2022 (Source: Dentsu Aegis Reports and Frost & Sullivan Estimates). In the near term, Frost & Sullivan anticipates that advertisers from both sectors will make higher investments to cultivate and nourish consumer habits on digital platforms.

ADVERTISING TECHNOLOGY MARKET

The ad tech market today has evolved beyond the advertiser-publisher to include a number of intermediaries controlling one or more than one part of the value chain. The solutions offered by these companies range from Demand Side Platforms (DSP), Supply Side Platform (SSP), Data Management Platforms (DMP) to ad networks, ad exchanges and so on.

Frost & Sullivan estimates that the global ad tech market earned revenue of USD 34 billion in 2017 and is likely to grow at a CAGR of 10% over the next five years.

The global advertising technology market is highly competitive, with multiple regional and global players. Although it is dominated by digital giants such as Google and Facebook, there are over a hundred companies who offer one or more components of this solution. However, only a few –such as Affle, InMobi, Criteo, The Trade Desk, FreakOut, Mobvista and YouAppi – operate internationally.

India has become an attractive destination for many of these companies. Frost & Sullivan estimates that the Indian ad tech market with a market size of USD 304.9 million in 2017 will likely grow at a CAGR of 39% to USD 808 million in 2022. As digital advertising and in turn programmatic ad spend will grow at a rapid rate, it will help drive growth of the ad tech market. Retail, digital payments, gaming, travel, hospitality and e-commerce are the prime verticals contributing to the market growth currently.

However, less than 10% of Indian internet users today are active (that is those who make a purchase at least once a month) e-commerce customers. This makes it more challenging landscape for marketing tech to be able to discern the users who have the highest propensity to transact online.

Business Models in Ad Tech

The ad tech ecosystem, with its wide array of solutions and a large number of players, follows many different business models.

Business Models in Ad Tech, 2018

S. No	Business model	Metrics	Typical Pricing Range
1	Media-based Pricing Model	Cost per media (for example, number of banners, videos)	USD 0.15 –USD 5 per thousand impressions
2	Performance-based pricing Model	Cost per click, Cost per sale, Cost per view, Cost per Action (such as app downloads)	USD 0.1 –USD 0.3 per click
3	Flat Fee Model	A flat rate for each media / channel	Varies
4	Software as a Service	Monthly fee based on technology stack, number of users targeted and so on	USD 15,000 –USD 35,000 per month

Today, brands prefer performance-based models, where they are charged based on harder metrics such as number of clicks or converted users. This way, ad tech companies have more incentives to ensure targeted reach for the brand. In fact, with bots faking clicks as well, some companies such as Affle and Criteo, have embraced action or performance driven sales, where customers don't pay for clicks, but for actions such as app installs, purchases, etc. This assures transparency for brands and increased revenues for vendors. In some cases, companies use a revenue sharing model where a percentage of the sale value from the client's product goes to the vendor.

The ad tech market has been extremely dynamic in terms of requirements, spiking the need for constant innovation. But very few companies in the ad tech market hold patents, especially in the mobile ad tech solution space. Among the competitors considered for the analysis, Affle, InMobi, and Criteo hold patents across their product line, but only Affle and InMobi have patents that relate to the mobile advertising segment.

Competitive Landscape

Very few companies such as us, Criteo and the Trade Desk have products that span the entire value chain. While some companies are more focussed on buy-side platforms, some others are focused on the publisher side. While competitors are dispersed geographically, China, South East Asia and India prove to be regions with high potential in the near future.

Capturing India

India with its rapidly growing Internet user base has become an attractive destination for international ad tech vendors, including Criteo, Mobvista, FreakOut – who have set up recently, alongside existing companies such as Affle, RevX, InMobi, among others. However, India presents its unique set of challenges such as a disjointed demographic which is just getting habituated to digital applications (such as use of e-commerce, digital payments, etc.). Only 10% of Internet users are active (i.e., making a purchase at least once per month) e-commerce customers. Frost & Sullivan believes that this makes it a more challenging landscape for marketing tech to be able to discern the users who have the highest propensity to transact online.

It can be a hard market to sustain, even for market participants who are globally successful. With an average CPC at USD 0.1 to 0.3, the price points are quite low compared to the global market. Frost & Sullivan believes that achieving profitability in such a price-sensitive market is possible only for companies that are familiar with the dynamics of consumer profiles and have a track-record of working alongside brands locally for years.

Ad tech, while being extremely attractive, hinges on the success of data acquisition and several vendors globally have demonstrated low profitability or losses even in high CPC markets. Frost & Sullivan believes that India, with its constraints of low CPC, inadequate availability of data and technology will pose significant challenges for scalability and growth, even for established international companies.

SUMMARY OF BUSINESS

OVERVIEW

We are a global technology company with a proprietary consumer intelligence platform that delivers consumer acquisitions, engagements and transactions through relevant mobile advertising (the "**Consumer Platform**"). Our Consumer Platform aims to enhance returns on marketing spend through delivering contextual mobile ads and reducing digital ad fraud, while proactively addressing consumer privacy expectations. As at March 31, 2018 on a Proforma Basis, we had approximately 1.18 billion consumer profiles and we accumulated over 140 billion data points over the preceding 12 months, which power our prediction and recommendation algorithm.

Our Consumer Platform is used by business to consumer ("**B2C**") companies across industries, including e-commerce, fin-tech, telecom, media, retail and FMCG companies, both directly and indirectly through their advertising agencies.

We utilise user-intent indicators derived from behavioural signals, marketing attribution and transactional data, which are received in real time and accumulated over time, which increases our ability to predict a user's likely interests. The accuracy of the prediction and recommendation algorithm improves with every advertisement we deliver, as the system incorporates new data, while continuing to learn from previous data. In addition, we enhance our customers' ad content with rich media experiences, including interactive videos, games and augmented reality. This paired with data-centric scientific targeting and retargeting enables a higher likelihood of consumer engagement, such as downloading an App or completing a transaction.

We have three registered patents in the United States with multiple patent claims in areas of advertising via data communication clients, online search system, method and computer programme and method and system for extending the use and/or application of messaging system. We have also filed seven patent applications in India covering various algorithms in the area of digital fraud detection.

For Fiscal 2018 on a Proforma Basis, our revenue from our Consumer Platform represented 97.0% of our revenue from operations. We primarily earn revenue from our Consumer Platform on a cost per converted user ("**CPCU**") basis, which comprises user conversions based on consumer acquisition and transaction models. Our consumer acquisition model focuses on acquiring new consumers for businesses, which is usually in the form of a targeted user downloading and opening an App or engaging with an App after seeing an advertisement delivered by us. Our transaction model is usually in the form of a targeted user submitting a lead acquisition form or purchasing a product or service after seeing an advertisement delivered by us. We also earn revenue from our Consumer Platform through awareness and engagement type advertising, which comprises cost per thousand impressions ("**CPM**"), cost per view ("**CPV**") and cost per click ("**CPC**") models. These models are relevant for brand advertisers who want to build awareness and recall and engage users online to transact with them offline/online. We understand our customers' business drivers and work with them to choose audience engagement models that are the most relevant for them, thereby delivering measurable business outcomes for them.

We benefit from broad access to mobile ad inventory through our relationships with publishers and data platforms. We encourage publishers to provide us with access to their mobile ad inventory by offering a platform through which they can tap into our advertisers' marketing budgets and manage their inventory yields. We also have access to mobile display advertising inventory through real-time-bidding advertising exchanges. For each campaign, we bid for the consumer profiles we believe have a higher likelihood to transact on the basis of our data intelligence. Our proprietary optimization algorithm enables us to buy media efficiently and at high scale, giving us the ability to drive high volumes of CPCU-led campaigns at efficient prices.

Our Consumer Platform business is asset light and scalable as shown by the fact that our employee benefit expenses, depreciation and amortization expenses and other expenses have remained relatively unchanged despite significant changes in our revenue in the last three fiscal years. For further details, see "*Restated Financial Statements–Restated Ind AS Summary Statements*" on page 201.

We also provide end-to-end solutions for enterprises to enhance their engagement with mobile users, such as developing Apps, enabling offline to online commerce for offline businesses with e-commerce aspirations and providing enterprise grade data analytics for online and offline companies (collectively, the "**Enterprise Platform**").

For Fiscal 2018 on a Proforma Basis, our revenue from our Enterprise Platform was 3.0% of our revenue from operations.

Our solutions are sold through our sales and marketing team, which as at July 1, 2018 comprised 36 persons across our four offices, a sales agent in Malaysia and through referrals from existing customers. Our customers include the companies for which we undertake a mobile ad campaign as well as the advertising agencies acting for such companies.

Our Company has received numerous awards from organizations in the advertising technology space, including "Digital Marketing Excellence in Healthcare / Pharma for Harpic for 2018" from Digixx, "Digital Marketing Excellence in Retail for PUMA (Gold) for 2018" from Digixx, "Best Brand Awareness Campaign Using Mobile (Gold)" for Mondelez India from IAMAI in 2017, "Best Big Data Analytics Platform (Gold)" from IAMAI in 2017.

As at July 1, 2018, we had 187 full time employees across our four offices located in Gurugram (India), Mumbai (India), Singapore and Jakarta (Indonesia).

In connection with the Offer, we undertook a corporate restructuring in which our Company incorporated a new Singapore subsidiary, Affle International Pte. Ltd. (the "**Singapore Subsidiary**"), and it acquired all of Affle Global Pte Ltd's ("**Affle Global**") business, intangible assets and all of the equity interests in PT Affle Indonesia (the "**Indonesian Subsidiary**"), effective July 1, 2018. Affle Global was engaged in the same business as our Company outside India and Indonesia and used our Company's solutions. The Indonesian Subsidiary is engaged in the same business as our Company in Indonesia using our Company's solutions. Affle Holdings, our corporate Promoter, owns 100% of the issued shares in Affle Global. For more details, see "*History and Certain Corporate Matters*" on page 152.

Due to our Company's indirect acquisition of Affle Global's business, intangible assets and all of the equity interests in the Indonesian Subsidiary, effective July 1, 2018, our historical results of operations, cash flows and financial condition will not be reflective of our future results of operations for periods from July 1, 2018 onwards. In order to give potential investors a better understanding of what the consolidated financial results for our Company and the acquired businesses would have been had we been operating as one group since April 1, 2017, we have prepared proforma financial statements for Fiscal 2018. For Fiscal 2018 on a Proforma Basis, our revenue from operations was ₹ 1,672.48 million, our profit after tax was ₹ 276.20 million, and profit after tax margin was 16.5%. For further details, see "*Proforma Financial Statements*" on page 194 and "*Risk Factors–Our Proforma Financial Statements are illustrative in nature and have not been prepared in accordance with accounting or other standards and practices generally accepted in any jurisdiction and accordingly should not be relied upon as if they had been prepared in accordance with those standards and practices*" on page 39.

For selected financial results of Affle Holdings, our corporate Promoter, for Fiscals 2018, 2017 and 2016, see "*Our Promoters and Promoter Group*" on page 181.

STRENGTHS

Leading position in India; a high growth market with substantial barriers to entry.

India is our key market. For Fiscal 2018, 92.0% of our Company's revenue from operations was from India. For Fiscal 2018 on a Proforma Basis, our Company's revenue from operations represented 48.2% of our total revenue from operations and the remaining 51.8% of our total revenue from operations was contributed by Affle Global and the Indonesian Subsidiary. According to Frost & Sullivan, we are a leading ad tech solution provider in India. As at March 31, 2018 on a Proforma Basis we had approximately 431 million consumer profiles in India and we provide services across the value chain in digital advertising, spanning the areas of DMP, DSP/SSP, fraud detection and ad network. We are one of the very few companies that have products spanning the entire value chain. While some companies are more focussed on buy-side platforms, others are focused on the publisher side. *(Source: Frost & Sullivan Report)*.

The ad tech market in India is fast growing, with a market size of US$304.9 million in 2017 and will likely grow at a CAGR of 39% to US$808 million by 2022. *(Source: Frost & Sullivan Report).*

We believe that the Indian market presents high barriers to entry given its unique challenges, such as a disjointed demographic, which is just getting habituated to digital applications (such as the use of e-commerce, digital payments, etc.) and low CPCU. In the last two calendar years, only about 25% of all Internet users in India have shopped online. Frost & Sullivan believes that this makes it a more challenging landscape for marketing tech to be able to discern the users who have the highest propensity to transact online. India can be a hard market to sustain, even for market participants who are globally successful. The range of CPCU in India is quite low compared to the global market. Frost & Sullivan believes that achieving profitability in such a price-sensitive market is possible only for companies that are familiar with the dynamics of consumer profiles and have a track record of working alongside brands locally for years. (*Source: Frost & Sullivan Report*). Therefore, we believe our extensive consumer profile data, proprietary technology and local knowledge makes us better placed compared to global peers to deliver profitability in India.

Proven international track record

For Fiscal 2018 on a Proforma Basis, the combined revenue from operations of Affle Global and the Indonesian Subsidiary was ₹ 866.05 million, which was 51.8% of our total revenue from operations. Our key international geographies are: (a) North America; (b) Europe; (c) South East Asia; (d) Middle East and Africa; and (e) Japan, Korea and Australia. As at March 31, 2018 on a Proforma Basis, we had approximately 747 million consumer profiles across our international markets. The global ad tech market is expected to grow at a CAGR of 10% from US$34 billion in Fiscal 2017 to US$54 billion in Fiscal 2022. (*Source: Frost & Sullivan Report*). To illustrate, as at March 31, 2018 on a Proforma Basis, we had 238 million profiles in North America, which includes the United States. The United States is a significant e-commerce market, with over 200 million e-commerce users (comprising 74% of its Internet users) and which generated about US$460 billion in revenue in 2017. The U.S. market is expected to grow to 250 million e-commerce users by 2022, exceeding US$640 billion in revenue. (*Source: Frost & Sullivan Report*). Despite not having any physical presence in the North America, we earned ₹ 393.78 million in CPCU revenue from customers in North America for Fiscal 2018 on a Proforma Basis.

We have two international offices: Singapore; and Indonesia. As at July 1, 2018, our international offices had seven sales staff and our India offices had five sales staff focussed on international markets. As at July 1, 2018, we also had a sales agent in Malaysia.

Profitable, low-cost business model built on an asset light, automated and scalable platform

Our platform is the result of over 12 years of focused research and development and investment. Our platform is supported by a flexible and scalable infrastructure, built in-house using cloud computing infrastructure. Our platform consists of our proprietary machine and deep learning algorithm for prediction and recommendation that operates in real time and at significant scale. Our team of research and development personnel, which as at July 1, 2018 comprised 81 members, is dedicated to further developing and enhancing our platform.

Over time, as we have attracted more marketing budgets and delivered advertisements, our data assets have grown. As a result, the accuracy of our prediction and recommendation algorithm has improved, enabling us to deliver even more precisely targeted and personalised advertisements. As our ability to generate actions improves with increased user intelligence and targeting, we believe more businesses will use our solutions and increase their marketing spend with us. We expect this network effect will continue to fuel our growth.

For Fiscals 2017 and 2018, our revenue from operations was ₹ 656.29 million and ₹ 837.56 million, respectively, an increase of 27.6%, our Total Operating Expenses were ₹ 621.07 million and ₹ 669.91 million, respectively, an increase of 7.9%, and our Earnings before Interest, Depreciation and Amortisation and Tax (EBITDA) was ₹ 35.22 million and ₹ 167.65 million respectively, an increase of 376.0%. More importantly, our revenue growth in India, which is a low CPCU market, did not impact our EBITDA margin, which was 5.4% in Fiscal 2017 and 20.0% in Fiscal 2018. For Fiscals 2017 and 2018, our total assets were ₹ 486.89 million and ₹ 580.31 million, respectively, an increase of 19.2%. As at July 1, 2018, we had 187 employees, of which 167 were in India. The EBITDA and EBITDA % presented above should be read in conjunction with our "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 314.

Approximately 1.18 billion consumer profiles with over 140 billion data points, giving us a deep data-driven understanding of consumer intent and behaviour

As at March 31 2018 on a Proforma Basis, we had approximately 1.18 billion consumer profiles and we accumulated over 140 billion data points over the preceding 12 months. Our consumer profiles as at March 31, 2018 on a Proforma Basis included approximately (a) 431 million consumer profiles in India, (b) 238 million consumer profiles in North America, (c) 166 million consumer profiles in South East Asia, (d) 148 million consumer profiles in Europe, (e) 65 million consumer profiles in Japan, Korea and Australia combined, (f) 63 million consumer profiles in the Middle East and Africa combined and (g) 67 million consumer profiles in other countries. We continually accumulate data profiles. Consumer profiles and data points are the primary building block that support our Consumer Platform. Our Consumer Platform uses a predictive algorithm to recommend mobile users who are most likely to engage with a particular advertisement and on that basis, we choose to display targeted and personalised mobile display advertisements to particular users. By dynamically matching what we believe to be users' intent or interest with relevant advertisements, we are able to deliver more relevant and engaging experiences to consumers, which are therefore more likely to lead to the desired action, such as the downloading of an App or the purchase of a product or service, on the basis of which we earn revenue. Therefore, having significant number of consumer profiles, enables us to expand into markets and deliver results to our customers more quickly and at lower costs.

Growth driven, global customer base

We work with customers who we believe are likely to grow, which we believe will help us to grow in the various countries in which our customers provide services. We are engaged to run ad campaigns either directly by the advertisers or indirectly via advertising agencies.

Global advertising spend is managed largely through six major advertising agency groups: WPP (GroupM); Publicis; Omnicom (OMG); Dentsu Aegis Network (DAN); Interpublic Group (IPG) Mediabrands and Havas. (*Source: Frost & Sullivan Report*). We currently work with all of the top six global advertising agency groups and with other mobile focussed advertising agencies, such as M&C Saatchi Mobile, and with domestic advertising agencies, such as Interactive Avenues and Madison.

We have run mobile advertising campaigns for some of the largest e-commerce and mobile app companies / brands in the world, such as Amazon, Flipkart, Jabong, BookMyShow, Wynk, ALTBalaji, PhonePe, Gojek, Elevenia, Spotify, Sivvi, Wadi, and well-known companies in other industries such as Airtel, Reckitt Benkiser, Johnson & Johnson, SC Johnson, McDonalds, Datsun, Nissan, Air Asia, Axis Bank, Citibank, BTPN, Gundang Garam and Tourism Australia.

Addressing digital fraud and data safety issues that are prevalent in the industry

Our mFaaS platform helps to detect fraud on a real time basis, thus minimising wastage of marketing spend. It processes large volumes of click and conversion data using multiple algorithms to detect patterns of indicative or definitive fraud. We believe mFaaS sets us apart from our competitors as its offers a real time solution for addressing fraud, which is a major issue for online advertising. mFaaS also helps advertising agencies, advertising networks and publishers to optimise the spend on marketing for their customers by helping weed out significant amounts of fraudulent traffic. mFaaS has been recognised and awarded as the industry-wide Best Big Data Technology Platform of the Year at the IAMAI India Digital Awards in 2017. We have filed seven patents in relation to mFaaS in India.

mTraction (v4.0) CDP is accredited under the Accreditation@SG Digital (SG:D) programme by the Info-communications Media Development Authority ("**IMDA**"), a Singapore government statutory board under the Ministry of Communications and Information. Factors considered for technical assessment include a security assessment, reliability and usability and maintainability assessment. Business sustainability, scalability, leadership and management are other areas of assessment. (Source:https://www.imda.gov.sg/industry-development/programmes-and-grants/startups/accreditation-at-sgd accessed on May 8, 2018). Our accreditation by IMDA strengthens our belief that we follow the highest standards in product development, business practices, data security and scalability.

Experienced and dedicated Key Management Personnel, who are ably supported by our other employees

We have an experienced and dedicated team of Key Management Personnel, with significant experience in all aspects of our business operations. Anuj Khanna Sohum, who is our founder, Chairman and Chief Executive Officer, as well as our individual Promoter, has over 18 years' experience in leading technology products/platform-based businesses. Anuj Kumar, our co-founder and Chief Revenue and Operating Officer and a Director, has 17 years' experience in the field of advertising and technology platforms-based business role. Charles Yong Jien Foong, our Chief Architect and Technology Officer and a Director, has over 19 years' experience in building product management and solution consulting/architecture. Vipul Kedia, our Chief Data and Platforms Officer, has over 13 years' experience in consulting and ad tech. All of the above persons have been associated with our business for more than 11 years. For more details on our Key Management Personnel, see "*Our Management*" on page 160. Our Board is also advised by Richard Humphreys, director of AHPL, and Jay Snyder, independent observer on AHPL's board. Richard Humphreys has previously served as President of Saatchi & Saatchi Advertising Worldwide, and he later set up the Adcom Investors in the United States, and has significant experience in advising media and advertising companies around the world. Jay Snyder, currently principal at HBJ Investments LLC (which provides private-equity and seed-capital funding), has served as a Public Delegate, United States representative at the 55th UN General Assembly, a member of the US Advisory Commission on Public Diplomacy and as Commissioner of the New York State Commission for Public Authority Reform. He has also worked with Biocraft Laboratories in various positions, retiring as its Vice-President of Research and Product Development and member of the steering committee of the board of directors.

We believe that our stable, senior management team has helped us in successfully implementing our development and operating strategies over the years. We also believe our executive Key Management Personnel's understanding of the industry trends, demands and market changes, have enabled us to adapt and diversify our operating capabilities and take advantage of market opportunities. Our Key Management Personnel are ably supported by our employees. As at July 1, 2018, we had 187 employees, 81 of whom are R&D personnel focusing on areas of machine learning, artificial intelligence and fraud analytics, among other areas.

STRATEGIES

Enhance our revenue from existing and new customers in India and acquire new consumer profiles beyond Tier 1 cities

The ad tech market in India is fast growing, with a market size of US$304.9 million in 2017 and will likely grow at a CAGR of 39% to US$808 million by 2022. *(Source: Frost & Sullivan Report)*. Our revenue from operations from our Consumer Platform has grown by 45.2% from ₹ 529.81 million in Fiscal 2017 to ₹ 769.40 million in Fiscal 2018. We intend to continue to grow our business in India by increasing our revenue from our existing customers by deepening our relationships with them. For example, we have conducted mobile ad campaigns in India for a number of well-known e-commerce and mobile app companies/ brands, such as Amazon, Flipkart, Jabong, BookMyShow, and PhonePe. The Indian e-commerce market was US$38.5 billion in 2017 and is likely to grow at a CAGR of 12.4% to US$69.2 billion by 2022. However, with further increase in avenues for digital payments, accelerated broadband penetration, and an increasing number of product options across the breadth of the country, the market has the potential to grow to USS$130 billion over the same time period. Over the last two calendar years, approximately 25% of all internet users in India have shopped online and the number of e-commerce shoppers is forecast to grow at a CAGR of 33.7% from 100 million in 2017 to 320 million in 2022. Frost & Sullivan expects this growth to be driven by retailers and brands diversifying their presence and widen their distribution with integrated online-offline models to gain access to customers beyond those in Tier 1 and Tier 2 cities. (*Source: Frost & Sullivan Report*). We also intend to continue to grow our revenue by gaining new customers in the fast-growing e-commerce market, through our existing sales team in India and through referrals from existing customers.

To date, we have primarily focused on gaining consumer profiles in Tier 1 cities. In addition to focusing on consumers in Tier 1 cities, we intend to increase the number of consumer profiles in Tier 2 cities, Tier 3 cities and rural markets, which are areas that our customers have not placed much emphasis on to date. We have partnered in the past with Micromax Informatics Ltd. in order to enhance our consumer intelligence and we intend to continue to do that in the future, which we believe will enable us to increase our consumer intelligence in Tier 2 cities, Tier 3 cities and rural markets. In addition, we will encourage our customers to put more emphasis on ad campaigns that focus on consumers in Tier 2 cities, Tier 3 cities and rural markets, which will increase our consumer profile base in those areas.

Expand our international business through local business development efforts and through referrals from our existing customers

As at March 31, 2018 on a Proforma Basis, we had approximately 1.18 billion consumer profiles, of which approximately 431 million were in India and 747 million were outside of India, which means we had 73.2% more consumer profiles outside India compared to consumer profiles in India. For Fiscal 2018, on a Proforma

Basis, our average CPCU outside India was higher than in India. For Fiscal 2018 on a Proforma Basis, our average CPCU was ₹ 24.1 in India, ₹ 179.4 in North America, ₹ 132.6 in Europe, ₹ 79.5 in the Middle East and Africa, ₹ 180.8 for Japan, Korea and Australia combined and ₹ 46.7 in South East Asia. Revenue from operations for Fiscal 2018 on a Proforma Basis was 48.2% from our Company and 51.8% from Affle Global and the Indonesian Subsidiary combined even though the average monetization factor, which is the percentage of converted users delivered relative to the number of consumer profiles on the Consumer Platform (the "**Monetization Factor**"), was 6.7% in India compared to 1.1% outside India. We intend to increase the Monetization Factor for our consumer profiles outside India by increasing our business development efforts to gain more customers outside India.

We currently have business development teams outside India in Singapore and Jakarta, Indonesia. Our initial plans for increasing our business development efforts outside India are to build business development teams in Dubai to service the Middle East and Africa market and in the United States to service North America market by the end of Fiscal 2019 to win more advertising campaigns with local and international companies operating in the regions by demonstrating our successful track record internationally and through our on the ground presence to deliver better support and build more trust with the market participants. Although we do not have business development teams in North America or in the Middle East and Africa, we had approximately 238 million consumer profiles in North America and approximately 63 million consumer profiles in the Middle East and Africa and our CPCU revenue from customers in North America and in the Middle East and Africa was ₹ 393.78 million and ₹ 73.84 million for Fiscal 2018 on a Proforma Basis, respectively.

Drive further penetration in our top customers and deliver more converted users for large e-commerce companies, such as Amazon

The table below shows revenue from our top 10 customers and our top customer for each of Fiscals 2016, 2017 and 2018 and Fiscal 2018 on a Proforma Basis.

(in ₹ millions, except for percentages)

	Fiscal 2016 (proforma)*		**Fiscal 2017***		**Fiscal 2018***		**Fiscal 2018 on a Proforma Basis****	
	Revenue	*Percentage of revenue from operations*	Revenue	*Percentage of revenue from operations*	Revenue	*Percentage of revenue from operations*	Revenue	*Percentage of revenue from operations*
Revenue from our top 10 customers	322.57	*36.7*	416.31	*63.4*	686.24	*81.9*	686.24	*41.0*
Revenue from our top customer	73.17	*8.3*	225.34	*34.3*	512.34	*61.2*	512.34	*30.6*

* *(Please note that these Restated Financials for 2016 (referred as 2016 (proforma), which are prepared in accordance with SEBI circular (no. SEBI/HO/CFD/DIL/CIR/P/2016/47) dated March 31, 2016 are different from the Proforma Financial Statements prepared on an illustrative basis to reflect the effect of the Transaction).*

***(Please note that these Proforma Financial Statements are different from the Restated Financials for 2016 (referred as 2016 (proforma), which are prepared in accordance with SEBI circular (no. SEBI/HO/CFD/DIL/CIR/P/2016/47) dated March 31, 2016).*

Six of our top 10 customers in Fiscal 2018 were also our customers in Fiscals 2016 and 2017. The revenue contribution of these six recurring customers grew from ₹ 155.72 million for Fiscal 2016 to ₹ 335.32 million for Fiscal 2017 and to ₹ 623.97 million for Fiscal 2018, representing a CAGR of 100.2%.

For Fiscal 2018 on a Proforma Basis, our top customer was an advertising agency group. Advertising agencies are responsible for managing advertising spends for their clients. We currently work with all of the top six global advertising agency groups and with other mobile focussed advertising agencies, such as M&C Saatchi Mobile, and with domestic advertising agencies, such as Interactive Avenues and Madison. Our goal is to deepen our engagement with these agencies to play a key role as global digital advertising spends continue to increase, from 37% of total advertising spend as of Fiscal 2017 to 50% of total advertising spend by Fiscal 2022. *(Source: Frost & Sullivan Report).*

Our goal is to deliver more converted users for large e-commerce companies, such as Amazon, Flipkart and Gojek globally by being part of their expansion plans. We have delivered converted users for Amazon and its related group entities in 16 countries across North America, South America, South East Asia, Europe, and Middle East and Africa in Fiscal 2018 Amazon has been helping sellers in countries where it does not have a presence reach out to our customers in countries outside their home geographies. It hosted merchants from more than 100 different countries last year and helped them connect with customers in 185 nations. *(Source: Frost & Sullivan Report).*

Continue to invest in and develop our technological capabilities

For Fiscals 2016, 2017 and 2018 and for Fiscal 2018 on a Proforma Basis we spent ₹ 15.43 million, ₹ 66.31 million, ₹ 37.92 million and ₹ 73.66 million, respectively, on additions of software application development for the Consumer Platform, representing 1.8%, 10.1%, 4.5% and 4.4% of our total revenue from operations for Fiscals 2016, 2017 and 2018 and for Fiscal 2018 on a Proforma Basis, respectively. We intend to continue devoting substantial resources on our research and development efforts. As at July 1, 2018, we had 81 full-time members in our research and development team. We expect to expand our research and development efforts by recruiting more employees. We plan to continue to invest more in research and development into: artificial intelligence, machine learning and deep learning in identifying and classifying our consumer profiles; a combination of data science and artificial intelligence, machine learning and deep learning in identifying fraud; moving to cloud agnostic platforms to enable multi-cloud deployments; and using database lakes that utilise multiple best of breed database technologies to distribute the data load and reduce costs and in some cases increase the speed of processing.

Continue to develop our award-winning fraudulent data detection and prevention platform

We believe mFaaS sets us apart from our competitors as its offers a real time solution for addressing fraud, which is a major issue for mobile advertising. Our fraud detection technology needs to continually evolve to counter and stay ahead of persons engaged in ad fraud. We intend to continue to build more fraud checks to detect and prevent mobile advertisement fraud and hence ensuring actual returns to our clients. We have currently filed for seven patents in India. For more details, see "*-Intellectual Property*" on page 141.

Continue to selectively pursue acquisitions

We will look to continue acquiring businesses, assets, and technologies that complement our existing capabilities, revenue streams and marketing presence. There are over 100 companies around the world which offer one or more components of the digital advertising technology. Only a few companies operate internationally such as our Company, InMobi, Criteo, Trade Desk, Freakout, Mobvista and YouAppi, among others, thereby providing us with opportunities for consolidation. (*Source: Frost & Sullivan Report*). We have in the past successfully acquired and integrated businesses such as Markt in March 2018 as it had an offline to online commerce platform through which we could enhance our platform propositions for e-commerce companies.

We are currently considering acquiring certain media re-targeting businesses (catering to e-commerce clients) of a company, and have entered into a non-binding term sheet. However, we have not entered into any binding agreement yet in relation to such contemplated acquisition.

Get new customers for our Consumer Platform business through our Enterprise Business solutions

The solutions in our Enterprise Platform enable offline to online commerce for currently offline businesses. Our Enterprise Platform solutions create a new segment of potential customers. Having developed a relationship with them through helping them build an e-commerce business, we believe we would be ideally placed to help them get customers for their online business through our Consumer Platform. Global e-commerce revenue was US$2.29 trillion in 2017, which comprised only 10% of the total global retail sales, thereby providing significant opportunity in the medium to long term to enable the shift to e-commerce globally. (*Source: Frost & Sullivan Report*).

SUMMARY PROFORMA FINANCIAL INFORMATION

The following tables set forth the Proforma financial information for illustrative purposes presented by the Company to illustrate the impact of the Transaction and includes the unaudited proforma combined balance sheet as at March 31, 2018, which gives effect to the Transaction as if it occurred on March 31, 2018 and the unaudited proforma combined statement of profit and loss for the year ended March 31 2018 which gives effect to the Transaction as if it occurred on April 1, 2017. PT Affle Indonesia and Affle Global are entities under common control and the proforma financial information has been prepared by considering the assets and liabilities of PT Affle Indonesia and assets taken over at their carrying amounts. For further details, see "*Risk Factors–Our Proforma Financial Statements are illustrative in nature and have not been prepared in accordance with accounting or other standards and practices generally accepted in any jurisdiction and accordingly should not be relied upon as if they had been prepared in accordance with those standards and practices*" on page 39.

Unaudited Proforma Condensed Combined Statement of Balance Sheet as at March 31, 2018

(Amounts in INR million, unless otherwise restated)

	Restated Balance sheet of Affle (India) Limited (Historical)	Affle Global Pte Ltd (Historical)	PT. Affle Indonesia (Historical)	Acquisition adjustments	Intragroup elimination adjustments	Total adjustments	Unaudited Proforma Combined financial information as at March 31, 2018
	(A)	**(B)**	**(C)**	**(D)**	**(E)**	**(F=D+E)**	**(G=A+B+C+F)**
ASSETS							
I. Non-current assets							
(a) Property, plant and equipment	3.67	0.59	0.77	(0.59)	-	(0.59)	4.44
(c) Goodwill	59.24	-	-	-	-	-	59.24
(d) Intangible assets	88.18	122.87	-	-	-	-	211.05
(f) Financial Assets							-
(i) Investments	0.26	48.07	-	(48.07)	-	(48.07)	0.26
(ii) Loans	5.83	-	-	-	-	-	5.83
(g) Deferred tax asset (net)	4.94	-	-	-	-	-	4.94
(h) Other non-current assets	0.05	-	-	-	-	-	0.05
	162.17	**171.53**	**0.77**	**(48.66)**	**-**	**(48.66)**	**285.81**
II. Current assets							
(a) Financial Assets							
(i) Trade receivables	158.23	182.51	16.69	(182.51)	-	(182.51)	174.92
(ii) Cash and cash equivalents	136.71	281.19	44.29	(281.19)	-	(281.19)	181.00
(iii) Other bank balance other than (ii) above	8.20	-	-	-	-	-	8.20
(iv) Loans	1.62	1.30	0.52	(1.30)	-	(1.30)	2.14
(v) Other financial assets	77.29	-	-	-	-	-	77.29
(b) Other current assets	24.35	0.20	0.33	(0.20)	-	(0.20)	24.68
(c) Current tax asset (net)	11.74	-	-	-	-	-	11.74
	418.14	**465.20**	**61.83**	**(465.20)**	**-**	**(465.20)**	**479.97**
Total Assets	**580.31**	**636.73**	**62.60**	**(513.86)**	**-**	**(513.86)**	**765.78**
EQUITY AND LIABILITIES							
EQUITY							
(a) Equity share capital	242.88	130.09	21.52	(151.61)	-	(151.61)	242.88
(b) Other equity							
Capital reserve	-	141.54	-	(132.90)	-	(132.90)	8.64
Retained earnings	50.59	(105.50)	(18.42)	105.50	-	105.50	32.17
Capital contribution from parent	8.18	-	-	-	-	-	8.18
Other reserves	-	10.80	-	(10.80)	-	(10.80)	-
	301.65	**176.93**	**3.10**	**(189.81)**	**-**	**(189.81)**	**291.87**

		Restated Balance sheet of Affle (India) Limited (Historical)	Affle Global Pte Ltd (Historical)	PT. Affle Indonesia (Historical)	Acquisition adjustments	Intragroup elimination adjustments	Total adjustments	Unaudited Proforma Combined financial information as at March 31, 2018
	LIABILITIES							
	I. Non-current liabilities							
	(a) Provisions	11.42	-	-	-	-	-	11.42
		11.42	**-**	**-**	**-**	**-**	**-**	**11.42**
	II. Current liabilities							
	(a) Financial Liabilities				-			
	(i) Trade payables	220.24	64.46	59.50	(64.46)	-	(64.46)	279.74
	(ii) Other financial liabilities	24.89	395.34	-	(259.59)	-	(259.59)	160.64
	(b) Other current liabilities	21.04	-	-	-	-	-	21.04
	(c) Provisions	1.07	-	-	-	-	-	1.07
		267.24	**459.80**	**59.50**	**(324.05)**	**-**	**(324.05)**	**462.49**
	Total Equity and Liabilities	**580.31**	**636.73**	**62.60**	**(513.86)**	**-**	**(513.86)**	**765.78**

Unaudited Proforma Condensed Combined Statement of Profits and Losses as at March 31, 2018

(Amounts in INR million, unless otherwise restated)

		Restated Statement of Profit and Loss of Affle (India) Limited (Historical)	Affle Global Pte Ltd (Historical)	PT. Affle Indonesia (Historical)	Acquisition adjustments	Intragroup elimination adjustments	Total adjustments	Unaudited Proforma Combined financial information for year ended March 31, 2018
		(A)	**(B)**	**(C)**	**(D)**	**(E)**	**(F=D+E)**	**(G=A+B+C+F)**
I	**REVENUE**							
	Revenue from operations	837.56	796.30	103.14	-	(64.52)	(64.52)	1,672.48
	Other income	11.22	5.22	0.37	-	(11.97)	(11.97)	4.84
	Total revenue (I)	**848.78**	**801.52**	**103.51**	**-**	**(76.49)**	**(76.49)**	**1,677.32**
II	**EXPENSES**							
	Inventory and data cost	424.27	410.69	56.58	-	(33.38)	(33.38)	858.16
	Employee benefits expense	159.52	31.73	25.79	-	(39.02)	(39.02)	178.02
	Finance costs	10.78	1.03	0.18	-	-	-	11.99
	Depreciation and amortization expense	32.13	52.63	0.46	-	-	-	85.22
	Other expenses	86.12	82.74	16.50	-	(4.09)	(4.09)	181.27
	Total expenses (II)	**712.82**	**578.82**	**99.51**	**-**	**(76.49)**	**(76.49)**	**1,314.66**
III	**Profit before tax (I-II)**	**135.96**	**222.70**	**4.00**	**-**	**-**	**-**	**362.66**
IV	**Tax expense:**							
	Current tax	46.20	-	0.95	37.86	-	37.86	85.01
	Deferred tax (credit)/ charge	1.45	102.29	-	(102.29)	-	(102.29)	1.45
		47.65	**102.29**	**0.95**	**(64.43)**	**-**	**(64.43)**	**86.46**
V	**Profit for the year (III-IV)**	**88.31**	**120.41**	**3.05**	**64.43**	**-**	**64.43**	**276.20**
VI	**Proforma earnings per equity share:**							
	(1) Basic/diluted	3.64						11.37

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Ind AS Summary Statements as of and for the Fiscal Years ended, March 31, 2018, 2017 and 2016 (proforma) and our Restated Indian GAAP Summary Statements as of and for the Fiscal Years ended March 31, 2015 and March 31, 2014.

The Restated Financial Statements are set forth in "*Financial Information*" beginning on page 193. The summary financial information presented below should be read in conjunction with our Restated Financial Statements, the notes thereto and in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 314.

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Summary Statement of Assets and Liabilities (Ind AS)

(Amount in INR million, unless otherwise stated)

Particulars	As at		
	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3.67	3.63	5.48
(b) Capital work-in-progress	-	-	1.26
(c) Goodwill	59.24	59.24	59.24
(c) Other intangible assets	88.18	80.14	33.06
(d) Intangible assets under development	-	3.06	39.75
(e) Financial Assets			
(i) Investments	0.26	0.20	-
(ii) Loans	5.83	6.31	6.28
(f) Deferred tax asset (net)	4.94	18.96	19.48
(g) Non current tax asset (net)	-	-	3.16
(h) Other non-current assets	0.05	0.32	0.86
Total Non-current Assets	**162.17**	**171.86**	**168.57**
II. Current assets			
(a) Financial Assets			
(i) Trade receivables	158.23	135.30	162.99
(ii) Cash and cash equivalents	136.71	57.89	78.69
(iii) Other bank balance other than (ii) above	8.20	29.58	-
(iv) Loans	1.62	0.39	5.34
(v) Other financial assets	77.29	38.93	67.88
(b) Current tax asset (net)	24.35	28.48	25.53
(c) Other current assets	11.74	24.46	30.05
Total Current Assets	**418.14**	**315.03**	**370.48**
Total Assets	**580.31**	**486.89**	**539.05**
III.EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	242.88	242.88	242.88
(b) Other equity	58.77	(32.57)	(42.43)
	301.65	**210.31**	**200.45**
IV. LIABILITIES			
I. Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	-	5.26	40.40
(b) Provisions	11.42	9.12	9.98
Total Non-current Liabilities	**11.42**	**14.38**	**50.38**

Particulars	As at		
	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
V. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	-	28.34	-
(ii) Trade payables	220.24	160.08	225.76
(iii) Other financial liabilities	24.89	59.66	38.27
(b) Provisions	1.07	1.47	5.19
(c) Other current liabilities	21.04	12.65	19.00
Total Current Liabilities	**267.24**	**262.20**	**288.22**
Total Equity and Liabilities	**580.31**	**486.89**	**539.05**

Summary Statement of Profits and Losses (Ind AS)

(Amount in INR million, unless otherwise stated)

	Particulars	For the year ended		
		March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
I	**REVENUE**			
	Revenue from operations	837.56	656.29	879.71
	Other income	11.22	11.71	8.80
	Total revenue (I)	**848.78**	**668.00**	**888.51**
II	**EXPENSES**			
	Inventory and data costs	424.27	323.78	517.69
	Employee benefits expense	159.52	176.23	166.87
	Finance costs	10.78	15.86	10.54
	Depreciation and amortization expense	32.13	23.07	13.40
	Other expenses	86.12	121.06	141.42
	Total expenses (II)	**712.82**	**660.00**	**849.92**
III	**Restated profit before tax (I-II)**	**135.96**	**8.00**	**38.59**
IV	**Tax expense:**			
	Current tax	46.20	1.82	8.61
	Deferred tax charge [includes adjustment of MAT credit entitlement amounting to INR Nil (March 31, 2017: INR 1.82 million and March 31, 2016: INR 6.73 million)]	1.45	2.88	6.04
V	**Profit for the year (III-IV)**	**88.31**	**3.30**	**23.94**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss in subsequent period			
	Re-measurement gains /(losses) on defined benefit plans	(0.12)	4.53	2.40
	Income tax effect	0.04	(1.40)	(0.78)
	Other Comprehensive Income net of tax	**(0.08)**	**3.13**	**1.62**
VII	**Total Comprehensive Income for the year (V + VI)**	**88.23**	**6.43**	**25.56**
VIII	Earnings per equity share:			
	(1) Basic	3.64	0.14	0.99
	(2) Diluted	3.64	0.14	0.99

Summary Statement of Cash Flows (Ind AS)

(Amount in INR million, unless otherwise stated)

	Particulars	For the year ended March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
A	**Cash Flow from Operating Activities**			
	Profit Before Tax (as restated)	135.96	8.00	38.59
	Adjustments for :			
	Depreciation and amortization	32.13	23.07	13.40
	Allowance for impairment of trade receivables and unbilled revenue	11.22	11.21	23.27
	Employee stock option compensation cost	3.11	3.43	1.64
	Loss/ (Gain) on Property, plant and equipment and intangible assets (net)	0.06	(0.05)	0.51
	Interest income	(2.10)	(3.90)	(1.89)
	Interest expense	10.24	14.85	10.13
	Unrealised foreign exchange (gain)/ loss	(0.30)	(1.13)	(0.18)
	Advances given written off	0.04	2.10	0.42
	Operating profit before working capital changes	**190.36**	**57.58**	**85.89**
	Change in working capital:			
	Decrease/ (increase) in trade receivables	(32.21)	14.60	50.74
	Decrease/ (increase) in financial assets	(40.84)	35.33	(59.45)
	Decrease/ (increase) in other assets	12.95	4.03	(12.12)
	Increase/ (decrease) in trade payables	60.47	(63.77)	(10.12)
	Increase in other financial liabilities	2.59	22.30	-
	Increase/ (decrease) in other liabilities	8.38	(6.35)	(29.19)
	Increase/ (decrease) in provisions	1.78	(0.05)	5.05
	Cash generated from operations	**203.48**	**63.67**	**30.80**
	Direct taxes paid (net of refunds)	(29.46)	(5.37)	(11.37)
	Net cash generated from operating activities (A)	**174.02**	**58.30**	**19.43**
B	**Cash Flow from Investing Activities:**			
	Purchase of property, plant & equipment, intangible assets including Capital work in progress	(37.25)	(32.30)	(52.84)
	Proceeds from sale of property, plant and equipment and intangible assets	0.04	1.53	0.02
	Purchase of non-current investments	(0.06)	(0.20)	-
	Investments in bank deposits (having original maturity of more than three months)	-	(36.61)	-
	Redemption in bank deposits (having original maturity of more than three months)	21.38	7.03	8.23
	Interest received	1.89	3.54	1.71

	Particulars	For the year ended		
		March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
	Net cash used in investing activities:	**(14.00)**	**(57.01)**	**(42.88)**
C	**Cash flow from Financing Activities:**			
	Interest paid	(10.03)	(13.60)	(11.59)
	Proceeds from borrowings	-	28.34	90.00
	Repayment of borrowings	(71.17)	(36.83)	(10.34)
	Net cash generated/(used) from financing activities:	**(81.20)**	**(22.09)**	**68.07**
	Net change in cash and cash equivalents (A+B+C)	78.82	(20.80)	44.62
	Cash and cash equivalents as at the beginning of year	57.89	78.69	34.07
	Cash and cash equivalents as at the end of year	**136.71**	**57.89**	**78.69**
	Components of cash and cash equivalents:			
	Balance with banks			
	On current account	116.36	57.66	50.37
	Deposits with original maturity for less than three months	20.00	-	27.00
	Cash in hand	0.35	0.23	1.32
	Total cash and cash equivalents	**136.71**	**57.89**	**78.69**

Summary Statement of Assets and Liabilities (Indian GAAP)

(Amounts in INR million, unless otherwise restated)

Particulars	As at March 31, 2015	As at March 31, 2014
Equity and liabilities		
Shareholders' funds		
Share capital	158.24	105.25
Reserves and surplus	(76.68)	(99.23)
	81.56	**6.02**
Share application money pending allotment	0.00	52.99
Non-current liabilities		
Long-term provisions	3.79	2.55
Current liabilities		
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	168.49	69.12
Other current liabilities	31.34	1.95
Short-term provisions	3.53	8.38
	203.36	**79.45**
Total Liabilities	**288.71**	**141.01**
Assets		
Non-current assets		
Fixed assets		
Property, Plant and Equipment	1.30	0.80
Intangible assets	5.05	-
Deferred tax assets (net)	3.96	(1.32)
Loans and advances	8.43	5.86
Other non-current assets	-	6.95
	18.74	**12.28**
Current assets		
Trade receivables	223.45	98.05
Cash and bank balances	19.18	14.64
Loans and advances	14.63	8.28
Other current assets	12.71	7.76
	269.97	**128.73**
Total Assets	**288.71**	**141.01**

Summary Statement of Profits and Losses (Indian GAAP)

(Amounts in INR million, unless otherwise restated)

Particulars	For the years ended March 31, 2015	March 31, 2014
Income		
Revenue from operations	393.27	148.36
Other income	1.30	1.05
Total revenue	**394.57**	**149.41**
Expenses		
Inventory and data costs	281.81	68.25
Employee benefits expenses	53.56	33.97
Depreciation and amortisation expenses	1.05	4.62
Finance cost	1.47	1.00
Other expenses	39.41	20.44
Total expenses	**377.30**	**128.28**
Profit before tax	**17.27**	**21.13**
Tax expense:		
Current tax	1.20	-
Less: MAT credit entitlement	(1.20)	-
Net current tax expense	**-**	
Deferred tax (credit)/ charge	(5.28)	8.22
Total tax expense	(5.28)	**8.22**
Profit after tax	**22.55**	**12.91**
Earnings per equity share [nominal value of share Rs 10 (31 March 2014: Rs 10)]		
-Basic & Diluted earning per share	1.43	1.23

Summary Statement of Cash Flows (Indian GAAP)

(Amounts in INR million, unless otherwise restated)

Particulars	March 31, 2015	March 31, 2014
Cash flow from operating activities		
Net profit/ (loss) before tax	17.27	21.13
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	1.05	4.62
Loss on sale of fixed assets	-	0.39
Provision for doubtful debts	1.54	0.76
Provision for doubtful advance	-	0.33
Bad debts	5.97	5.01
Unrealised foreign exchange (gain)/ loss	(1.68)	(1.18)
Advances written off	7.57	1.93
Interest income	(1.30)	(1.05)
Interest expense	1.20	0.98
Operating profit before working capital changes	**31.62**	**32.92**
Movement in working capital:		
(Increase)/ decrease in trade receivables	(131.77)	(52.94)
(Increase)/ decrease in other current assets	(4.73)	(7.28)
(Increase)/ decrease in loans and advances	(14.48)	(0.54)
Increase / (Decrease) in short-term and long-term provision	(3.60)	10.92
Increase / (Decrease) in trade payable and other current liabilities	129.26	21.20
Cash generated from operations	**6.30**	**4.28**
Direct taxes paid (net of refunds)	(2.00)	(2.44)
Net cash flow from operating activity (A)	**4.30**	**1.84**
Cash flow from investing activities		
Purchase of fixed assets	(6.61)	(0.30)
Interest received	1.20	0.77
Investment in long term fixed deposits with scheduled banks	-	(3.25)
Proceeds from long term fixed deposits with scheduled banks	10.54	6.15
Net cash flow from investing activity (B)	**5.13**	**3.37**
Cash flow from financing activities		
Interest paid	(1.20)	(0.98)
Net cash used in financing activity (C)	**(1.20)**	**(0.98)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	8.24	4.23
Cash and cash equivalent at the beginning of the year	7.69	3.46
Cash and cash equivalent at the end of the year	**15.93**	**7.69**
Components of cash and cash equivalents		
Balance with banks		
On current account	15.90	7.60
Cash on hand	0.03	0.09
Total cash and cash equivalents	**15.93**	**7.69**

THE OFFER

The following table summarises the Offer details:

Offer[(1)]	**Up to [●] Equity Shares aggregating up to ₹ [●] million**
Of which:	
Fresh Issue[(1)]	Up to [●] Equity Shares aggregating up to ₹ 900 million
Offer for Sale[(2)] *by* Affle Holdings	Up to 5,500,000 Equity Shares aggregating up to ₹ [●] million
The Offer consists of:	
A. QIB Portion[#]	At least [●] Equity Shares
Of which:	
Anchor Investor Portion[*]	Up to [●] Equity Shares
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
Of which:	
Mutual Fund Portion	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
B. Non-Institutional Portion[#]	Not more than [●] Equity Shares
C. Retail Portion[#]	Not more than [●] Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	24,288,314 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of proceeds of this Offer	For details of use of proceeds of the Offer, see "*Objects of the Offer*" on page 87.

[*] *Our Company and the Selling Shareholder may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion will be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" on page 367.*

[(1)] *The Offer has been authorised by a resolution of our Board dated July 14, 2018 and by a special resolution of the Shareholders passed at the EGM held on July 14, 2018.*

[(2)] *The Offer for Sale has been authorised by the Selling Shareholder by a resolution of its board of directors dated July 11, 2018 and its consent letter dated July 14, 2018.*

[#] *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company and the Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange.*

GENERAL INFORMATION

Our Company was incorporated as ‘Tejus Securities Private Limited’ under the Companies Act, 1956, with a certificate of incorporation issued by the Registrar of Companies, Maharashtra (“**RoC**”) on August 18, 1994 at Mumbai. Subsequently, the name of our Company was changed to ‘Affle (India) Private Limited’ and a fresh certificate of incorporation issued by the RoC on September 29, 2006. Our Company was subsequently converted to a public limited company and the name of our Company was changed to our present name, i.e., ‘Affle (India) Limited’, and a fresh certificate of incorporation consequent upon conversion was issued by the RoC on July 13, 2018.

Registration Number: 080451

Corporate Identification Number: U65990MH1994PLC080451

Registered Office

312, B-Wing, Kanakia Wallstreet
Andheri Kurla Road
Andheri (East)
Mumbai 400 093
Tel.: + 91 22 6239 8047
Website: www.affle.com

Corporate Office

601-612, 6th Floor
Tower C, JMD Megapolis
Sohna Road, Sector 48
Gurgaon 122 018
Tel.: +91 124 4992 914
Fax: +91 124 2213 847

For details of changes in the name and registered office address of our Company, see “*History and Certain Corporate Matters*” on page 152.

Address of RoC

Registrar of Companies, Mumbai
100, Everest, Marine Drive
Mumbai 400 002, Maharashtra, India.

Board of Directors

The following table sets out the details regarding our Board:

Name	Designation	DIN	Address
Anuj Khanna Sohum	Chairman, Managing Director and Chief Executive Officer	01363666	283, Ocean Drive #01-05, The Oceanfront @ Sentosa Cove, Singapore
Anuj Kumar	Director and Chief Revenue & Operating Officer	01400273	14B GH-2, Orchid Gardens Suncity, Sector-54, Gurgaon 122 002
Kapil Mohan Bhutani	Director and Chief Financial & Operations Officer	00554760	757,C.A. Apartments, Paschim Vihar, New Delhi -110 063
Charles Yong Jien Foong	Director	08160891	508, Upper East Coast Road, Singapore 466 533

Name	Designation	DIN	Address
Mei Theng Leong	Non-Executive Director	08163996	21 Lorong 108 Changi #03-03, Singapore 426 411
Bijynath	Non-Executive Independent Director	08160918	Apartment Block 334, Tampines Street 32 #03-510, Singapore 520 334
Naresh Chand Gupta	Non- Executive Independent Director	00172311	200, Sector 15A Noida, Uttar Pradesh 201301
Sudhir Jatia	Non- Executive Independent Director	00031969	Jatia Sadan, 81 Worli Sea Face, Worli, Mumbai 400 018
Sumit Mamak Chadha	Non- Executive Independent Director	05207581	Flat No. 602, Block 18, Heritage City Complex, MG Road, Gurgaon 122 002
Vivek Narayan Gour	Non- Executive Independent Director	00254383	Apartment 1203, Magnolias, DLF Golf Links, DLF Phase 5, Gurgaon 122 009

For brief profiles of our Directors, see "*Our Management*" on page 160.

Company Secretary and Compliance Officer

Akanksha Gupta is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

601-612, 6th Floor
Tower C, JMD Megapolis
Sohna Road, Sector 48
Gurgaon 122 018
Tel.: +91 124 4992 914
Fax: +91 124 2213 847
E-mail: compliance@affle.com

Selling Shareholder

Affle Holdings is the Selling Shareholder in this Offer.

Offer related grievances

Bidders can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the First or Sole Bidder, the Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidders shall also enclose the Acknowledgement Slip duly received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

Book Running Lead Managers

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

Nomura Financial Advisory and Securities (India) Private Limited
Ceejay House, Level 11, Plot F, Shivsagar Estate
Worli, Mumbai 400 018
Maharashtra, India
Tel: +91 22 4037 4037

Tel.: +91 22 2288 2460
Fax: +91 22 2282 6580
E-mail: affle.ipo@icicisecurities.com
Investor grievance e-mail:
customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Arjun A Mehrotra/ Rishi Tiwari/ Nidhi Wangnoo
SEBI Registration No.: INM000011179

Fax: +91 22 4037 4111
E-mail: affleipo@nomura.com
Investor grievance E-mail:
investorgrievances-in@nomura.com
Website: www.nomuraholdings.com/company/group/asia/india/index.html
Contact Person: Chirag Shah / Srishti Tyagi
SEBI Registration No.: INM000011419

Statement of inter-se allocation of responsibilities between the BRLMs

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

Sr. No.	Activity	Responsibility	Coordinator
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, and positioning strategy	ICICI Securities, Nomura	ICICI Securities
2.	Pre-Offer due diligence of our Company including its operations/management/business plans/legal etc., Drafting and design of DRHP, RHP and Prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of RHP, Prospectus and RoC filing	ICICI Securities, Nomura	ICICI Securities
3.	Drafting and approval of all statutory advertisements	ICICI Securities, Nomura	ICICI Securities
4.	Drafting and approval of all publicity material other than statutory advertisements, including corporate advertising, brochures, etc.	ICICI Securities, Nomura	ICICI Securities
5.	Appointment of Registrar to the Offer, Printers, Banker(s) to the Offer, Advertising agency (including coordinating all agreements to be entered with such parties)	ICICI Securities, Nomura	Nomura
6.	Preparation of road show presentation and FAQs for the road show team	ICICI Securities, Nomura	Nomura
7.	International institutional marketing of the Offer, which will cover, *inter alia*: • Institutional marketing strategy • Finalizing the list and division of international investors for one-to-one meetings • Finalizing international road show and investor meeting schedules	ICICI Securities, Nomura	Nomura
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Finalizing the list and division of domestic investors for one-to-one meetings • Finalizing domestic road show and investor meeting schedules	ICICI Securities, Nomura	ICICI Securities
9.	Conduct non-institutional and retail marketing of the Offer, which will cover, *inter-alia*: • Finalising media, marketing, public relations strategy and publicity budget • Finalising collection centres • Finalising centres for holding conferences for brokers etc. • Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material	ICICI Securities, Nomura	ICICI Securities
10.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading	ICICI Securities, Nomura	Nomura
11.	Coordination with Stock Exchanges for deposit of 1% security deposit	ICICI Securities, Nomura	ICICI Securities
12.	Managing the book and finalization of pricing in consultation with the Company	ICICI Securities, Nomura	Nomura
13.	Post-Bidding activities – managing Anchor book related activities and submission of letters to regulators post completion of Anchor issue,	ICICI Securities, Nomura	ICICI Securities

Sr. No.	Activity	Responsibility	Coordinator
	management of escrow accounts, coordinating underwriting, coordination of non-institutional allocation, announcement of allocation and dispatch of refunds to Bidders, etc, payment of the applicable STT, coordination with SEBI and Stock Exchanges for refund of 1% security deposit and media compliance report		

Registrar to the Offer

Karvy Computershare Private Limited
Karvy Selenium Tower B Plot 31-32, Gachibowli
Financial District, Nanakramguda
Hyderabad 500 032, India
Tel: +91 40 6716 2222
Fax: +91 40 2343 1551
E-mail: einward.ris@karvy.com
Investor Grievance E-mail: affletechnology.ipo@karvy.com
Website: https://karisma.karvy.com
Contact Person: Murali Krishna
SEBI Registration No.: INR000000221

Legal Counsel to the Company as to Indian Law

Luthra & Luthra
Law Offices
1st and 9th Floors
Ashoka Estate
Barakhamba Road
New Delhi 110 001, India
Tel.: +91 11 4121 5100
Fax: +91 11 2372 3909

Legal Counsel to the BRLMs as to Indian Law

J. Sagar Associates
Sandstone Crest (Opposite Park Plaza Hotel)
Sushant Lok –I
Gurugram 122 009, India
Tel.: +91 124 4390 600
Fax: +91 124 4390 61

International Legal Counsel to the BRLMs

Duane Morris & Selvam LLP
16 Collyer Quay, #17-00
Singapore 049 318
Tel: +65 6311 0030
Fax: +65 6311 0058

Statutory Auditors to our Company

S. R. Batliboi & Associates LLP, Chartered Accountants
4th Floor, Office 405
World Mark - 2, Asset No. 8
IGI Airport Hospitality District, Aerocity

New Delhi 110 037, India
Tel.: +91 11 6122 9500
Fax: +91 11 6671 9999
E-mail: srba@srb.in
ICAI Firm Registration Number: 101049W/E300004

Banker to our Company

HDFC Bank Limited
FIG – OPS Department – Lodha I
Think Techno Campus, 0-3 Level
Next to Kanjurmarg Railway Station
Kanjurmarg (East)
Mumbai 400 042
Tel: +91 22 3075 2927/ 28/ 2914
Fax: +91 22 2579 9801
E-mail: Vincent.Dsouza@hdfcbank.com, Siddharth.Jadhav@hdfcbank.com, Prasanna.uchil@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Vincent Dsouza, Siddharth Jadhav, Prasanna Uchil

Syndicate Members

[●]

Banker(s) to the Offer / Escrow Collection Bank(s) / Refund Bank(s) / Public Offer Account Bank

[●]

Designated Intermediaries

Self Certified Syndicate Banks

The list of SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or such other websites as updated from time to time. For details of the Designated Branches which shall collect Bid cum Application Forms from the ASBA Bidders and Designated Intermediaries, refer to the above-mentioned link.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, *i.e.* through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone numbers, and e-mail address, is provided on the websites of BSE and NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, or such other websites as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Collection Centres, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Collection Centres, including details such as name and contact details, are provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Expert

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

Our Company has received written consent from the Auditors namely, S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations and as "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an auditor and in respect of their examination reports dated July 14, 2018 on our Restated Ind AS Summary Statements and the Restated Indian GAAP Summary Statements, and their report dated July 14, 2018 on the Statement of Tax Benefits included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Credit Rating

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

Grading of the Offer

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

Trustees

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

Monitoring Agency

Since the proceeds from the Fresh Issue are less than ₹ 1,000 million, in terms of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Offer. As required under the SEBI Listing Regulations, the Audit Committee shall monitor the utilisation of the proceeds of the Offer. We will disclose the utilisation of the proceeds of the Offer under a separate head along with details, if any in relation to all such proceeds of the Offer that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Offer in our balance sheet for the relevant fiscal years.

Appraising Entity

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

Book Building Process

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

Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Offer Price shall be determined by our Company and the Selling Shareholder in consultation with the BRLMs, after the Bid/ Offer Closing Date. The principal parties involved in the Book Building Process are:

(1) our Company;
(2) the Selling Shareholder;
(3) the BRLMs;
(4) the Syndicate Members;
(5) the Registrar to the Offer;
(6) the Escrow Collection Banks;
(7) the SCSBs;
(8) the CDPs;
(9) the RTAs; and
(10) the Registered Brokers.

All Bidders, other than Anchor Investors, shall participate in the Offer mandatorily through the ASBA process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis.

For further details, see "*Offer Structure*" and "*Offer Procedure*" on pages 363 and 367, respectively.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. The Selling Shareholder has specifically confirmed that it will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable to the Selling Shareholder, in relation to the Offered Shares. In this regard, our Company and the Selling Shareholder have appointed the BRLMs to manage this Offer and procure Bids for this Offer.

The Book Building Process is in accordance with guidelines, rules, regulations prescribed by SEBI. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

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

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid. For further details, see "*Offer Procedure*" on page 367.

- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum Application Form;

- Ensure that the Bid cum Application Form is duly completed as per the instructions given in this Draft Red Herring Prospectus, the Red Herring Prospectus and in the respective form;

- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the State of Sikkim, who, in terms of the SEBI circular dated

July 20, 2006, are exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which are exempted from specifying, may be exempted from specifying their PAN for transacting in the securities market, for Bids of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. In accordance with the SEBI ICDR Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction (see "*Offer Procedure*" on page 367). The exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims;

- Ensure the correctness of your PAN, DP ID and Client ID and beneficiary account number given in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain details of the Bidders from the Depositories including the Bidder's name, bank account number etc., and the Stock Exchanges will validate the electronic Bid details with the Depositories records for PAN, DP ID and Client ID;

- Ensure correctness of your demographic details such as the address, the bank account details for printing on refund orders and occupation given in the Bid cum Application Form, with the details recorded with your Depository Participant;

- Bids by ASBA Bidders will have to be submitted to the Designated Intermediaries in physical form. It may also be submitted in electronic form to the Designated Branches of the SCSBs only. ASBA Bidders should ensure that the ASBA Accounts have adequate credit balance at the time of submission of the ASBA Forms to the Designated Intermediaries to ensure that the ASBA Form submitted by the ASBA Bidders is not rejected.

- Bids by all Bidders (except Anchor Investors) shall be submitted only through the ASBA process.

For further details, see "*Offer Procedure*" on page 367.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure − Part B − Basis of Allocation*" on page 404.

Underwriting Agreement

After the determination of the Offer Price, but prior to the registration of the Prospectus with the RoC, our Company and the Selling Shareholder intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares. It is proposed that pursuant to the terms of the Underwriting Agreement, each of the BRLMs shall be severally responsible for bringing in the amount devolved in the event its respective Syndicate Member does not fulfill its underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

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

(This portion has been intentionally left blank and will be completed before the registration of the Prospectus with the RoC.)

Name, address, telephone number, fax number and email address of the Underwriters	Indicative Number of Equity Shares to be underwritten	Amount underwritten (₹ million)
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

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

In the opinion of our Board (based on representations given by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or are registered as brokers with the Stock Exchange(s). The Board of Directors/ IPO Committee, at its meeting, held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above. Notwithstanding the above table, each of the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders procured by them, in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

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

(In ₹, except share data)

		Aggregate nominal value	Aggregate value at Offer Price
A)	**AUTHORISED SHARE CAPITAL**		
	30,000,000 Equity Shares	300,000,000	-
B)	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL BEFORE THE OFFER**		
	24,288,314 Equity Shares	242,883,140	
C)	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Public offer of up to [●] Equity Shares comprising:		
	a) Fresh Issue of up to [●] Equity Shares[(a)]	[●]	900 million
	b) Offer for Sale of up to 5,500,000 Equity Shares [(b)]	55,000,000	[●]
E)	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares	[●]	-
F)	**SHARE PREMIUM ACCOUNT**		
	Before the Offer		Nil
	After the Offer		[●]

(a) The Offer has been authorised by our Board pursuant to its resolution dated July 14, 2018 and by the Shareholders pursuant to their resolution dated July 14, 2018.

(b) The Equity Shares being offered by Selling Shareholder have been held by Selling Shareholder for a period of at least one year prior to the date of this Draft Red Herring Prospectus, in accordance with the Regulation 26(6) of SEBI ICDR Regulations and are eligible for being offered for sale in the Offer. See "*The Offer*" on page 67 for details of consents provided by the Selling Shareholder for its portion of the Offer for Sale. The Board has taken on record the Offer for Sale by the Selling Shareholder pursuant to its resolution dated July 14, 2018.

Changes in our Authorised Share Capital

For details of changes in the authorised share capital of our Company, see "*History and Certain Corporate Matters - Amendments to our Memorandum of Association*" on page 154.

Notes to Capital Structure

1. *Share Capital History*

As on January 2006, our Company was owned and managed by Mukesh Tulsyan, Raj Pal Singh Rana and certain other shareholders. Subsequently, in January 2006, the entire equity share capital of our Company (then known as Tejus Securities Private Limited) was acquired by Anuj Khanna Sohum, our individual Promoter, along with certain other individuals (collectively, the "**Tejus Acquirers**"). We have been unable to trace the complete set of corporate resolutions and filings in relation to changes in our issued, subscribed and paid up share capital from incorporation till January 2006 (prior to the acquisition by the Tejus Acquirers). The relevant documents are also not available at the office of the RoC, (which included inspection of filings of the Company available with the RoC), as certified by Jagdish Patel & Co, Company Secretaries, pursuant to their certificate dated May 7, 2018 (the **"RoC Search Report"**), based on the search performed by them. For further details on the acquisition, see *"History and Certain other Corporate Matters"* on page 152 and "*Risk Factors – We have limited knowledge* *and records of documents relating to corporate actions undertaken by our Company prior to January 2006.*" on page 34.

Accordingly, disclosures on changes in our issued, subscribed and paid up share capital from incorporation till January 2006 have been made in reliance on the annual returns filed with the RoC to the extent available.

The following table sets forth the history of the equity share capital of our Company:

Date of allotment	**Number of Equity Shares**	**Face value (₹)**	**Issue price per Equity Share (₹)**	**Nature of consideration**	**Nature of transaction**	**Cumulative number of Equity Shares**	**Cumulative paid up equity share capital (₹)**
July 15, 1994	400	10	10	Cash	Subscription to the MoA(1)	400	4,000
September 27, 1997	200	10	10	Cash	Further issuance(2)	600	6,000
September 26, 2003	9,400	10	10	Cash	Further issuance(3)	10,000	100,000
March 19, 2008	966,020	10	10	Cash	Further issuance(4)	976,020	9,760,200
March 19, 2012	7,356,790	10	10	Cash	Further issuance (5)	8,332,810	83,328,100
August 14, 2012	416,326	10	10	Cash	Further issuance (6)	8,749,136	87,491,360
January 8, 2013	1,221,350	10	10	Cash	Further issuance (7)	9,970,486	99,704,860
May 15, 2013	554,813	10	10	Cash	Further issuance (8)	10,525,299	105,252,990
March 30, 2015	5,298,685	10	10	Cash	Rights issue(9)	15,823,984	158,239,840
February 13, 2017	84,643,30	10	-	Other than cash	Allotment pursuant to the 2017 Scheme (10)	24,288,314	242,883,140

(1) *Based on the original Memorandum of Association, subscription to the MoA by Narottam Saini (200 Equity Shares) and Hardev Singh Dhaka (200 Equity Shares).*

(2) *Based on the annual return filed with the RoC for financial year 1997, Shashi Anil Jain and Vikram Banwarilal Jain had been allotted 100 Equity Shares each. Our Company has been unable to trace any further records in relation to these allotments and therefore has included the date of the annual general meeting as provided in the annual return as the date of allotment. For further details, see "- Notes to Capital Structure- Share Capital History", "History and Certain other Corporate Matters" and "Risk Factors – We have limited knowledge and records of documents relating to corporate actions undertaken by our Company prior to January 2006"on pages 77, 152 and 34, respectively.*

(3) *Based on the annual return filed with the RoC for financial year 2003, Vinod R. Jagtap, Ramesh A. Singh, Sanjay R. Gawathe and Dhari A. Tilak Singh held 2,500 Equity Shares each. Our Company has been unable to trace any further records in relation to these allotments and therefore has included the date of the annual general meeting as provided in the annual return as the date of allotment. For further details, see "- Notes to Capital Structure- Share Capital History", "History and Certain other Corporate Matters" and "Risk Factors – We have limited knowledge and records of documents relating to corporate actions undertaken by our Company prior to January 2006"on pages 77, 152 and 34, respectively.*

(4) *966,020 Equity Shares were allotted to Affle UK.*

(5) *7,356,790 Equity Shares were allotted to Affle Holdings.*

(6) *416,326 Equity Shares were allotted to Affle Holdings.*

(7) *1,221,350 Equity Shares were allotted to Affle Holdings.*

(8) *554,813 Equity Shares were allotted to Affle Holdings.*

(9) *2,256,906 Equity Shares were allotted to Affle Holdings, 2,498,463 Equity Shares were allotted to Affle UK and 543,316 Equity Shares were allotted to Affle Global.*

(10) *Allotment of 84,64,182 Equity Shares made to Affle Holdings, 117 Equity Shares made to Affle Global and 31 Equity Shares made to Anuj Khanna Sohum in accordance with the order dated January 16, 2017 of the High Court of Delhi (at New Delhi) (C.P. 434 of 2016), approving the 2017 Scheme and the consequent amalgamation of AD2C Holdings Private Limited (transferor company), AD2C (India) Private Limited (transferor company), Appstudioz Technologies Private Limited (transferor company) with our Company. For further*

details, see "History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets" on page 156.

As on the date of this Draft Red Herring Prospectus, our Company does not have any outstanding preference shares.

2. ***Shares issued for consideration other than cash or bonus***

Our Company has not issued Equity Shares for consideration through bonus issue. Details of Equity Shares issued for consideration other than cash are as follows:

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price (₹)	Reasons for allotment	Allottees	Benefits accrued to the Company
February 13, 2017	84,643,30	10	-	Allotment pursuant to the 2017 Scheme	Allotment made to Affle Holdings, Affle Global and Anuj Khanna Sohum in respect of the 2017 Scheme#	Please see "*History and Certain Corporate Matters - Details regarding acquisition of business/ undertakings, mergers, amalgamation, revaluation of assets*" on page 156.

#For further details, see "History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets" on page 156.

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

3. ***History of build-up, Promoters' contribution and lock-in of Promoters' shareholding***

a) ***Build-up of Promoters' shareholding in our Company***

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

Name of the Promoter	Date of allotment / transfer	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value (₹)	Issue/ acquisition/transfer price per Equity Share (₹)	% of the pre-Offer equity share capital	% of the post-Offer equity share capital
Anuj Khanna Sohum	January 25, 2006	Transfer from Raj Pal Singh Rana	2,500	Cash	10	10		
	January 25, 2006	Transfer from Raj Pal Singh Rana (HUF)	1,500	Cash	10	10		
	January 12, 2007	Transfer to Affle UK	(3,999)	Cash	10	10		
	February 13, 2017	Allotment pursuant to the 2017 Scheme(2)	31	Other than cash	10	-		
Sub-total			**32**(1)				*Negligible*	*Negligible*
Affle Holdings	March 19, 2012	Further issuance	7,356,790	Cash	10	10		
	August 14, 2012	Further issuance	416,326	Cash	10	10		
	January 8, 2013	Further issuance	1,221,350	Cash	10	10		

Name of the Promoter	Date of allotment / transfer	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value (₹)	Issue/ acquisition/transfer price per Equity Share (₹)	% of the pre-Offer equity share capital	% of the post-Offer equity share capital
	May 15, 2013	Further issuance	554,813	Cash	10	10		
	March 30, 2015	Rights issue	2,256,906	Cash	10	10		
	February 13, 2017	Allotment pursuant to 2017 Scheme[(2)]	8,464,182	Other than cash	10	-		
Sub-total			**20,270,367**				**83.46%**	**[●]%**
Total			**20,270,399**				**83.46%**	**[●]%**

[(1)] *Includes 31 Equity Shares held by Anuj Khanna Sohum, in relation to which Affle Holdings is the beneficial owner, and one Equity Share held by Anuj Khanna Sohum, in relation to which Affle Global is the beneficial owner.*

[(2)] *For further details, see "History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets" on page 156.*

[(3)] *Affle Holdings and our Company have entered into share purchase and shareholders' agreements both dated July 12, 2018, by which Affle Holdings has agreed to sell 1,616,214 and 285,214 Equity Shares of the Company to Malabar India Fund Limited and Malabar Value Fund, respectively. The transfer is in process. For further details, see "History and Certain Corporate Matters – Material Agreements – Share Purchase and Shareholders' Agreement" on page 157.*

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

None of the Equity Shares held by our Promoters are pledged as on the date of this Draft Red Herring Prospectus.

b) Shareholding of our Promoters, Promoter Group and directors of our corporate Promoter, Affle Holdings

Provided below are details of Equity Shares held by our Promoters, the members of our Promoter Group and directors of our corporate Promoter, Affle Holdings, as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of shareholder	Pre-Offer		Post-Offer	
		No. of Equity Shares	Percentage of pre-Offer capital (%)	No. of Equity Shares	Percentage of post-Offer capital (%)
A. Promoters					
1.	Affle Holdings	20,270,367[(1)]	83.46%	[●]	[●]
2.	Anuj Khanna Sohum	32[(2)]	*Negligible*	[●]	[●]
B. Promoter Group					
1.	Affle Global	4,017,911[(3)]	16.54%	[●]	[●]
Total (A+B)		24,288,310	100%	**[●]**	**[●]**

[(1)] *Affle Holdings and our Company have entered into share purchase and shareholders' agreements both dated July 12, 2018, by which Affle Holdings has agreed to sell 1,616,214 and 285,214 Equity Shares of the Company to Malabar India Fund Limited and Malabar Value Fund, respectively. The transfer is in process. For further details, see "History and Certain Corporate Matters – Material Agreements – Share Purchase and Shareholders' Agreement" on page 157.*

[(2)] *Includes 31 Equity Shares held by Anuj Khanna Sohum, in relation to which Affle Holdings is the beneficial owner and one Equity Share held by Anuj Khanna Sohum, in relation to which Affle Global is the beneficial owner.*

[(3)] *Additionally, one Equity Share each is held by Anuj Kumar, Madhusudan Ramakrishna, Mei Theng Leong and Charles Yong Jien Foong, in relation to which Affle Global is the beneficial owner.*

All Equity Shares held by our Promoter and Promoter Group shall be in dematerialised form as on date of the Red Herring Prospectus.

c) Details of Promoters' contribution locked in for three years

Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer capital of our Company held by our Promoters shall be considered as minimum promoters' contribution and locked-in for a period of three years from the date of Allotment ("**Promoters' Contribution**").

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 20,270,399* Equity Shares, of which 20,270,398 Equity Shares constituting 83.46% of our Company's paid-up equity share capital is eligible for Promoters' Contribution.#

**Includes one Equity Share held by our individual Promoter in relation to which Affle Global is the beneficial owner.*
#Affle Holdings and our Company have entered into share purchase and shareholders' agreements both dated July 12, 2018, by which Affle Holdings has agreed to sell 1,616,214 and 285,214 Equity Shares of the Company to Malabar India Fund Limited and Malabar Value Fund, respectively. The transfer is in process. For further details, see "History and Certain Corporate Matters – Material Agreements – Share Purchase and Shareholders' Agreement" on page 157.

Affle Holdings has, pursuant to its letter dated July 14, 2018, given consent to include such number of Equity Shares held by it as may, in aggregate, constitute 20% of the fully diluted post-Offer equity share capital of our Company as Promoters' Contribution and has agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of this Draft Red Herring Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations. Details of Promoters' Contribution are as provided below:

Name of the Promoter	No. of Equity Shares* locked-in	Date of transaction#	Face value (₹)	Allotment/ Acquisition price (₹)	Nature of transaction	% of the pre-Offer capital	% of the fully diluted post-Offer Capital
Affle Holdings	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]					[●]	[●]

 # Equity Shares were fully paid-up on the date of allotment/acquisition.

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

The Equity Shares that are being locked-in for computation of Promoters' Contribution are not, and will not be, ineligible under Regulation 33 of the SEBI ICDR Regulations. In particular, these Equity Shares do not, and shall not, consist of:

(i) Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus: (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) bonus shares issued out of revaluations reserves or unrealised profits or against equity shares which are otherwise ineligible for computation of promoters' contribution;

(ii) Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) Equity Shares issued to the Promoters in the last one year preceding the date of this Draft Red Herring Prospectus upon conversion of a partnership firm; and

(iv) Equity Shares held by the Promoters that are subject to any pledge or any other form of encumbrance.

4. *Sales or purchases of Equity Shares or other specified securities of our Company by our Promoters, other members of our Promoter Group, directors of Affle Holdings, our corporate Promoter or our Directors or their relatives during the six months immediately preceding the date of this Draft Red Herring Prospectus.*

Our Promoters, other members of our Promoter Group, directors of Affle Holdings, our corporate Promoter, our Directors or their relatives have not sold or purchased any Equity Shares or other specified securities of our Company during the six months immediately preceding the date of this Draft Red Herring Prospectus.

5. ***Details of share capital locked-in for one year***

Except for (a) the Promoters' Contribution which shall be locked in as above and (b) Offered Shares which are successfully transferred pursuant to the Offer for Sale by the Selling Shareholder, the entire pre-Offer equity share capital of our Company (including those Equity Shares held by our Promoters in excess of Promoters' Contribution), shall be locked in for a period of one year from the date of Allotment. For the sake of clarity, any unsubscribed portion of the Equity Shares being offered by the Selling Shareholder in the Offer for Sale, would also be locked-in as required under the SEBI ICDR Regulations.

In terms of Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by the Promoters may be transferred to and among the Promoters and or members of the Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of the transferee for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than the Promoters prior to the Offer, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in the hands of the transferee, compliance with the provisions of the Takeover Regulations.

The Equity Shares held by our Promoters which are locked-in as per Regulation 36 of the SEBI ICDR Regulations for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that: (i) such pledge of the Equity Shares is one of the terms of the sanction of the loan and (ii) if the Equity Shares are locked-in as Promoter's Contribution, then in addition to the requirement in (i) above, such Equity Shares may be pledged only if the loan has been granted by the scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Offer.

Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

6. ***Our shareholding pattern***

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

Category of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	Total nos. of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Equity Shares underlying outstanding convertible securities (including warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Equity Shares held in dematerialized form
							No. (a)	As a % of total Equity Shares held	
(A) Promoter and Promoter Group	3[(1)(2)]	24,288,310	24,288,310	100%	-	100%	-	-	-
(B) Public	4[(3)]	4	4	*Negligible*	-	*Negligible*	-	-	-
(C1) Shares underlying DRs	-	-	-	0.00	-	-	-	0.00	-
(C2) Shares held by Employee Trust	-	-	-	0.00	-	-	-	0.00	-
(C) Non Promoter-Non Public	-	-	-	0.00	-	-	-	0.00	-
Grand Total	**7**	**24,288,314**	**24,288,314**	**100%**	**-**	**100%**	**-**	0.00	0.00

[(1)] Includes 31 Equity Shares held by Anuj Khanna Sohum, in relation to which Affle Holdings is the beneficial owner and one Equity Share held by Anuj Khanna Sohum, in relation to which Affle Global is the beneficial owner.

[(2)] Affle Holdings and our Company have entered into share purchase and shareholders' agreements both dated July 12, 2018, by which Affle Holdings has agreed to sell 1,616,214 and 285,214 Equity Shares of the Company to Malabar India Fund Limited and Malabar Value Fund, respectively. The transfer is in process. For further details, see "History and Certain Corporate Matters – Material Agreements – Share Purchase and Shareholders' Agreement" on page 157.

[(3)] One Equity Share each is held by Anuj Kumar, Madhusudan Ramakrishna, Mei Theng Leong and Charles Yong Jien Foong, in relation to which Affle Global is the beneficial owner.

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

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

Name	No. of Equity Shares	% of pre-Offer equity share capital (%)
Anuj Khanna Sohum	32[(1)]	*Negligible*
Anuj Kumar	1[(2)]	*Negligible*
Charles Yong Jien Foong	1[(2)]	*Negligible*
Mei Theng Leong	1[(2)]	*Negligible*
Total	**35**	*Negligible*

(1) *Includes 31 Equity Shares held by Anuj Khanna Sohum, in relation to which Affle Holdings is the beneficial owner, and one Equity Share held by Anuj Khanna Sohum, in relation to which Affle Global is the beneficial owner.*

(2) *Beneficial ownership in relation to these Equity Shares is held by Affle Global.*

8. As on the date of this Draft Red Herring Prospectus, our Company has seven holders of Equity Shares.

9. ***Top Shareholders***

(a) The Shareholders and the number of Equity Shares held by them as on the date of filing of this Draft Red Herring Prospectus and as on ten days prior to the filing of this Draft Red Herring Prospectus, are as follows:

Sr. No.	Shareholder	Number of Equity Shares held	Percentage of pre-Offer share capital (%)
1.	Affle Holdings	20,270,367[(1)]	83.46%
2.	Affle Global	4,017,911	16.54%
3.	Anuj Khanna Sohum	32[(2)]	*Negligible*
4.	Anuj Kumar	1[(3)]	*Negligible*
5.	Charles Yong Jien Foong	1[(3)]	*Negligible*
6.	Mei Theng Leong	1[(3)]	*Negligible*
7.	Madhusudan Ramakrishna	1[(3)]	*Negligible*
	Total	24,288,314	100%

(1) *Affle Holdings and our Company have entered into share purchase and shareholders' agreements both dated July 12, 2018, by which Affle Holdings has agreed to sell 1,616,214 and 285,214 Equity Shares of the Company to Malabar India Fund Limited and Malabar Value Fund, respectively. The transfer is in process. For further details, see "History and Certain Corporate Matters – Material Agreements – Share Purchase and Shareholders' Agreement" on page 157.*

(2) *Includes 31 Equity Shares held by Anuj Khanna Sohum, in relation to which Affle Holdings is the beneficial owner and one Equity Share held by Anuj Khanna Sohum, in relation to which Affle Global is the beneficial owner.*

(3) *Beneficial ownership in relation to these Equity Shares is held by Affle Global.*

(b) The Shareholders two years prior to the date of filing of this Draft Red Herring Prospectus are as follows:

Sr. No.	Shareholder	Number of Equity Shares held	Percentage of equity holding (%)
1.	Affle Holdings	11,806,185	74.61%
2.	Affle UK [(1)]	3,474,480	21.96%
3.	Affle Global	543,316	3.43%
4.	Anuj Khanna Sohum	1[(1)]	*Negligible*
5.	Anuj Kumar	1[(1)]	*Negligible*
6.	Madhusudan Ramakrishna	1[(1)]	*Negligible*
	Total	15,823,984	100%

(1) *Beneficial ownership in relation to these Equity Shares is held by Affle UK.*

For details relating to the average cost of acquisition of Equity Shares by the Promoters and Selling Shareholder, see "*Risk Factors – Prominent Notes*" on page 43.

10. Our Company does not have any employee stock option schemes.

11. There are no Equity Shares issued by our Company in the last one year preceding the date of filing of this Draft Red Herring Prospectus.

12. Our Company, our Directors or the BRLMs have not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares or other specified securities of the Company.

13. Over-subscription to the extent of 10% of the Offer can be retained for the purpose of rounding off to the nearest multiple of the minimum Allotment lot while finalising the Basis of Allotment.

14. Neither the BRLMs nor any of their respective associates hold any Equity Shares as on the date of filing of this Draft Red Herring Prospectus. The BRLMs and their affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiaries, for which they may in the future receive customary compensation.

15. No person connected with the Offer, including, but not limited to, the BRLMs, the Syndicate Members, our Company, the Selling Shareholder, our Subsidiaries, Directors, Promoters or the members of our Promoter Group and Group Companies, shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid.

16. Our Company has not issued any Equity Shares out of its revaluation reserves or unrealized profits since January 2006. To the extent ascertainable from available corporate records and minutes, no equity shares were issued out of revaluation reserves or unrealized profits prior to January 2006. See "*Risk Factors – We have limited knowledge and records of documents relating to corporate actions undertaken by our Company prior to January 2006.*" on page 34.

17. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Draft Red Herring Prospectus.

18. There are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares as on the date of this Draft Red Herring Prospectus.

19. Pursuant to the 2017 Scheme, our Company was required to allot (i) 74 Equity Shares to the shareholders of AD2C Holdings Private Limited, for every 21 equity shares in AD2C Holdings Private Limited held by them; and (ii) 48 Equity Shares to the shareholders of AD2C (India) Private Limited, for every 17 equity shares held by them in AD2C (India) Private Limited and (iii) 586 Equity Shares to the shareholders of Appstudioz Technologies Private Limited, for every five equity shares held by them in Appstudioz Technologies Private Limited. Consequently, on February 13, 2017, upon the approval of the 2017 Scheme by the High Court of Delhi on January 16, 2017, our Company allotted 8,464,330 Equity Shares to the erstwhile shareholders of AD2C Holdings Private Limited, AD2C (India) Private Limited and Appstudioz Technologies Private Limited. Other than such allotment, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Section 232 of the Companies Act, 2013. For further details, see *"History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets"* on page 156.

20. Except for the Fresh Issue, our Company presently does not intend or propose or is under negotiation or consideration to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares or qualified institutions placement or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use of Equity Shares as consideration for acquisitions or participation in such joint ventures.

21. Except for the Fresh Issue, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges.

22. During the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus, no financing arrangements existed whereby our Promoters, other members of our Promoter Group, directors of Affle Holdings, our Directors or their relatives may have financed the purchase of securities of our Company by any other person other than in the normal course of business of the financing entity.

23. Our Promoters and the members of our Promoter Group will not submit Bids, or otherwise participate in this Offer, except that the Affle Holdings, our corporate Promoter, is offering up to 5,500,000 Equity Shares for sale in the Offer. Apart from this, the Selling Shareholder will not submit Bids, or otherwise participate in this Offer.

24. This Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer shall be Allotted on a proportionate basis to QIBs. Our Company and the Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75% of the Offer cannot be Allotted to QIBs, all the application monies will be refunded/ unblocked forthwith. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. For details, see "*Offer Procedure*" on page 367.

25. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholder in consultation with the BRLMs and the Designated Stock Exchange. Under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from any category or combination thereof.

26. The Equity Shares offered pursuant to this Offer shall be fully paid-up at the time of Allotment, failing which no Allotment shall be made.

27. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

28. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group, if any, during the period between the date of registering the Red Herring Prospectus with the RoC and the Bid/ Offer Closing Date shall be reported to the Stock Exchanges within 24 hours of the transactions.

OBJECTS OF THE OFFER

The Offer consists of the Fresh Issue and the Offer for Sale.

Offer for Sale

The object of the Offer for Sale is to allow Affle Holdings to sell an aggregate of up to 5,500,000 Equity Shares held by it, aggregating up to ₹ [●] million. Our Company will not receive any proceeds from the Offer for Sale.

The Selling Shareholder will be entitled to its proportion of the proceeds of the Offer for Sale after deducting its portion of the Offer related expenses and relevant taxes thereon.

Objects of the Fresh Issue

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

(₹ million)

Particulars	Amount
Gross proceeds of the Fresh Issue	900.00
(Less) Offer related expenses in relation to the Fresh Issue[#]	[●]
Net Proceeds	[●]

[#]*To be finalised upon determination of the Offer Price and will be updated in the Prospectus prior to filing with RoC.*

After deducting the Offer related expenses in relation to the Fresh Issue, we estimate the proceeds of the Fresh Issue to be ₹ [●] million ("**Net Proceeds**"). The objects for which our Company intends to use the Net Proceeds are as follows:

1. Funding the working capital requirements of our Company; and
2. General corporate purposes.

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

Requirement of funds and proposed schedule of implementation and deployment of the Net Proceeds

The Net Proceeds are currently expected to be deployed in accordance with the schedule as stated below:

(₹ million)

Particulars	Amount to be funded from Net Proceeds	Amount to be deployed from the Net Proceeds in	
		Fiscal Year 2019	Fiscal Year 2020
Funding the working capital requirements of our Company	685.88	388.86	297.02
General corporate purposes[*]	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**

[*]*To be finalised upon determination of the Offer Price. The amount utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue.*

The above-stated fund requirements are based on our internal management estimates and have not been verified by the BRLMs or our Statutory Auditors or appraised by any bank or financial institution or any other independent agency. These are based on current conditions and business needs and are subject to revisions in light of changes in costs, financial condition, interest rate fluctuations, business, strategy or external circumstances which may not be in our control. Our Company proposes to deploy the Net Proceeds towards the objects as indicated above. In the event the Offer is not completed in Fiscal Years 2019 and 2020, the deployment schedule will be revised. Further, in case the Net Proceeds are not completely utilised in a scheduled Fiscal Year due to any reason, the same would be utilised (in part or full) in the next Fiscal Year/ subsequent period as may be determined by our Company, in accordance with applicable law. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law. For further details, see the "*Risk Factors - Our Company's management will have flexibility in utilising the Net Proceeds of the Fresh Issue*" on page 41.

In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects of the Fresh Issue, we may explore a range of options including utilising internal accruals and availing additional debt from existing and future lenders.

Details of the Objects

1. *Funding the working capital requirements of our Company*

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and financing from various banks. As on July 10, 2018, our Company has a total sanctioned limit of working capital facilities of ₹ 135.00 million and has utilised ₹ 28.62 million. For further information, see "*Financial Indebtedness*" on page 333. We propose to utilise ₹ 685.88 million from the Net Proceeds to fund the working capital requirements of our Company in Fiscal Years 2019 and 2020.

Basis of estimation of working capital requirement and estimated working capital requirement

Our Company's current assets, current liabilities and working capital requirement and funding on the basis of the Restated Financial Statements as at March 31, 2016, March 31, 2017 and March 31, 2018.

(in ₹ million)

Particulars	**Fiscal Year**		
	2016	**2017**	**2018**
Current Assets			
-Inventories	-	-	-
-Trade Receivables and accrued revenue	223.50	174.15	235.42
-Cash and Cash equivalents -Bank balances other than above	78.69	87.47	144.91
-Other financial and current assets	42.76	24.93	13.46
Total Current Assets(A)	**344.95**	**286.55**	**393.79**
Current Liabilities			
-Trade Payables	225.76	160.08	220.24
-Provisions	5.19	1.47	1.07
-Other financial and current liabilities	57.27	72.31	45.93
Total Current liabilities(B)	**288.22**	**233.86**	**267.24**
Net Working Capital Requirements (A)-(B)	**56.73**	**52.69**	**126.55**
Existing Funding Pattern			
I. Borrowings from banks, financial institution and non-banking financial companies (including bill discounting)	40.40	33.60	-
II. Internal Accruals/ Equity	16.33	19.09	126.55
Total (I + II)	**56.73**	**52.69**	**126.55**

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to their resolution dated July 7, 2018 has approved the business plan for the Fiscal Years 2019 and 2020 and the projected working capital requirements for Fiscal Years 2019 and 2020 as stated below.

(in ₹ million)

Particulars	**Fiscal Year**	
	2019	**2020**
Current Assets		
-Inventories	-	-
-Trade Receivables and accrued revenue	735.40	1,102.51
-Cash and Cash equivalents	380.91	574. 41
-Other financial and current assets	147.08	220.50
Total Current Assets(A)	**1,263.39**	**1,897.42**
Current Liabilities		
-Trade Payables	321.81	385.86
-Provisions	6.74	11.04
-Other financial and current liabilities	188.21	283.82
Total Current liabilities(B)	**516.76**	**680.72**

Particulars	Fiscal Year	
	2019	2020
Net Working Capital Requirements (A)-(B)	**746.63**	**1,216.70**
Proposed Funding Pattern		
A. Proceeds from the Offer	388.86	297.02
B. Borrowings from banks, financial institution and non-banking financial companies (including bill discounting)	-	-
C. Internal Accruals/ Equity	357.77	919.68
Total	**746.63**	**1,216.70**

Holding levels

Provided below are details of the holding levels (days) considered.

(*in days*)

Particulars	Actuals			Projected	
	March 31 2016	March 31 2017	March 31 2018	March 31 2019	March 31 2020
Trade receivables and accrued revenue	91	96	101	95	95
Other financial assets and other current assets	17	13	6	19	19
Trade payables	98	93	118	75	60
Other financial and current liabilities	25	42	25	36	36
Provisions	2	1	1	1	1

Other assumptions:

On an ongoing basis, our working capital requirements are projected to increase compared to our historical period for the following reasons:

- Impact of the acquisition of all the assets of Affle Global (including the equity interests in the Indonesian Subsidiary and excluding its shares in the Company). For Fiscal 2018 on a proforma basis, the combined revenue from operations of Affle Global and the Indonesian Subsidiary was 51.8% of our total revenue from operations.
- Revenue growth from the combined operations pursuant to the corporate restructuring.

Trade Receivables and accrued revenue	This is based on the average standard payment terms across our customers. Our Company's general credit terms vary across geographies and type of customer, and our assumptions are based on past trends. Our outstanding trade receivables (calculated as closing trade receivables divided by annualized net revenues from operations over 360 days) derived from the Restated Financial Statements, was, 101 days, 96 days and 91 days for Financial Years 2018, 2017 and 2016, respectively. Our Company has assumed trade receivables turnover ratio as 95 days for each of the Financial Years 2019 and 2020 in line with historical trends.
Other financial assets and other current assets	The days of outstanding for short term loans and advances and other current assets derived from the Restated Financial Statements (calculated as short-term loans and advances, other current assets divided by annualized total revenues over 360 days) was 6 days, 13 days and 17 days for each of the Financial Years 2018, 2017 and 2016, respectively. Our Company has assumed days of outstanding for short-term loans and advances and other current assets as 19 days for each of the Financial Years 2019 and 2020, respectively.
Cash and Bank balances	Our Company is required to keep sufficient cash balance to address the growth in operations. We have assumed a certain level of safety cash required for our operations. In addition, working capital requirement during the peak seasons in the year will be higher than the year ending working capital requirement.
Trade payables	This is based on the average standard payment terms of our vendors. Our trade payables predominantly comprises of payables towards cost of sales i.e. Inventory and data costs and agency charges. Days of outstanding trade payables (calculated as trade payables divided by annualized total expenses (excluding depreciation, finance cost and tax expense) over 360 days) derived from the Restated Financial Statements, was 118 days, 93 days and 98 days for Financial Years 2018, 2017 and 2016 respectively. Our Company has assumed trade payables as 60 days of total expenses (excluding depreciation, finance cost and tax expenses) for Financial Year 2020 and 75 days for 2019.We have assumed lower number of Trade Payable days to factor in our global expansion and conservatively factor reduced payment terms from new customers.

Other financial and current liabilities	Our other current liabilities predominantly comprise of outstanding statutory dues and salaries payable. Days of outstanding other current liabilities (calculated as other current liabilities divided by annualized total expenses, excluding depreciation, finance cost and tax expense over 360 days) derived from the Restated Financial Statements, was 25 days, 42 days and 25 days for Financial Year 2018, 2017 and 2016 respectively. Our Company has assumed Other current liabilities at 36 days of total expenses (excluding depreciation, finance cost and tax expenses) for Financial Years 2019 and 2020, respectively since these are mostly operational expenses excluding supplier payments.
Provisions	Our provisions predominantly comprise of provision for employee benefits. Days of outstanding provisions (calculated as provisions divided by annualized total expenses, excluding depreciation, finance cost and tax expense over 360 days) derived from the Restated Financial Statements, 1 day, 1 day and 2 days for Financial Year 2018, 2017 and 2016 respectively. Our Company has assumed provisions as 1 days each of total expenses (excluding depreciation, finance cost and tax expenses) for Financial Years 2019 and 2020, respectively.

We propose to utilise ₹ 388.86 million and ₹ 297.02 million of the Net Proceeds in Fiscal Years 2019 and 2020, respectively, towards our working capital requirements for meeting our future business requirements.

Pursuant to the certificate dated July 14, 2018 Bansal & Co. LLP, Chartered Accountants, have compiled the working capital estimates of our Company and the working capital projections as approved by the Board pursuant to its resolution dated July 7, 2018.

2. ***General corporate purposes***

We intend to deploy the balance Net Proceeds, if any, for general corporate purposes, as may be approved by our management, including but not restricted towards strategic initiatives, corporate branding, working capital requirements, operating expenses and meeting on-going general corporate exigencies.

Our management, in accordance with the policies of our Board, will have flexibility in utilising the Net Proceeds for general corporate purposes, as mentioned above, subject to such utilization not exceeding 25% of the gross proceeds of the Fresh Issue, in compliance with the SEBI ICDR Regulations. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The Offer related expenses include fees payable to the BRLMs and legal counsel, underwriting commission, fees payable to the auditors, brokerage and selling commission, commission payable to Registered Brokers, SCSBs' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses, listing fees and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

All Offer related expenses shall be shared by our Company and the Selling Shareholder, in proportion to the Equity Shares offered by them in the Offer, in accordance with applicable law. Any payments made by our Company in relation to the Offer on behalf of the Selling Shareholder shall be reimbursed by the Selling Shareholder to our Company upon successful completion of the Offer.

The estimated Offer related expenses are as under:

Sr. No.	Activity	Estimated amount* (₹ in million)	As a % of total estimated Offer related expenses*	As a % of Offer Size*
1.	Payment to the BRLMs (including brokerage and selling commission)	[●]	[●]	[●]
2.	Selling commission and processing fees for SCSBs and brokerage, selling commission and bidding charges for the Members of the Syndicate, Registered Brokers, RTAs and CDPs (1) (2) (3)	[●]	[●]	[●]
3.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]

Sr. No.	Activity	Estimated amount* (₹ in million)	As a % of total estimated Offer related expenses*	As a % of Offer Size*
4.	Others: i. Listing fees, SEBI filing fees, book building software fees and other regulatory expenses; ii. Printing and stationery expenses; iii. Advertising and marketing for the Offer; iv. Fees payable to legal counsel; and v. Miscellaneous	[●]	[●]	[●]
	Total Estimated Offer related expenses	[●]	[●]	[●]

* *To be incorporated in the Prospectus after finalization of the Offer Price.*

(1) *SCSBs will be entitled to a processing fee of ₹ [●] (plus applicable service tax) per ASBA Form, for processing the ASBA procured by Designated Intermediaries (other than the SCSBs themselves) from Retail Individual Bidders and Non-Institutional Bidders and submitted to the SCSBs.*

(2) *Registered Brokers, RTAs and CDPs will be entitled to bidding charges/uploading charges of ₹ [●] (plus applicable service tax) per valid ASBA Form which are directly procured by them from Retail Individual Bidders and Non-Institutional Bidders, uploaded on the electronic bidding system of the Stock Exchanges and submitted to the SCSBs for processing.*

(3) *Selling commission payable to Members of the Syndicate, SCSBs, RTAs and CDPs on Bids directly procured from Retail Individual Bidders and Non-Institutional Bidders would be as follows:*

Portion for Retail Individual Bidders	*[●]% of the Amount Allotted* (plus applicable service tax)*
Portion for Non-Institutional Bidders	*[●]% of the Amount Allotted* (plus applicable service tax)*

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

Further, the Members of Syndicate, RTAs and CDPs will be entitled to bidding charges/uploading charges of ₹ [●] (plus applicable service tax) per valid ASBA Form. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/CDP.

The commissions and processing fees shall be payable within [●] Working Days post the date of the receipt of the final invoices of the respective intermediaries by the Company or in accordance with the agreements / engagement letters entered into between the Company and the respective intermediaries.

For the avoidance of doubt, all of the above shall be subject to applicable Service Tax, Swachh Bharat Cess and Krishi Kalyan Cess, to the extent applicable.

Appraisal and Bridge Loans

The above fund requirements have not been appraised by any bank or financial institution. Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds

Means of Finance

The working capital requirements under our Objects will be met through the Net Proceeds to the extent of ₹ 685.88 million, internal accruals and bank finance. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds.

Interim Use of Net Proceeds

Pending utilization for the purposes described above, we intend to deposit the Net Proceeds only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board or IPO Committee. In accordance with Section 27 of the Companies Act, 2013, we confirm that we shall not use the Net Proceeds (or any part thereof) for buying, trading or otherwise dealing in any shares of any listed company or for any investment in equity markets.

Monitoring of Utilisation of Funds

Since the proceeds from the Fresh Issue are less than ₹ 1,000 million, in terms of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Offer. As required under the SEBI Listing Regulations, the Audit Committee shall monitor the utilisation of the proceeds of the Offer. We will disclose the utilisation of the proceeds of the Offer under a separate head along with details, if any in relation to all such proceeds of the Offer that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Offer in our balance sheet for the relevant fiscal years.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Directors, Key Management Personnel and the members of our Promoter Group or Group Companies, other than in normal course of business and in compliance with applicable laws.

However, one of our corporate Promoter, Affle Holdings and one of our Group Companies and a member of our Promoter Group, Affle Global will receive a portion of the proceeds of the Offer for Sale, net of their respective share of Offer Expenses pursuant to sale of the Equity Shares being offered by them through the Offer for Sale.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the objects of the Fresh Issue, unless authorised by the Shareholders in a general meeting by way of a special resolution. Additionally, the notice in respect of such resolution issued to the shareholders shall contain details as prescribed under the Companies Act, 2013 and such details of the notice, clearly indicating the justification for such variation, shall also be published in one English daily newspaper, one Hindi daily newspaper and one Marathi daily newspaper (Marathi being the regional language in the state where our Registered Office of our Company is located), as per the Companies Act, 2013 and the rules framed there under. Pursuant to the Companies Act, 2013, our Promoters or controlling shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, in accordance with our Articles of Association and as prescribed by SEBI.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholder in consultation with the BRLMs, on the basis of an assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to *"Our Business"*, *"Risk Factors"*, *"Financial Information"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 125, 18, 193 and 314, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for the Offer Price are:

- Leading position in India, a high growth market with substantial barriers to entry.
- Proven international track record.
- Profitable, low-cost business model built on an asset light, automated and scalable platform.
- Approximately 1.18 billion consumer profiles with over 140 billion data points, giving us a deep data-driven understanding of consumer intent and behaviour.
- Growth driven, global customer base.
- Addressing digital fraud and data safety issues that are prevalent in the industry.
- Experienced and dedicated Key Management Personnel ably supported by other employees and advisors.

For further details, see *"Our Business"* and *"Risk Factors"* on pages 125 and 18, respectively.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Statements. For details, see *"Financial Information"* on page 193.

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

1. Basic and Diluted Earnings/Loss per Share ("EPS")

As per our Restated Financial Statements:

Year/Period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2018	3.64	3.64	3
March 31, 2017	0.14	0.14	2
March 31, 2016	0.99	0.99	1
Weighted Average	**2.03**	**2.03**	

Note:

1. *The figures disclosed above are derived from the Restated Ind AS Summary Statements of the Company*
2. *The ratios have been computed as below:*
   a. *Basic earnings per share = Restated Net profit after tax / weighted average number of shares outstanding during the year.*
   b. *Diluted earnings per share = Restated Net profit after tax / weighted average number of diluted shares outstanding during the year.*

2. Price / Earning Ratio (P/E) in relation to the Offer Price of ₹ [●] per Equity Share of the face value of ₹ 10 each

Particulars	(in %)
P/E ratio based on Basic EPS for the fiscal ended March 31, 2018 at the Floor Price:	[●]
P/E ratio based on Diluted EPS for the fiscal ended March 31, 2018 at the Cap Price:	[●]

Industry P/E ratio:

There are no listed peers in India

3. Return on Net Worth (RoNW)

Return on net worth as per the Restated Financial Statements:

Period/Year ended	RONW (%)	Weight
March 31, 2018	29.3%	3
March 31, 2017	1.6%	2
March 31, 2016	11.9%	1
Weighted Average	**17.2%**	

RoNW (%) = Restated profit after tax / Restated Net worth

4. Minimum Return on Total Net Worth after Offer, required for maintaining pre-Offer EPS as at March 31, 2018:

a) For Basic EPS

Particulars	(in %)
At the Floor Price	[●]
At the Cap Price	[●]

b) For Diluted EPS

Particulars	(in %)
At the Floor Price	[●]
At the Cap Price	[●]

5. Net Asset Value (NAV) per Equity Share

NAV	(in ₹)
As on March 31, 2018	12.42
After the Offer	
- At the Floor Price	[●]
- At the Cap Price	[●]
At Offer Price	[●]

NAV= Restated net worth/ Number of equity shares as at the year end

6. Comparison with listed industry peers

There are no listed peers in India.

7. The Offer Price is [●] times of the face value of Equity Shares

The Offer Price of ₹ [●] per Equity Shares, have been determined by our Company and the Selling Shareholder in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company, Selling Shareholder and the BRLMs believe that the Offer Price of ₹ [●], is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with *"Risk Factors"*, *"Our Business"* and *"Financial Information"* on pages 18, 125 and 193 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in ***"Risk Factors"*** and you may lose all or part of your investments.

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

July 14, 2018

To
The Board of Directors
Affle (India) Limited
P 601-612, 6th Floor, Tower C, JMD Megapolis,
Sector – 48, Sohna Road, Gurgaon - 122018

Dear Sirs,

1. We hereby confirm that the enclosed annexure, prepared by Affle (India) Limited (formerly known as ("Affle (India) Private Limited") ('the Company') states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act'), as amended by the Finance Act 2018 i.e. applicable for the financial year 2018-19 relevant to the assessment year 2019-20, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

2. The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

3. Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

4. We do not express any opinion or provide any assurance as to whether:
   - the Company or its shareholders will continue to obtain these benefits in future; or
   - the conditions prescribed for availing the benefits, where applicable have been/would be met; and
   - the revenue authorities or court will concur with the views expressed herein.

5. The contents of the enclosed statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Yogesh Midha
Partner
Membership No.: 94941
Place: Gurgaon
Date: July 14, 2018

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 ("**the Act**") as amended by the Finance Act 2018, i.e. applicable for the Financial Year 2018-19 relevant to the assessment year 2019-20, presently in force in India.

I. Special tax benefits available to the Company

There are no special tax benefits available to the Company.

II. Special tax benefits available to Shareholders

There are no special tax benefits available to the shareholders for investing in the shares of the Company.

Note:

1. The above statement of special tax benefits is based on the tax benefits available to the Company and its shareholders under the current tax laws presently in force in India.

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

3. This statement does not discuss any tax consequences in the country outside India of an investment in the Shares. The subscribers of the Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.

4. In respect of non-resident shareholders the tax rates and the consequent taxation, if any, shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

5. The above statement covers only above mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.

SECTION IV – ABOUT THE COMPANY

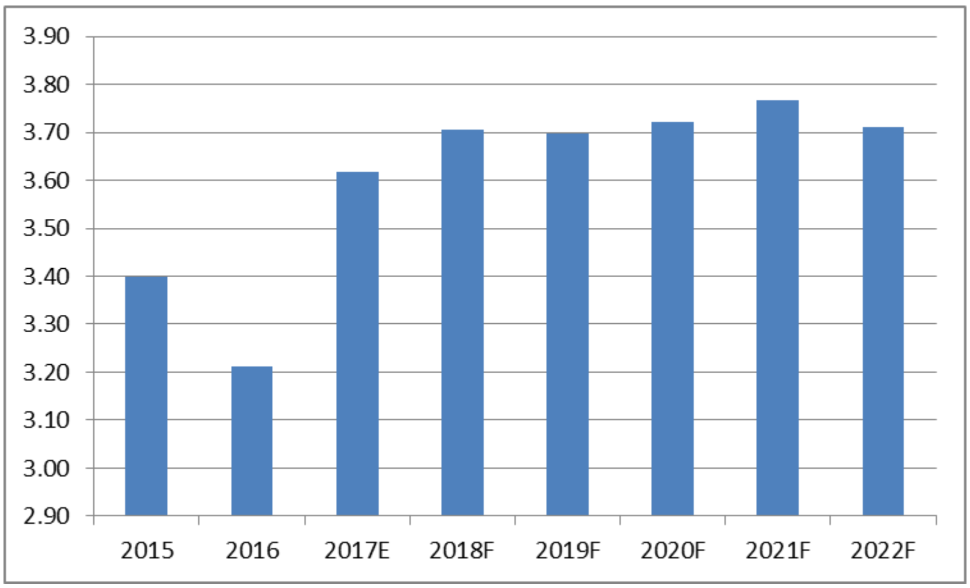
INDUSTRY OVERVIEW

MACROECONOMIC OVERVIEW

Global Economic Outlook

Banking on the resurgence of global majors and the continuing policy stimulus-driven growth in China, India and similar economies, the outlook for global GDP growth for 2018 is 3.7%. While the U.S. is expected to see a modest growth pick-up due to stronger business and consumer confidence, both Europe and Japan are forecast to have stronger and sustained momentum with diminished political uncertainty and growing private consumption respectively.

Exhibit 1: GDP Real Growth, Global, 2014-2021 (%)



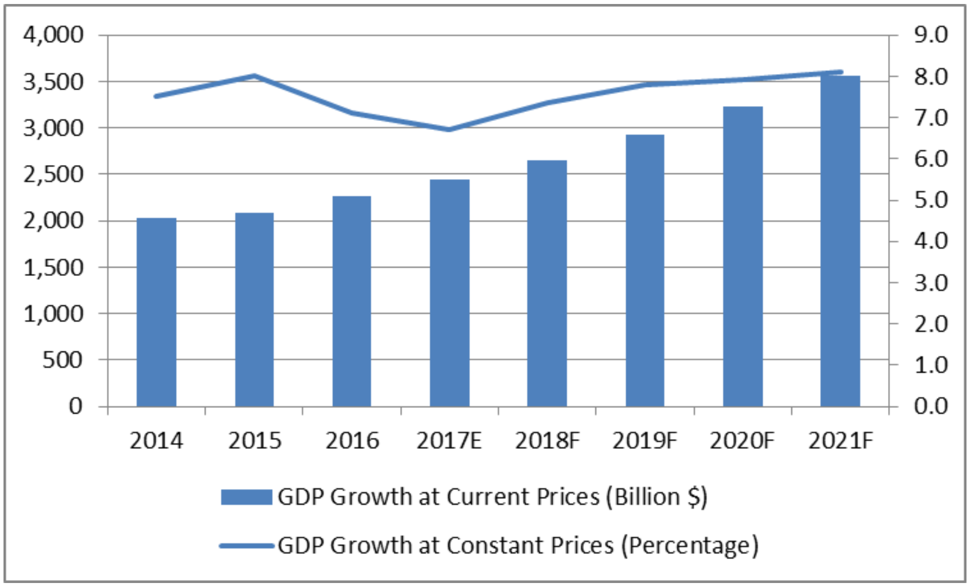
Source: IMF

Digitization, improvement in the labour force and stronger productivity can help sustain the growth momentum and provide a favourable environment for businesses to thrive. Companies, however, need to stay focused on strengthening their growth through an apt combination of technology, innovation and skills.

Economic Outlook- India

Among all large economies, India is likely to demonstrate a rapid and sustainable growth, at a CAGR of 9.46% from 2016 to 2021, driven by strong manufacturing-led industrial expansion and consumption demands from the private sector. According to Frost & Sullivan's analysis based on data from 2017 IMF WEO Update, the country's GDP is well positioned to cross USD 3,000 billion (INR 200 trillion) by 2020; in the event of accelerated manufacturing and investment, this figure could even potentially balloon to USD 3,600 billion (INR 240 trillion).

Exhibit 2: GDP Growth, India, 2014-2021

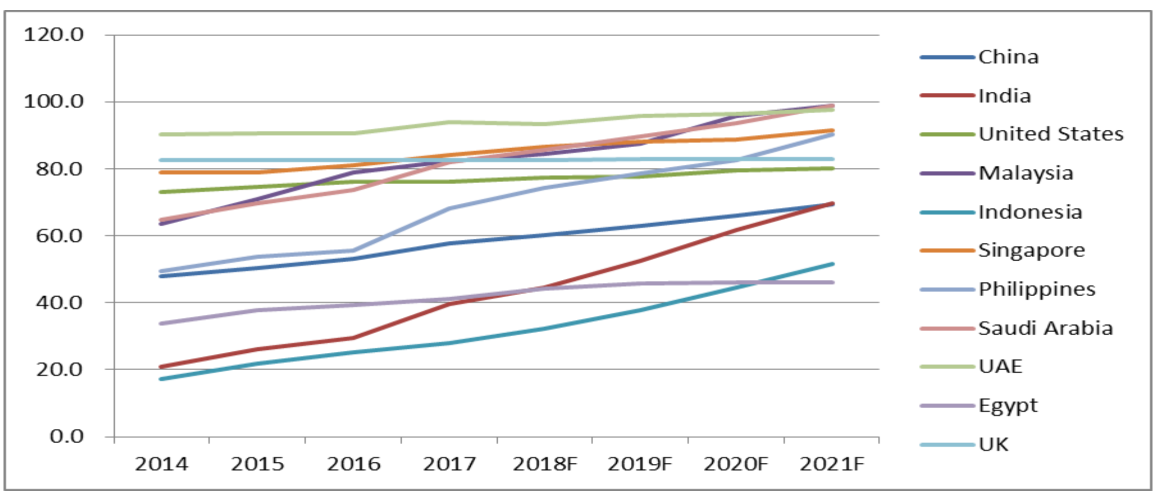


Note: All the figures are on a fiscal year basis
Source: Ministry of Statistics and Programme Implementation, India

Growing Online Population

In 2017, Internet users represented 48% of the global population, with mobile phones being the primary mode of access, especially in emerging markets. With upgrades to the cellular infrastructure, proliferation of smartphones and the availability of several content options, there has been a steady growth in consumers using the Internet. (*Source: ITU Facts and Figures 2017)*

Exhibit 3: Internet Penetration, 2014-2021 (%)

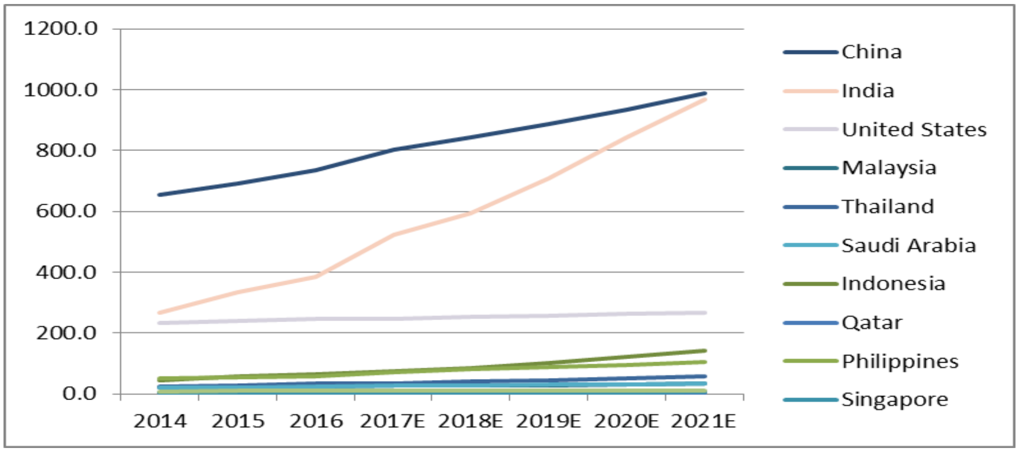


Source: ITU Facts and Figures 2017 & Frost & Sullivan analysis

While China and India are lower in Internet penetration than many other countries in the world, they have the largest Internet user base followed by the United States. China led the world with a user base of over 770 million in 2017, followed by India at over 445 million and the U.S. at over 310 million.

South East Asia is another fast-growing Internet market with over 330 million users, and over 53% penetration in 2017; the user base in the region is set to expand to 480 million by 2022. The Internet economy in the region will likely grow to USD 50 billion in 2018 and to USD 200 billion by 2025.

Exhibit 4: Total Internet Users in Key Countries, 2014-2021 (million)



Source: Frost & Sullivan

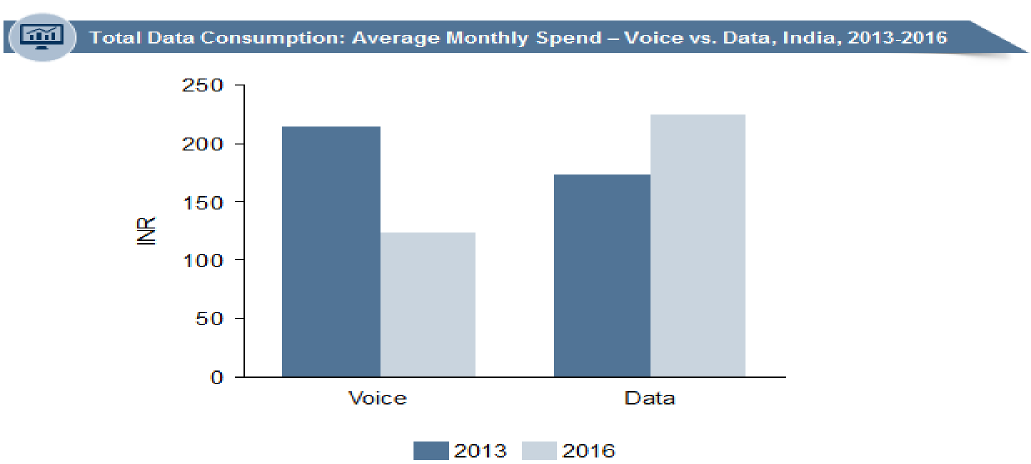
Improved Connectivity &Increasing Smartphone Penetration

Lower data prices and the availability of almost unlimited content for entertainment, multimedia, information and business applications has led to an impulsive usage of the Internet, leading to significant growth in mobile data traffic, especially from these economies.

According to the 2017 Ericsson Mobility Report, worldwide mobile data traffic per month was 8.8 (Exabytes) EB in 2016 and is expected to grow at a CAGR of 42% to 71 EB in 2022, while the data traffic per smartphone is estimated to grow at a CAGR of 33% from 2.1 GB in 2016 to 12 GB in 2022.

India has been mirroring similar trends with an increasing share of data revenue vis-à-vis traditional voice services. The share of data wallet- saw an increase of 81%, as compared to a drop of nearly 19% in voice revenue, over 2013-2016. *(Source: IAMAI, Nokia Mbit Index 2017)*

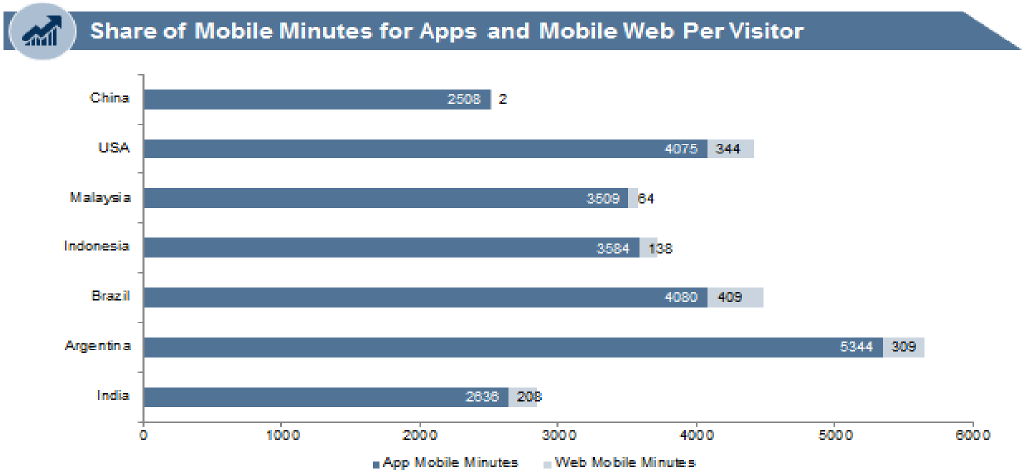
Exhibit 5: Average Monthly Spend – Voice vs. Data, India, 2013-2016 (INR)



Source: IAMAI, Nokia Mbit Index 2017

According to comScore Global Mobile Report released in 2017, a mobile phone user in India spends an average of 2,844 minutes on the device every month. Of this, 92% of the time is spent on apps. Another study cited in LiveMint January 17, 2017, from App Annie's Retrospective Report, India overtook the United States in terms of the total number of Google Play downloads (surpassed only by China), and Android contributed to 78% of the total mobile traffic in 2017.

Exhibit 6: Share of Mobile Minutes for Apps and Mobile Web Per Visitor, Number of Minutes



Source: comScore Global Mobile Report, May 2017

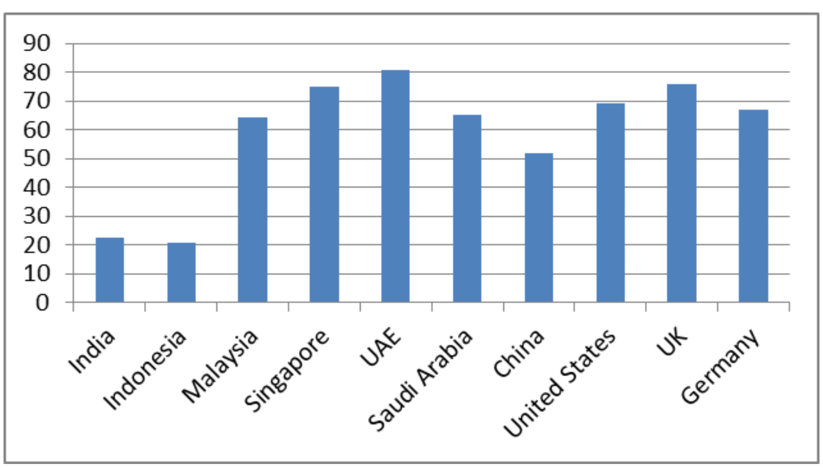
India's Internet growth, however, will largely be driven by the anticipated increase in users and usage in rural areas. Currently, the rural Internet density (i.e., the number of Internet subscribers per 100 people) is at 14.89, compared to 76.76 for the urban population (*Source: TRAI Performance Index Report May 2017*). India is expected to have 730 million Internet users by FY 2020 with a 60% penetration; 75% of the new user growth is set to come from rural areas. (NASSCOM, 2017)

Regardless of the location, the mobile phone will be the key driver for the growing Internet access in India. According to TRAI, almost 77% of urban and 92% of rural users consider the mobile phone as the primary device for accessing the Internet, largely because of the large-scale availability and affordability of smartphones.

According to a publicly available study by Capgemini, "Lessons from the Indian mobile market," as of the end of FY 17, 18% of the world's mobile phone subscribers reside in India. The subscriber growth is forecast to outperform the regional and global averages over the coming years as the country cements its position as the world's second-largest mobile subscription market after China. Frost & Sullivan expects this to increase the demand for mobile handsets and also create a replacement demand in the long term.

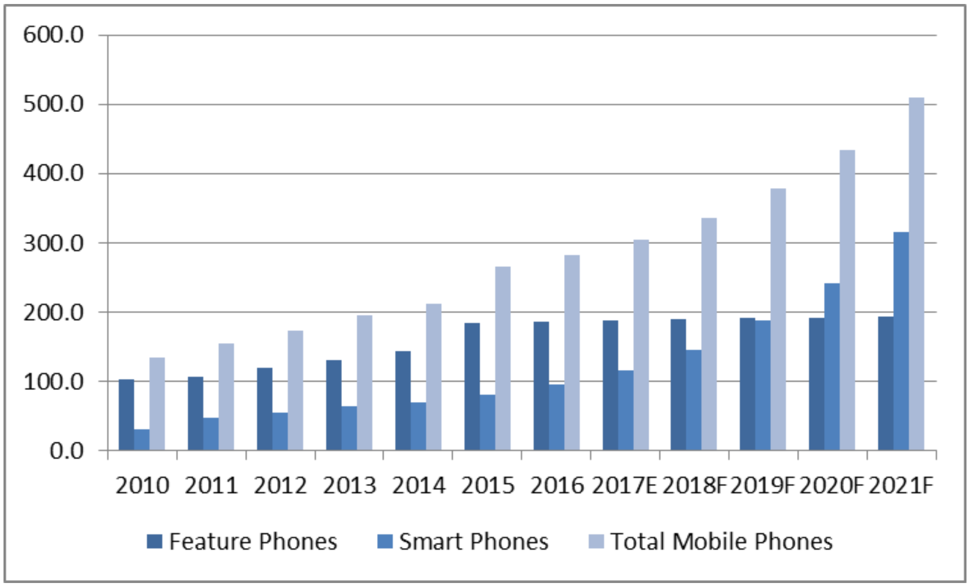
Increasing smartphone adoption is one of the primary drivers that have boosted Internet consumption in India. According to Frost & Sullivan, although the country has overtaken the United States as the world's second biggest smartphone market in terms of volume, it had only 22% smartphone penetration in 2017.

Exhibit 7: Smartphone Penetration, 2017 (%)



Source: Frost &Sullivan Analysis

Exhibit 8: Mobile Phone Demand by Volume, India, 2010 – 2021 (millions)



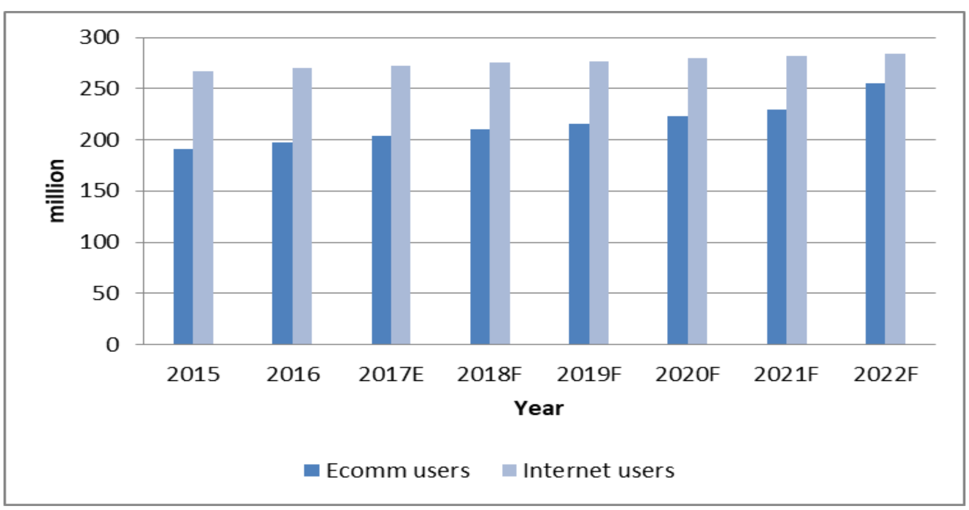
Source: Frost & Sullivan Analysis

Feature phones had a volume share of 66.2%, and smartphones, 33.8%, of the total Indian mobile phone market in 2016. Significant rural and semi-urban markets are the key contributors to the uptake of economically priced feature phones. However, the decline in prices of smartphones has blurred price points between feature phones and low-end smartphones, encouraging higher adoption of the latter. The smartphone segment is expected to grow by a CAGR of 27.1% by volume until the end of 2021. This growth will ensure smartphones will overtake feature phones in volumes by 2020.

THE GROWING IMPACT OF E-COMMERCE

E-commerce comprised one-tenth of the total global retail sales at USD 2.29 trillion (*Source: eMarketer 2017*), with about a fifth of this contribution coming from the United States. The U.S. has over 200 million e-commerce users (comprising 74% of its Internet users) and generated about USD 460 billion in 2017. This market is expected to grow to 250 million by 2022, exceeding USD 640 billion in revenue.

Exhibit 9: Internet Users versus E-commerce Users, USA, 2015-2022



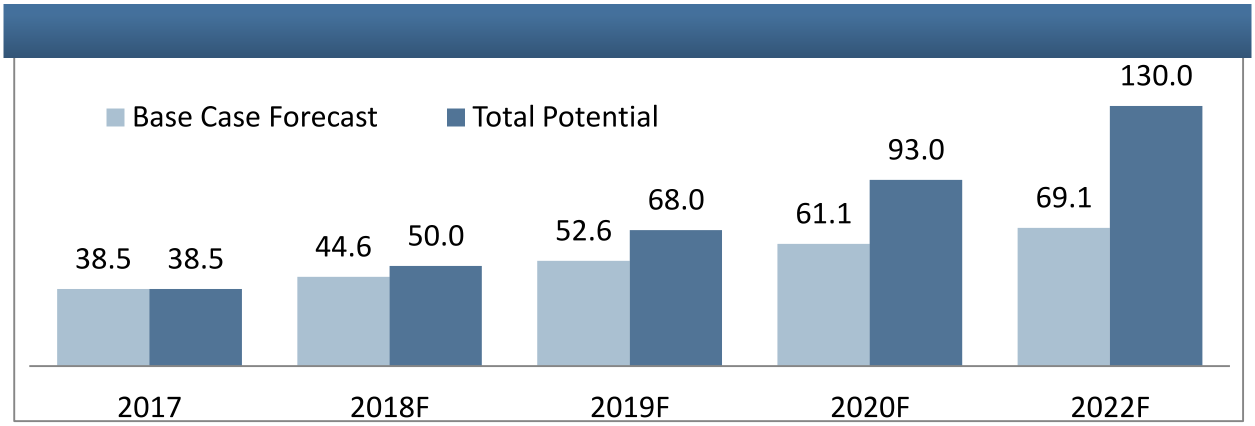
Source: Industry Sources and Frost & Sullivan Analysis

The e-commerce market in India, on the other hand, is in its early growth stages. With the proliferation of high-speed internet and the ubiquity of affordable smartphones, the market has grown significantly over the past three years. Although it started as an urban trend restricted only to the tech-savvy and the young population demographic, e-commerce has caused an all-encompassing revolution in the retail industry.

Since 2015, about one-fourth of all Internet users have already shopped online and this number is likely to grow at a rapid pace with the increase in the number of e-commerce companies supporting all product and service categories.

The Indian e-commerce market had revenues of USD 38.5 billion in 2017 and is likely to grow at a CAGR of 12.4% to USD 69.2 billion by 2022. However, with further increase in avenues for digital payments, accelerated broadband penetration, and an increasing number of product options across the breadth of the country, the market has the potential to grow to USD 130 billion over the same time period.

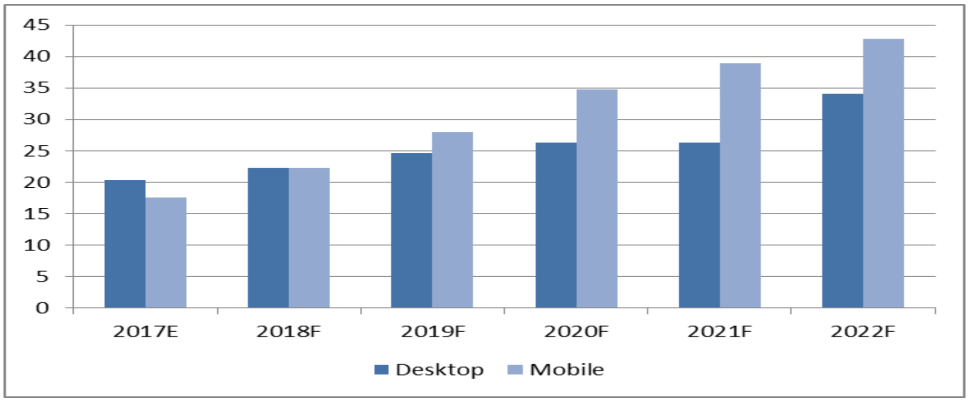
Exhibit 10: E-commerce Market Size and Forecast for India 2017-2022 (USD billion)



Source: Frost & Sullivan

M-commerce (goods and services purchased via mobile) contributed about 55% of the total Indian e-commerce market in 2017. With increasing data speeds, along with falling data access prices, this is likely to grow to over 70% of the e-commerce market by 2022.

Exhibit 11: Desktop vs Mobile Spend Estimates on E-commerce in USD million, India, 2017-2022

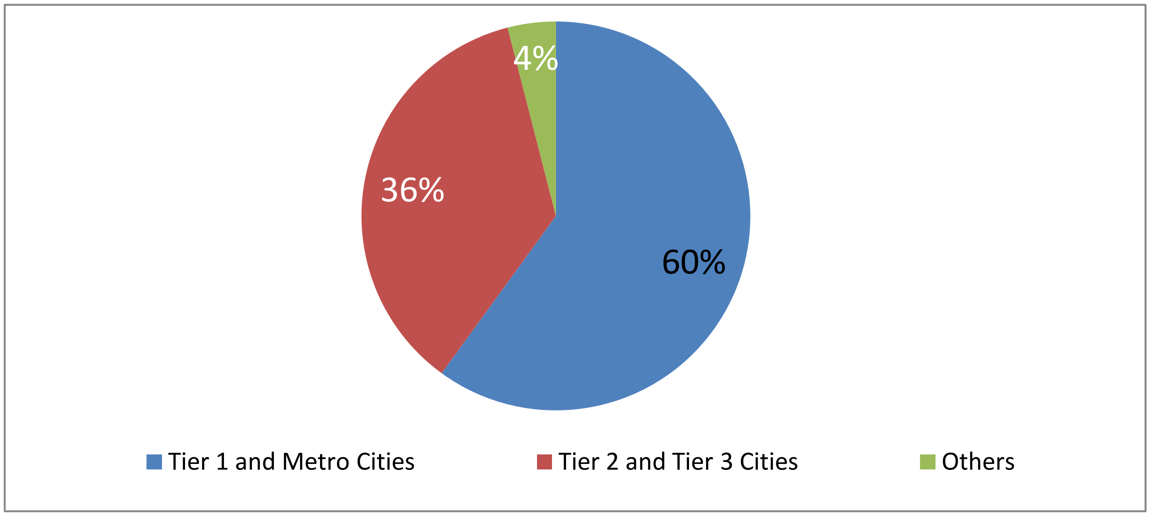


Source- Frost & Sullivan

Regional Focus across India

A majority of 60% of all online sales in India in 2017 were contributed by the 8 metro cities, while the remaining sales were generated from 3,133 Tier 2 and Tier 3 cities (including 1,233 rural hubs- which are nodal points supporting businesses in rural areas).

Exhibit 12: E-commerce Sales, by Region, India, 2017



Source: Frost & Sullivan analysis

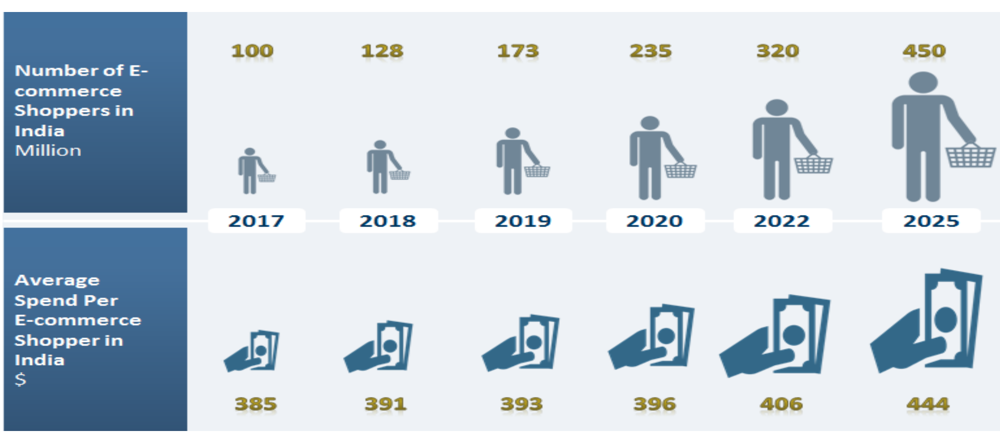
However, transactions from Tier 2 cities and beyond are growing 3X faster than metropolitan cities, unleashing an untapped market for the next growth phase. Initiatives by the government including the Jan DhanYojana-Aadhaar-Mobile (JAM) scheme, and Unified Payments Interface (UPI) have led to the adoption of digital payments. While they are yet to drive critical mass in adoption, they will be essential in boosting large-scale uptake among rural users.

Targeting the e-commerce shopper in India

While e-commerce in India has an established market now, primary vendors find it challenging to increase active usage, drive frequency in purchase, and boost average spending. Both Flipkart and Amazon reported a registered user base of over 100 million each in 2017, but only 10% of their registered users are active, and about one in six make a purchase when online. (*Source: Frost & Sullivan research)*

E-commerce spending in India is still reserved and currently at an annual average of USD 385 compared to USD 1,700 in the U.S.

Exhibit 13: Estimates of Number of E-commerce Users and Average Spend Per Shopper, 2017-2025, India



Source: Assocham, Economic Times, Frost & Sullivan

Frost & Sullivan believes that while the growing popularity for online shopping in India is undeniable, it is not going to replace brick and mortar stores anytime soon. Retailers and brands are therefore trying to diversify their presence and widen their distribution with integrated online-offline models to gain access to customers beyond those in Tier 1 and Tier 2 cities. Either with their own online platform or through aggregator sites such as Amazon and Flipkart, they are offering their catalogues across all product categories. For instance, large retail brands such as Croma, Shoppers Stop, Lifestyle, Metro Cash & Carry, and ITC are exploring options of making their products available on existing e-commerce platforms in order to have a digital presence without investing completely in the operations side of the business.

Not surprisingly, therefore, the majority of the investments in this space over the past year have been towards building and optimizing marketplaces, while the rest has been in building mobile wallets and e-commerce platforms. A significant percentage of this investment is targeted towards initiatives such as driving higher consumer adoption among non-users, reducing churn, increasing active usage among existing customers, boosting consumer spend across all categories (necessary and discretionary), driving frequency and conversion of the intent to purchase.

Exhibit 14: Investments in the E-commerce Market, India, 2017

Company Name	Sub-Vertical	Investors' Name	Amount USD million
Flipkart	E-commerce Marketplace	Softbank Group	2,500.0
		Microsoft, eBay, Tencent Holdings	1,400.0
		Naspers	71.0
		Bennett, Coleman and Co. Ltd (BCCL)	38.7
		Total Investments	**4,009.7**
Paytm	Mobile Wallet & E-commerce Marketplace	Softbank Group	1,400.0
		Alibaba	200.0
		Total Investments	**1,600.0**

Frost & Sullivan believes that the primary challenge for brands and retailers (both offline and online) is how to seek and target the right customer through digital avenues. India has 100 million e-commerce shoppers, but the demographic is highly fragmented. Frost & Sullivan believes that digital attention as well as preferences across apps and websites is extremely divided and therefore, a one-size-fits-all marketing strategy as applied in television or newsprint doesn't work.

Hence, there is growing adoption of advanced digital advertising technology, which can help crawl the widely spread user base across applications to push e-commerce adoption. Digital avenues provide a transparent way of estimating the return on investment (RoI) on every single customer acquisition and therefore marketers are under intense pressure to ensure performance-based marketing. Further, digital selling allows a brand or a retailer to closely track purchasing trends in real time based on actual consumer actions such as impressions, clicks, downloads or payments, which, while being an advantage, also make every advertiser highly accountable for their marketing spends.

Frost & Sullivan believes that e-commerce in India will be driven by both necessity and aspiration. On one hand, the adoption in metros will continue to grow, and existing users will increase their average spend across brands and categories; on the other, the increasing smartphone and data access penetration will bolster adoption rates among semi-urban and rural consumers.

The Growing Influence of Amazon over the Internet

What started as an online book business in 1994 has become a global household name in e-commerce and cloud services. From food products to electronics to apparel to video streaming content, Amazon today sells over 562 million products across 10 categories globally*(Source: Scrapehero, Jan 2018).* In India alone, the company sells over 100 million products. *(Source: Economic Times, March 2017)*

Amazon has been a disruptor in many markets it has entered, and India is no exception. Since starting operations in the country, the company has gradually captured share in the e-commerce market fighting the erstwhile incumbents with aggressive marketing and strategic campaigns. Amazon continues to grow its presence and competes strongly with Flipkart and PayTM. However, Frost & Sullivan believes that Walmart's purchase of a majority stake in Flipkart could give the latter an ability to leverage the strengths of Walmart in offline retail, and present new business opportunities to further increase its market dominance.

Amazon has invested ₹ 26,000 million in India to augment its fulfilment infrastructure and enhance consumer and seller experience. Working on a hybrid model (inventory and marketplace models),the company collects commission from sellers, while generating revenue from services like listing fee (promoted products), logistics fee and other additional service offerings such as analytics. It also leverages its Prime membership for speedy delivery options, bundled with value-add services like Prime Music and Prime Video, to name a few. This value-for-money subscription fee of ₹ 999 per annum has resulted in the company garnering over 10 million subscribers in the country, making it its largest international market outside the U.S. *(Source: Entrackr, April 19, 2018*.

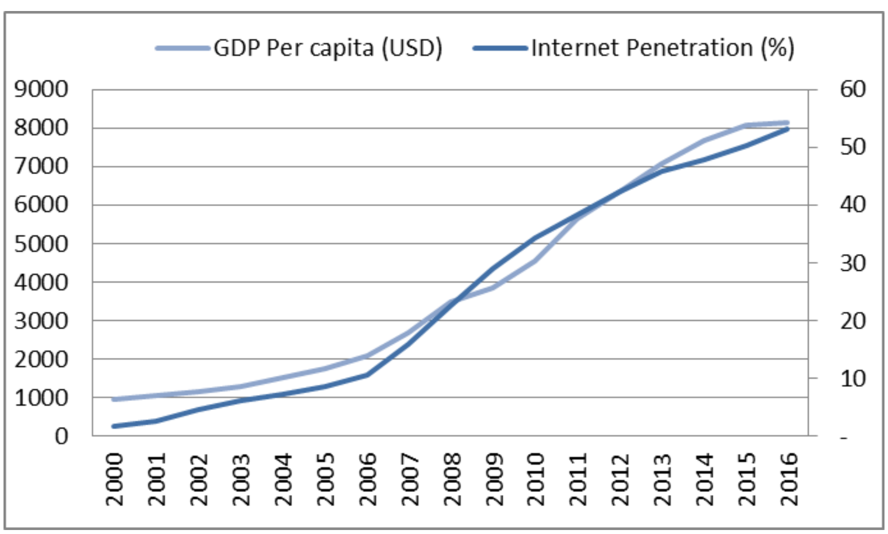
Apart from the U.S., which continues to be its single biggest market, the company has had considerable success in Germany, Japan, the U.K., China and India, and through its international shipping feature enables selling to customers across 100 countries. *(Source: Techcrunch, April 2018)*

China's Growth Trends: Holding up a Mirror to India

India with its 1.3 billion people represents a significant market potential for any business, but for sceptics, its prospects are marred by its challenges, such as inadequate infrastructure, poor access to broadband and technology, and regulatory and taxation roadblocks. However, several initiatives taken over the last decade including electrification, BharatNet, Aadhar, GST, telecom spectrum allocation, higher FDI approvals, among others, have triggered rapid change that will eventually cause significant growth, and native business catering to local demand will stand to benefit.

China faced similar scepticism in the late nineties and early 2000s, but grew to become a formidable world economy over the past two decades riding on the back of investment in public infrastructure, manufacturing, its rural economy and technology. Such stimulus boosted GDP per capita 4x from 2000 to 2010 and increased FDI inflows. Once on this trajectory, China's growth only spiralled leading to transformation across sectors including information, communication and technology.

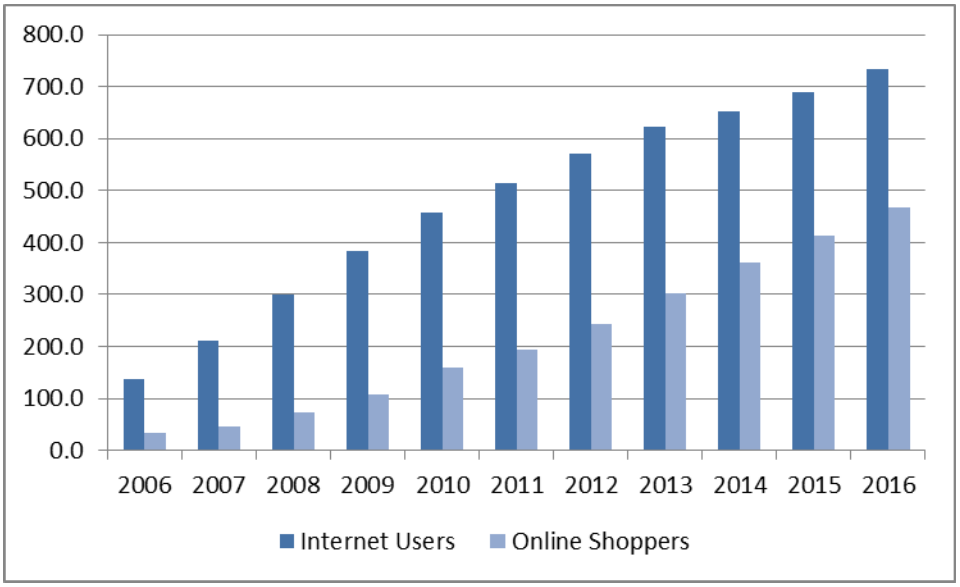
Exhibit 15: GDP Per Capita, China, in USD, 2000 to 2016



Source: World Bank& ITU

China's Internet penetration grew by leaps and bounds from 2006 onwards, also reflecting a similar trend in e-commerce adoption.

Exhibit 16: Internet Users and Online Shoppers in million, China, 2000 to 2016



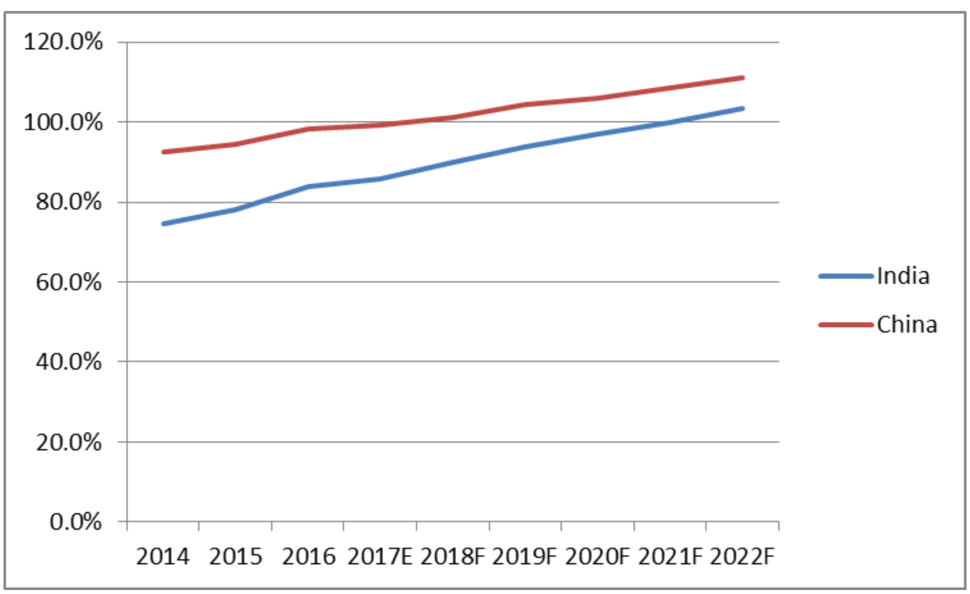
Source: World Bank, CNNIC and Frost & Sullivan estimates

By 2016, China's digital economy accounted for USD 3.4 trillion contributing to over 30% of the country's GDP. *(Source: China Daily, 2017)* China's digital economy has been fuelled by its state-driven and local enterprises that have constantly customized their offerings to suit the highly populous but fragmented demographic.

Can India replicate China's success?

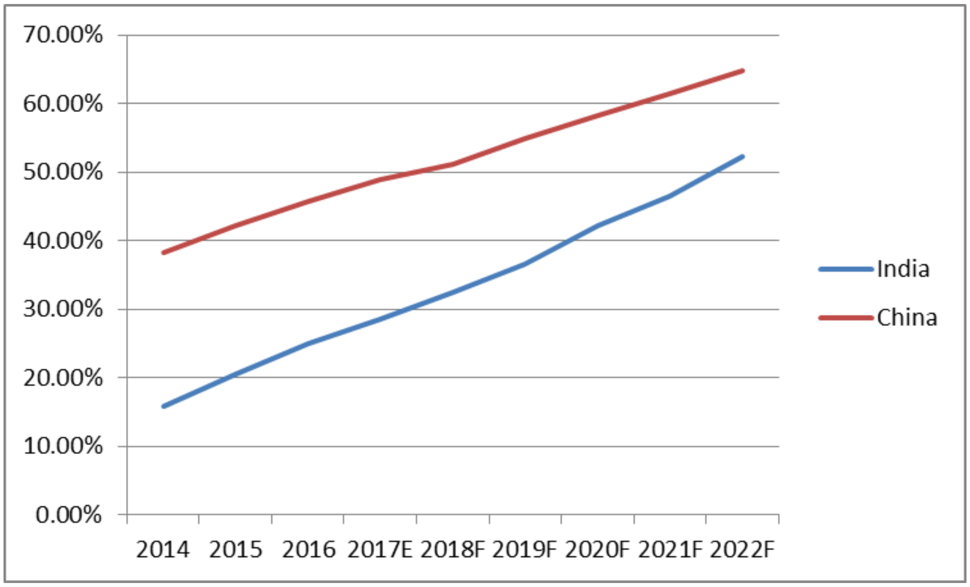
While India has lagged behind China in manufacturing, it has demonstrated rapid growth in its digital economy. While China had the most app downloads at 65 million in 2017, India followed closely at 58 million, and should overtake China soon. Both countries have largely been mobile-first in consumer adoption thereby driving significant mobile broadband access. With the infusion of investment into higher speed broadband penetration, India is poised to accelerate growth in the digital sector.

Exhibit 17: Mobile Penetration, %, India vs. China, 2014-2022



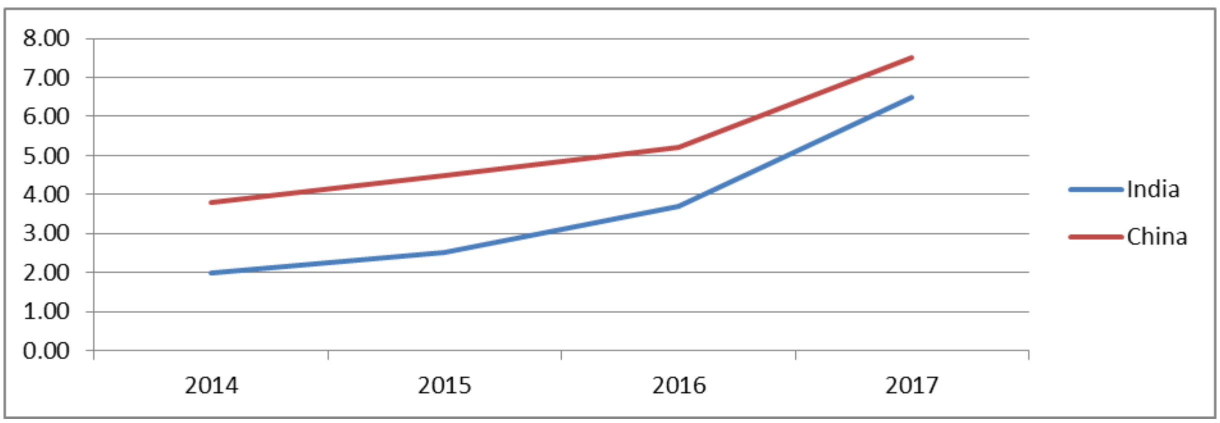
Source: Frost & Sullivan analysis

Exhibit 18: Smartphone Penetration, %, India vs. China



Source: Frost & Sullivan analysis

Exhibit 19: Internet Speed in Mbps, India vs. China



Source: Akamai State of the Internet Reports, Frost & Sullivan analysis

Currently, India's Internet user base is the second largest after China. *(Source: ITU Facts and Figures, 2017)* While China still remains the leader with 51% smartphone penetration, India has a 22% smartphone penetration rate and, in terms of volume, has overtaken the United States as the world's second biggest smartphone market. The country has been a steady growth in internet consumers, with improvements in its cellular infrastructure, influx of cheaper smartphones, and the availability of several content options.

THE ADVERTISING AND THE AD TECH INDUSTRY

Overview

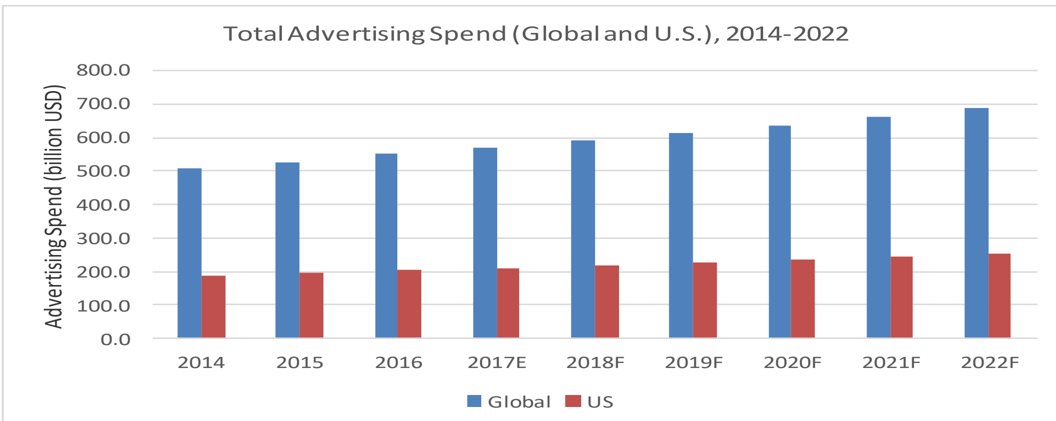
The advertising industry globally has been undergoing a transformation. The number of avenues to market to a consumer has expanded widely beyond print display, television and radio to digital media. Digital, while absorbing a significant percent of ad spend today, has evolved to become more complex and includes several forms such as search, video and rich media, social media, classified, and so on. For advertisers, the complexity has compounded as a result of increasing avenues to target consumers in an omni-channel world. *(Source: Frost & Sullivan)*

Growth Outlook of the Advertising Industry

Backed by a stimulating economic growth, technology advancements, and increasing digital users via the Internet, Frost & Sullivan believes that the outlook for the advertising industry is highly positive. Global advertising spends in 2017 were about USD 569 billion, out of which the U.S. had the largest pie, accounting for 36.94%.

According to Dentsu-Aegis 2017 reports on advertising spends and Frost & Sullivan estimates, the industry will grow at a CAGR of 3.9% (2017-2022) to USD 689.63 billion, backed by economic stability and sustained spending from U.S., India, Japan and China, among other countries.

Exhibit 20: Total Advertising Spend (Global and U.S.), 2014-2022



Source: Dentsu Aegis Reports and Frost & Sullivan Estimates

Digital advertising – that is advertising online – comprised 34% of total advertising spend globally, and 37% of the U.S. market in 2017. By 2022, digital spend will comprise over 50% of total advertising spend globally. *(Source: Dentsu Aegis Reports and Frost & Sullivan Estimate)*

Exhibit 21: Digital Advertising Spend (Global and U.S.), 2014-2022

Source: Dentsu Aegis Reports and Frost & Sullivan Estimates

Frost & Sullivan believes that ad agencies are at the forefront of driving digital marketing and advertising trends today. The revenue (which is usually a small percentage of billings and/or ad spends done through them) of the top six ad agency groups; WPP (GroupM); Publicis; Havas; Interpublic (IPG); Dentsu Aegis (DAN); and Omnicom (OMG), collectively equaled close to 4.5% of the total global advertising spend in 2017 *(Source: Company Annual reports and Frost & Sullivan analysis)*. But their cumulative digital revenue comprised 13% of total global digital advertising. While many brands are moving their digital ad spend budgets in-house, several are still dependent on agencies and their affiliates to pull off multi-channel, multimedia creative production, placement, and distribution of advertisements.

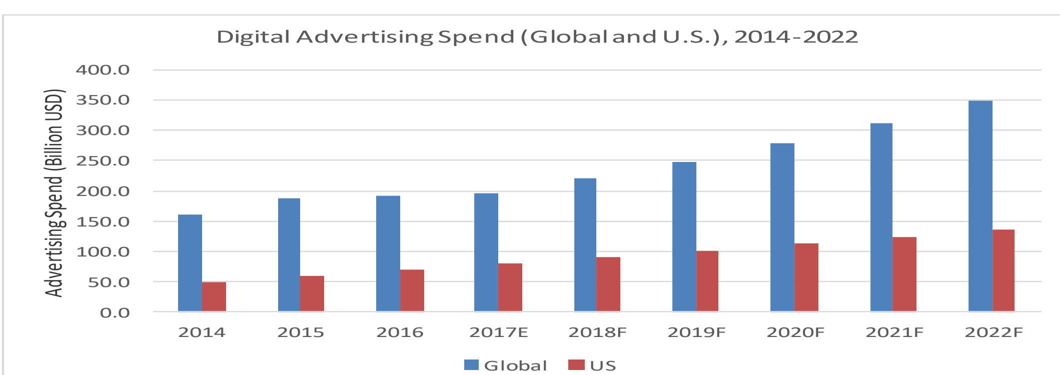
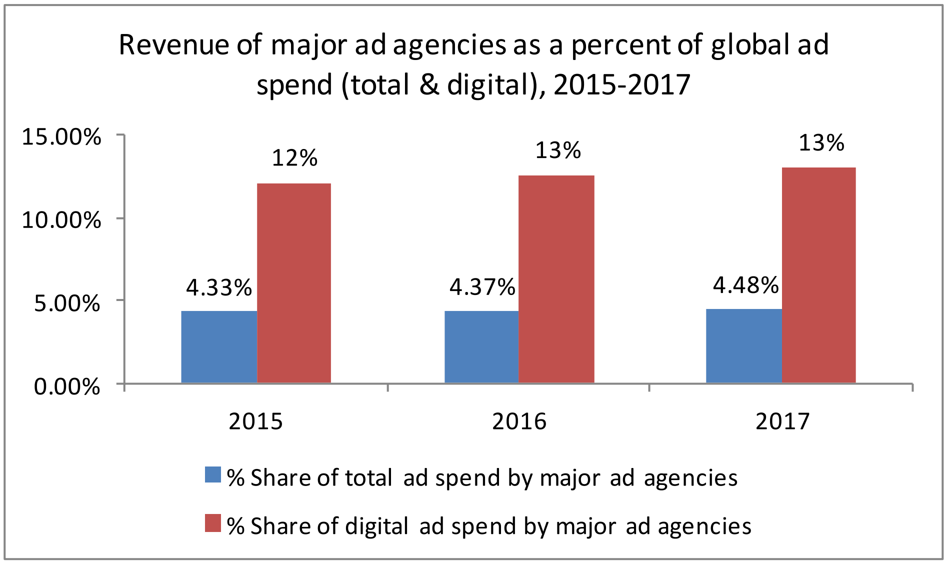


Exhibit 22: Revenue of major ad agencies as a percent of global ad spend (total & digital), 2015-2017



Sources: Company annual reports, Frost & Sullivan estimates

Today's advertisers are vying for the attention of billions of customers across digital devices, publishing platforms, channels, as well as applications; and hence targeted and performance-driven marketing are critical to drive growth in this business.

Digital advertising involves not just targeting suitable consumer profiles, but also smart ad-serving to offer tailor-made communication to drive certain actions. It also includes programmatic trading- an automated process driven by artificial intelligence to do real time bidding for ad space – as an alternative for direct advertising that is heavily dependent on human negotiations.

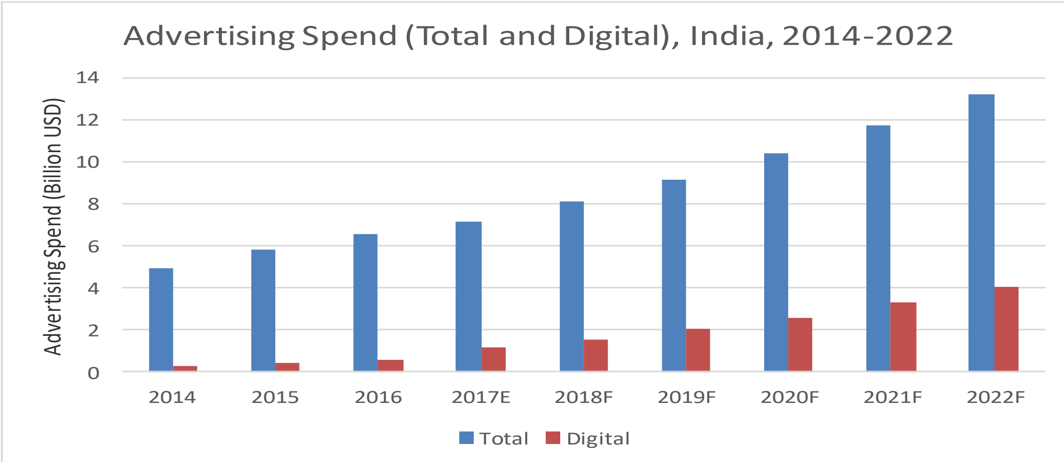
However this entire process can be driven only by harnessing the power of data. Advertisers today seek solution providers who are armed with large datasets of millions of consumer profiles and an effective Data Management Platform (DMP), which can apply analytics to identify behaviour patterns, segment customers and thereafter conduct effective marketing.

Overview of the Indian Advertising Industry

India is one of the very few markets in the world where advertising spends are likely to grow at double digits. While adversely impacted by demonetisation and the introduction of GST in 2017, the industry grew by 9.6% in 2017 compared to 11.9% in 2016, increasing spends driven by e-commerce, major events such as IPL and World Cup FIFA, as well as campaigns for the upcoming elections in 2019 will likely boost higher growth at 12.5% to reach USD 8.1 billion in 2018, and a CAGR of 13% to USD 13.2 billion by 2022.

Digital advertising spend in India has ramped up in growth over the past three years. It gained USD 1.1 billion in revenue in 2017 and will likely grow at a CAGR of 28.6% to USD 4 billion.

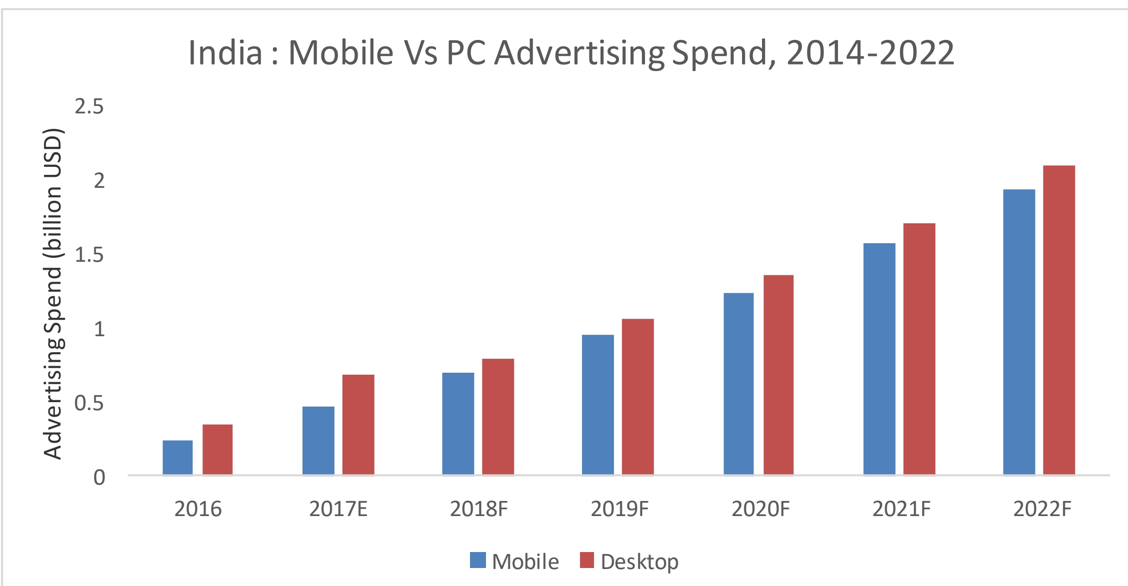
Exhibit 23: Advertising Spend (Total and Digital), India, 2014-2022



Source: Dentsu Aegis Reports and Frost & Sullivan Estimates

A segment that is fuelling growth for digital segment is mobile advertising, driven by 4G penetration, cost-effective data packages, proliferation of the mobile apps and social media, M-commerce and rapid growth in smartphone penetration. Mobile advertisement spend is expected to grow at a CAGR of 32.7% to reach USD 1.93 billion in 2022 *(Source: Dentsu Aegis Reports and Frost & Sullivan Estimates).*

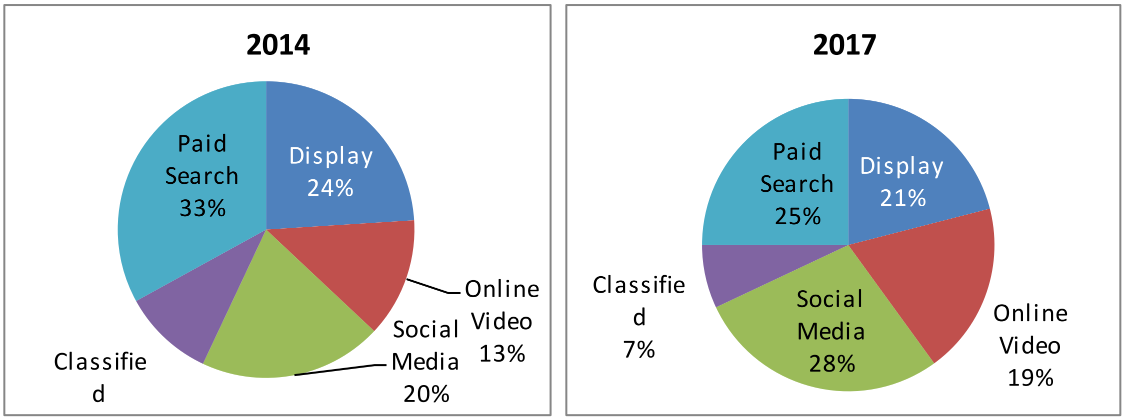
Exhibit 24: India: Mobile Vs PC Advertising Spend, 2014-2022



Source: Dentsu Aegis Reports and Frost & Sullivan Estimates

Among types of advertising, there is a gradual shift from display and paid search ads to other forms - especially online video, and social media. The availability of smartphones and access to free data has increased the viewership for video-on-demand content (such as Hotstar, Prime and Netflix) and enabled easy access to social media.

Exhibit 25: Change in Percentage of Digital Advertising Spend by type (2014-2017), Global

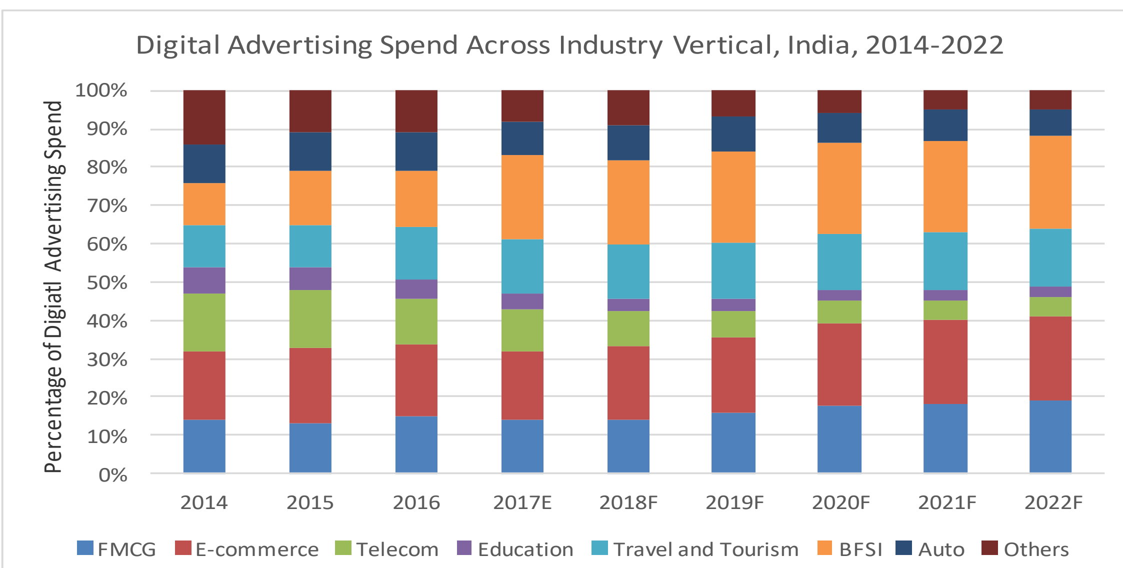


Source: Dentsu Aegis Reports and Frost & Sullivan Estimates

In terms of contribution towards digital advertising spend by sector, banking and financial institutions (BFSI) is currently the largest in India, accounting for 22% of all digital spend *(Source: Dentsu Aegis Reports and Frost & Sullivan Estimates)*. There is significant momentum on part of banks and financial institutions to push digital banking, digital payments, and other services such as insurance. It is followed by e-commerce, fast-moving consumer goods (FMCG) and telecom.

Digital advertising by e-commerce is forecast to grow at a CAGR of 35% to equal 22% of the total digital ad spend, while FMCG is forecast to comprise 19% in 2022 *(Source: Dentsu Aegis Reports and Frost & Sullivan Estimates)*. In the near term, Frost & Sullivan anticipates that advertisers from both sectors will make higher investments to cultivate and nourish consumer habits on digital platforms.

Exhibit 26: Digital Advertising Spend Across Industry Vertical, India, 2014-2022



Source: Dentsu Aegis Reports and Frost & Sullivan Estimates

The attractiveness of the digital medium - comparing cost of acquisition

Ad inventories are typically priced based on a cost per thousand impressions (CPM) basis across media. However, doing a comparison across media is always a challenge due to the differences in targeting capability and also benchmarking on an appropriate creative length/size. For example, if print CPMs are computed on the basis of the cost of a full page ad, the CPMs can be very high vis-a-vis a similar CPM being done for a smaller ad size.

CPM is an advertising metric that measures how much money an advertiser must spend to reach an audience base of 1,000. Traditionally, televisions and newspapers / magazines (grouped under print) were the only sources of advertisements and thus had a higher reach, justifying a higher price. While these avenues continue to hold significance even today, the cost per impression for TV and print is much lower than that for digital sources such as mobile app, website or mobile site.

However, the number of consumer-targeting options available for advertising on digital sources compensates for the higher CPM as the 'spillover' (that is the number of uninterested or unlikely customers) is minimized. Given that individual level targeting is not available on TV & Print, an advertiser needs to buy a lot more impressions to reach the relevant audience (given the spillover), versus buying only the optimum targeted impressions in case of digital media.

HOW DOES DIGITAL ADVERTISING WORK?

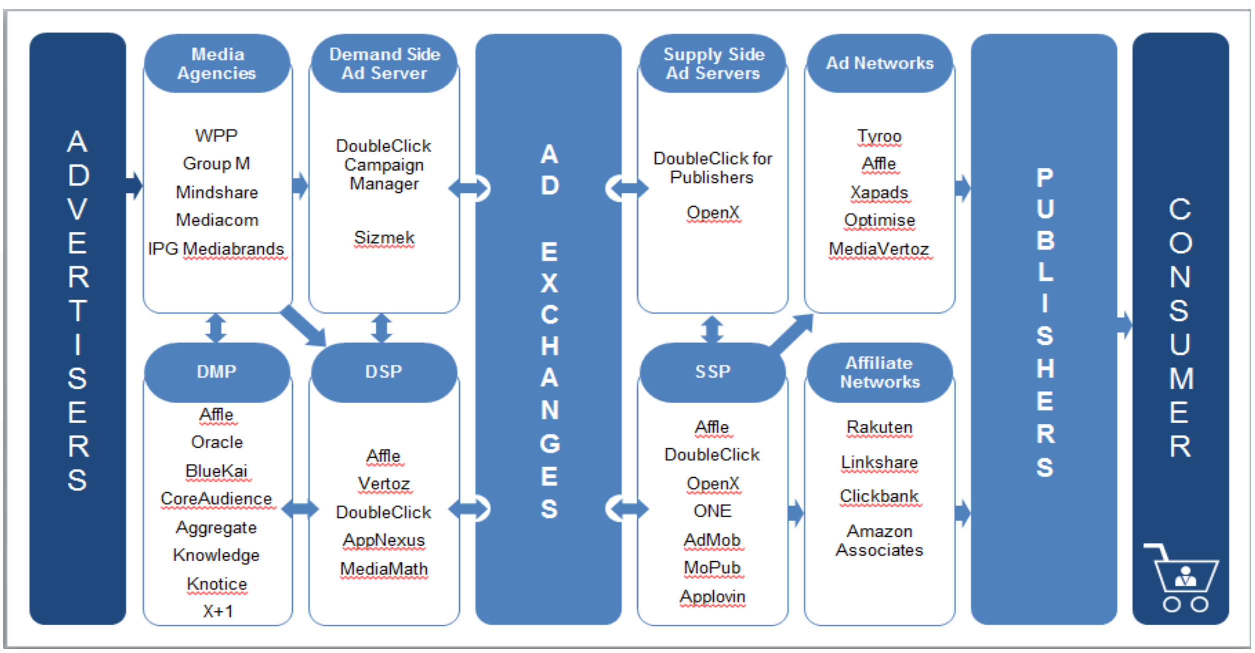
Digital advertising has evolved rapidly over the last decade. The sophistication in tracking and measuring every single metric of a digital advertisement in real time makes brands highly accountable for their digital ad spends. Therefore, there is increased emphasis on performance marketing, which requires leveraging large datasets of consumer information to drive targeted campaigns as well as real-time analysis.

Value Chain of Digital Advertising

The digital advertising value chain comprises publishers at one end and advertisers at the other; and multiple ad tech companies who act as facilitators for interactions between the two.

The illustration below identifies key constituents of the value chain with some examples of companies that offer solutions and services for that particular constituent. The figure also depicts the flow of ad impressions and revenue.

Exhibit 27: Digital Advertising Value Chain



Note: The key constituents of the value chain are defined below.
(Source: Frost & Sullivan)

Key Constituents of the Advertising Value Chain

Advertisers: Advertisers are brands/companies who are trying to reach users on all available platforms –newspaper, television, radio, computers, smartphones and other devices. This will include any brand like Pepsi; e-commerce companies like Amazon; and mobile app and game developers.

Media Agencies: Media agencies purchase ad spaces (inventory) for advertisers so that the advertisers can target the right audience at the right price and time.

Advertisement Server: An advertisement (ad) server is used by other value chain participants to manage and serve online advertisements.

Demand Side Platforms (DSP): They aggregate the demand from advertisers around the world and conduit it automatically to enable super-fast bids on publisher inventory.

Ad Networks: Ad networks are involved in aggregating inventory from similar publishers to match it with the advertisers' demand.

Supply Side Platforms (SSP): These platforms aggregate the inventory from publishers around the world and enable automatic exposure to advertisers.

Publishers: Publishers are media companies like The Hindu, Huffington Post and others who publish some form of content for the end user. In the digital age, this classification also includes entertainment websites, independent news portals and other information portals and blogs. On the mobile side, this refers to communication, social and gaming apps.

Data Management Platforms (DMP): The platform packages user data from publishers so that advertisers can target specific audience segments.

Ad Impression: Impression is a measurement of responses from a Web server to a page request from the user browser. Each time an ad is fetched from its source, it is counted as an impression and not when it is clicked.

How Does the Value Chain Function?

Advertising traditionally is driven by transactions between an advertiser/ brand and an advertising agency or a publisher across media. An advertiser makes decisions based on two primary factors: one, the price of the space (whether print, television, radio spot, signage or others), and two, the reach of the publisher – that is the number of consumers it exposes its visibility to.

Online or digital ads function on the same principles, but because of the numerous avenues of publisher platforms, the diversity of user devices and applications (gaming, social media, video, etc.), the complexity of advertising online compounded. Advertising technology (Ad tech) companies have simplified advertising in the digital world with the help of data analytics, artificial intelligence and machine learning.

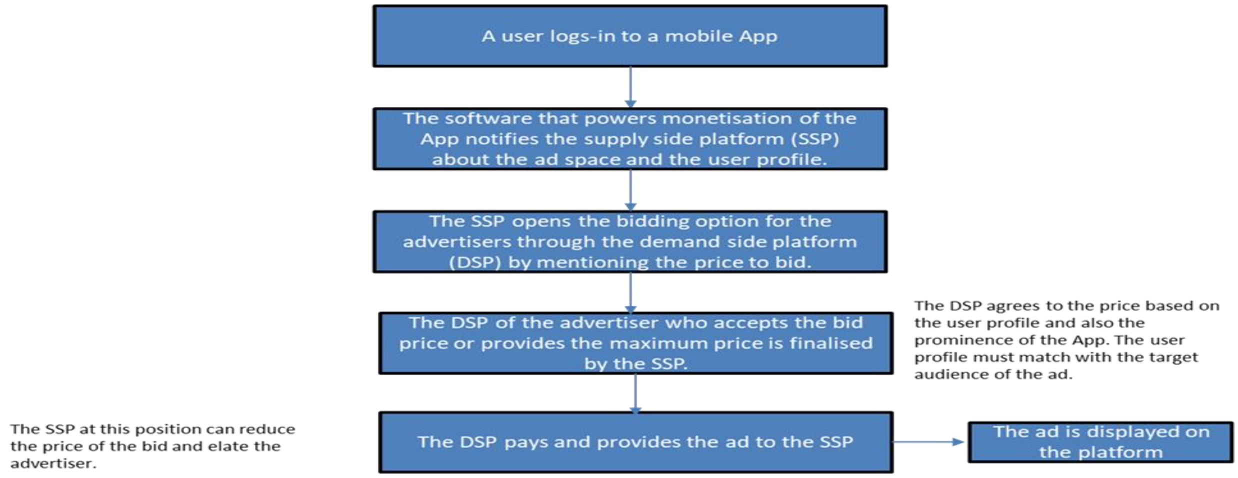
The core objective of the advertising value chain still remains the same. Advertisers want to publish their message across platforms for two reasons: to drive sales and/or enable awareness of the product or service. They seek to publish the ad on the right platform at a nominal price to reach the target audience. Publishers are ready to monetise ad spaces without impacting the user experience. Some major publishers have their own ad platforms whereas others depend on third-party platforms like SSP.

Ad tech companies have enabled automation of the various activities involved in the advertising process. Automation can happen at both ends – at the advertiser's end, it enables the process of obtaining proper ad space across multiple platforms; at the publisher's end, it enables the tracking of the impressions delivered.

Digital advertising is tendered either through direct advertising or through programmatic advertising. Direct advertising involves significant human intervention to auction ad spaces and fix pricing, whereas programmatic advertising is completely based on automation.

Programmatic advertising is defined as the purchase and sale of advertising in real time using software and algorithms without human intervention. Based on the requirement of the buyer, a bidding algorithm notifies when an inventory is available. At the publisher's end, the algorithm enables the selection of the highest bidder in real time. This is called real-time bidding (RTB). The revenue flows automatically from the advertiser to the publisher. A part of the revenue is obtained by each constituent of the value chain.

Exhibit 28: Illustration of RTB or Real Time Bidding

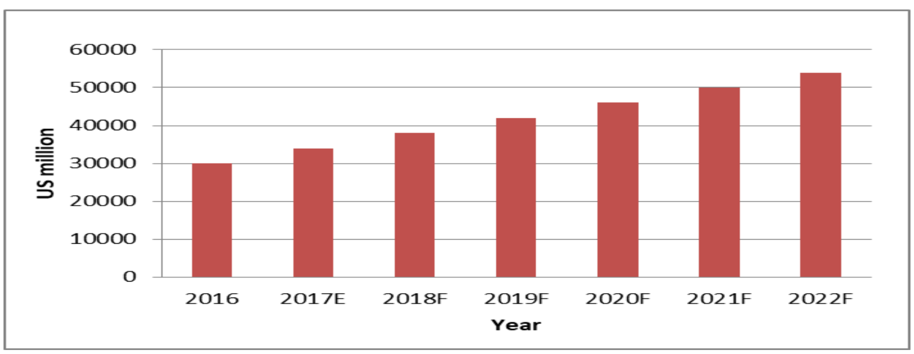


Source: Frost & Sullivan

ADVERTISING TECHNOLOGY MARKET

The ad tech market today has evolved beyond the advertiser-publisher to include a number of intermediaries controlling one or more than one part of the value chain. The solutions offered by these companies range from Demand Side Platforms (DSP), Supply Side Platform (SSP), Data Management Platforms (DMP) to ad networks, ad exchanges and so on.

Exhibit 29: Global Ad Tech Market in Revenue, 2016-2022



Source: Frost & Sullivan estimates

Frost & Sullivan estimates that the global ad tech market earned revenue of USD 34 billion in 2017 and is likely to grow at a CAGR of 10% over the next five years.

The global advertising technology market is highly competitive, with multiple regional and global players. Although it is dominated by digital giants such as Google and Facebook, there are over a hundred companies who offer one or more components of this solution. However, only a few –such as Affle, InMobi, Criteo, The Trade Desk, FreakOut, Mobvista and YouAppi – operate internationally.

India has become an attractive destination for many of these companies. Frost & Sullivan estimates that the Indian ad tech market with a market size of USD 304.9 million in 2017 will likely grow at a CAGR of 39% to USD 808 million in 2022. As digital advertising and in turn programmatic ad spend will grow at a rapid rate, it will help drive growth of the ad tech market. Retail, digital payments, gaming, travel, hospitality and e-commerce are the prime verticals contributing to the market growth currently.

However, less than 10% of Indian internet users today are active (that is those who make a purchase at least once a month) e-commerce customers. This makes it more challenging landscape for marketing tech to be able to discern the users who have the highest propensity to transact online.

Business Models in Ad Tech

The ad tech ecosystem, with its wide array of solutions and a large number of players, follows many different business models.

Exhibit 30: Business Models in Ad Tech, 2018

S.No	Business model	Metrics	Typical Pricing Range
1	Media-based Pricing Model	Cost per media (for example, number of banners, videos)	USD 0.15 –USD 5 per thousand impressions
2	Performance-based pricing Model	Cost per click, Cost per sale, Cost per view, Cost per Action (such as app downloads)	USD 0.1 –USD 0.3 per click
3	Flat Fee Model	A flat rate for each media / channel	Varies
4	Software as a Service	Monthly fee based on technology stack, number of users targeted and so on	USD 15,000 –USD 35,000 per month

Source: Frost & Sullivan analysis

Percentage of media or CPM has historically been the predominant pricing model for ad tech companies and continues to be followed by some companies even today. This is the easiest and safest business model for marketers as it takes into account just the cost of the media unit and the audience reach for a particular channel. For instance, if the cost of a display ad on a site is USD 5,000 and the ad is expected to reach close to 10,000 users, the advertiser has to pay (USD 5,000/10,000 users) * 1,000, or USD 500 to advertise to 1,000 people. However, growth in traffic as well as ad fraud meant this model lost its preference among brands and agencies.

Today, brands prefer performance-based models, where they are charged based on harder metrics such as number of clicks or converted users. This way, ad tech companies have more incentives to ensure targeted reach for the brand. In fact, with bots faking clicks as well, some companies such as Affle and Criteo, have embraced action or performance driven sales, where customers don't pay for clicks, but for actions such as app installs, purchases, etc. This assures transparency for brands and increased revenues for vendors. In some cases, companies use a revenue sharing model where a percentage of the sale value from the client's product goes to the vendor.

Alternatively, in order to make the cost of technology visible to clients, some companies such as TradeDesk are embracing a Software-as-a-Service (SaaS) model. It works well for advertisers who like to fix monthly advertising budgets instead of on a campaign-by-campaign basis. As shown in the table below, very few competitors such as Vserv and TradeDesk offer the SaaS model as an option.

Exhibit 31: Business Models in Ad Tech Comparison by Companies, 2018

	Media based	Performance based	Flat Fee	SaaS
Affle	Y	Y	Y	
Vizury	Y	Y		Y
InMobi	Y	Y	Y	
RevX	Y	Y		Y
Vserv	Y	Y		Y
The Trade Desk	Y	Y	Y	Y
Criteo		Y		
FreakOut	Y	Y		
Mobvista	Y	Y	Y	

Source: Frost & Sullivan analysis.

Challenges in the Ad Tech Market

The potential for growth for ad tech over the next five years is firmly established; however, Frost & Sullivan believes the market faces the risk of constant disruption through the following factors:

Dominance by large incumbent tech companies such as Google and Facebook

Google and Facebook contribute about 80% of ad tech revenue. With their respective native platforms that have access to billions of user profiles worldwide, they will continue to dominate the landscape not just in market share, but also user practices, pricing policies and general terms and conditions. The recent backlash from states across the world insisting on greater consumer privacy has reset the paradigm of digital advertising. Any significant change by either of these companies with their platforms can have an impact on the rest of the market.

Fake Apps and Fraud Users

Despite the size of the growth opportunity, digital advertising today is highly challenged by ad frauds, such as botnets, ad stacking, ghost sites, fake installs, click injection, click-spam, compliance fraud, pixel stuffing and domain spoofing *(Refer to Types of Ad Frauds).* Ad frauds are caused when a fraudster makes the advertiser pay for fake ads traffic, fake leads and uneventful ad placements. New ad formats and channels (video ads and ads on mobile) are slowly becoming breeding grounds for ad fraud. According to the Media Rating Council (MRC) standard of viewability, an ad impression is considered viewed if 50% of the ad space is seen by a 'human' for 1 second for a static ad, and 2 seconds for a video ad. So, when an ad impression is created by fraudulent means at unwarranted times and places, it implies a wasted investment. The report states that 16% of apps downloaded between January 2017 and June 2017 in India were fraudulent, compared to a global average of 11.5%.

Consumer Data Acquisition and Analytics

Programmatic ad tech business, in particular, thrives on user data. The more user profiles a company has, better their chances of promising higher reach for their customers and thus more revenues. Traffic acquisition cost (TAC) is a significant part of any ad tech firm's expenditure, as well as key to its profitability metrics. It depends on how much access a vendor has to user data. A fraction of ad tech vendors today have the ability to directly acquire data of customer profiles. Others need to spend to acquire data from data aggregators or third party vendors; but the quality cannot be validated as this aggregated data is typically anonymized.

The quality and the size of the database determine relevant and customized marketing across all platforms. Frost & Sullivan finds among the core ad tech vendors in the market, very few, such as Affle and Criteo, have their own datasets of over a billion customer profiles. Affle, for instance, had approximately 1.18 billion user profiles as on March 31, 2018, including approximately 431 million user profiles in India; Criteo has 1.4 billion user profiles. Among other companies, The Trade Desk acquired Adbrain in 2017, a cross-device identity graph company, to boost its demand side platform with a wide "deterministic data-set." (*Source: https://adexchanger.com/online-advertising/trade-desk-snaps-adbrain-ad-tech-pursues-cross-device-roots/)*

M&A to Widen Product Portfolios

The past few years have seen a few acquisitions in the ad tech market by key players- Criteo (of Tedemis, Hooklogic, AdQuantic); InMobi (Sprout, MMTG Labs, and more recently AerServ), and Affle (Markt, MobiMasta). Among others, FreakOut focused on expanding its geographical presence, acquired three companies in 2017 including adGeek in Taiwan, EMC and Inbound in Indonesia *(Source: FreakOut Holdings Annual Report 2017).* The Trade Desk acquired Adbrain to strengthen its proprietary data set and to pursue cross-device advertising *(Source: http://www.thedrum.com/news/2017/10/25/the-trade-desk-acquires-adbrain).*

Frost & Sullivan believes that such consolidation trends will continue as ad tech vendors strengthen their product portfolio to cater to the growing needs of their customers. While currently the market is intensely competitive with hundreds of players focusing on specific niches in the value chain, Frost & Sullivan believes that eventually customers will want to engage only with vendors who have an end to end value chain of services that can streamline their needs and drive advertising with efficacy.

Ad tech continues to evolve requiring scale in capabilities as well as capacity. For example, the growing spend on online video advertising has triggered a need for more interactive rich media advertising. Another example is that the diversifying operations across hundreds of countries require brands to engage with customers across geographies. Acquisition will be the fastest route for companies to achieve these goals.

Capturing India

India with its rapidly growing Internet user base has become an attractive destination for international ad tech vendors, including Criteo, Mobvista, FreakOut – who have set up recently, alongside existing companies such as Affle, RevX, InMobi, among others. However, India presents its unique set of challenges such as a disjointed demographic which is just getting habituated to digital applications (such as use of e-commerce, digital payments, etc.). Only 10% of Internet users are active (i.e., make a purchase at least once per month) e-commerce customers. Frost & Sullivan believes that this makes it a more challenging landscape for marketing tech to be able to discern the users who have the highest propensity to transact online.

It can be a hard market to sustain, even for market participants who are globally successful. With an average CPC at USD 0.1 to 0.3, the price points are quite low compared to the global market. Frost & Sullivan believes that achieving profitability in such a price-sensitive market is possible only for companies that are familiar with the dynamics of consumer profiles and have a track-record of working alongside brands locally for years.

Ad tech, while being extremely attractive, hinges on the success of data acquisition and several vendors globally have demonstrated low profitability or losses even in high CPC markets. Frost & Sullivan believes that India, with its constraints of low CPC, inadequate availability of data and technology will pose significant challenges for scalability and growth, even for established international companies.

Growing Control on Browser User Tracking

The browser market is dominated by large payers like Apple & Google. Apple launched its Intelligent Tracking Prevention ("ITP") feature in its Safari browser in September 2017, which blocks some or all third-party cookies by default on mobile and desktop and therefore makes it more difficult for third-party providers, to access data on Safari consumers. Further, Apple has announced measures to address concerns regarding privacy and data collection by social media companies. In June 2018, Apple further announced that it would make it more difficult for websites to track users, build profiles of them and provide ads to them around the internet. *(Source: https://www.apple.com/newsroom/2018/06/apple-previews-ios-12/).*

With large companies like Apple & Google having the power to impose restrictions and regulations related to browser tracking, Frost & Sullivan believes that companies who are mobile app focused and target ads inside mobile apps have a more de-risked business model and would enjoy a greater chance of success.

Comparative Analysis

Among them, there are just a few international companies that work closely with advertisers and brands facilitating targeted advertising. Companies such as Criteo, Affle, RevX and InMobi have been working for major global brands including Airtel, Amazon, Coca-Cola, Rakuten, JC Penney, ESPRIT, Zalora, Namshi, Flipkart and many others.

This section provides a comparative analysis of the key financial metrics, business models, segments served and so on by leading sell-side (including a DSP and DMP) ad tech solution providers in India and globally. Since the market has more than 100 participants covering various aspects of the value chain, Frost & Sullivan has considered only the following companies for the purpose of this analysis: Affle, InMobi, Mobvista, Vizury, Vserv, RevX, The Trade Desk, FreakOut and Criteo; companies whose value proposition is stronger in the DMP-DSP side of the value chain.

Comparison of Leading Competitor Profiles

The following table shows a comparison of leading competitors in terms of their value chain coverage, USP, verticals focussed and geographical presence.

Exhibit 32: Company Profiles, Ad Tech, 2017

Company	Value chain Coverage	Vertical Focus	Geographical Presence
Affle	In-house DMP, In-house DSP/SSP, Fraud Detection	E-commerce, entertainment, banking and financial services	India, U.S. & Europe, SEA
InMobi	DMP, DSP, SSP, Fraud Detection	Retail, finance, gaming, e-commerce, food and beverages, hospitality,	India, China, USA, Dubai, London, France, Malaysia, South Korea, Australia, Indonesia, Japan
Criteo	Customer acquisition, dynamic retargeting, audience match, predictive bidding, product recommendation	Retail, travel, hospitality, e-commerce	95 countries
Mobvista	In-house DMP, In-house DSP, Fraud Detection	Mobile games, banks, news	China, SEA, India, U.S., U.K.
RevX	In-house DSP, In-house DMP, Creative Services	E-commerce, travel, gaming and food apps	Middle East, South East Asia, India
TAB	In-house DSP, Ad network,	Gaming, utilities, entertainment, transportation, lifestyle, betting and travelling	U.S., Korea, U.K., India, Germany, Brazil, Japan, Saudi Arabia

Source: Frost & Sullivan

Very few companies such as Affle, Criteo and the Trade Desk have products that span the entire value chain. While some companies are more focussed on buy-side platforms, some others are focused on the publisher side. While competitors are dispersed geographically, China, South East Asia and India prove to be regions with high potential in the near future.

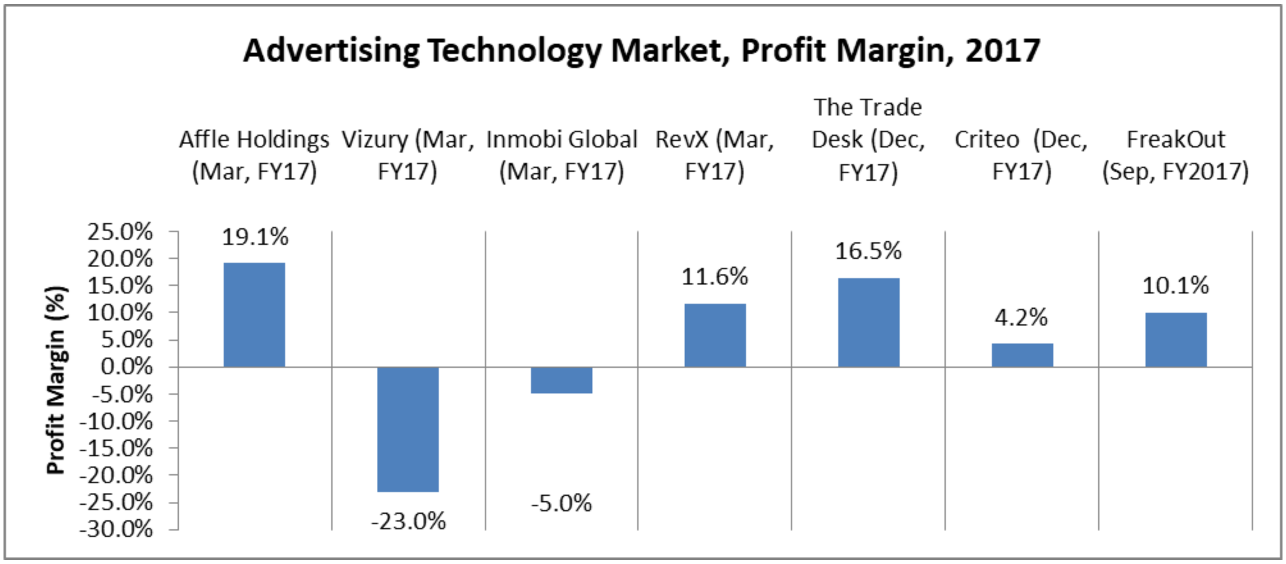
The ad tech market has been extremely dynamic in terms of requirements, spiking the need for constant innovation. But very few companies in the ad tech market hold patents, especially in the mobile ad tech solution space. Among the competitors considered for the analysis, Affle, InMobi, and Criteo hold patents across their product line, but only Affle and InMobi have patents that relate to the mobile advertising segment.

Financial Metrics Comparison

Analysis for this section has been done on the basis of fiscal 2017 annual reports as filed by or shared by the respective companies for their international group holdings and not just revenue from India. It should be noted that individual companies have different fiscal year endings.

Ad tech is a large volume business with intense competition. Despite the rapid growth in digital advertising, several market participants globally have struggled to achieve profitability, according to Frost & Sullivan's analysis, few companies have reflected double digit profit margins, annual growth rate, ROCE and ROE.

Exhibit 33: Advertising Technology Market, Profit Margin 2017



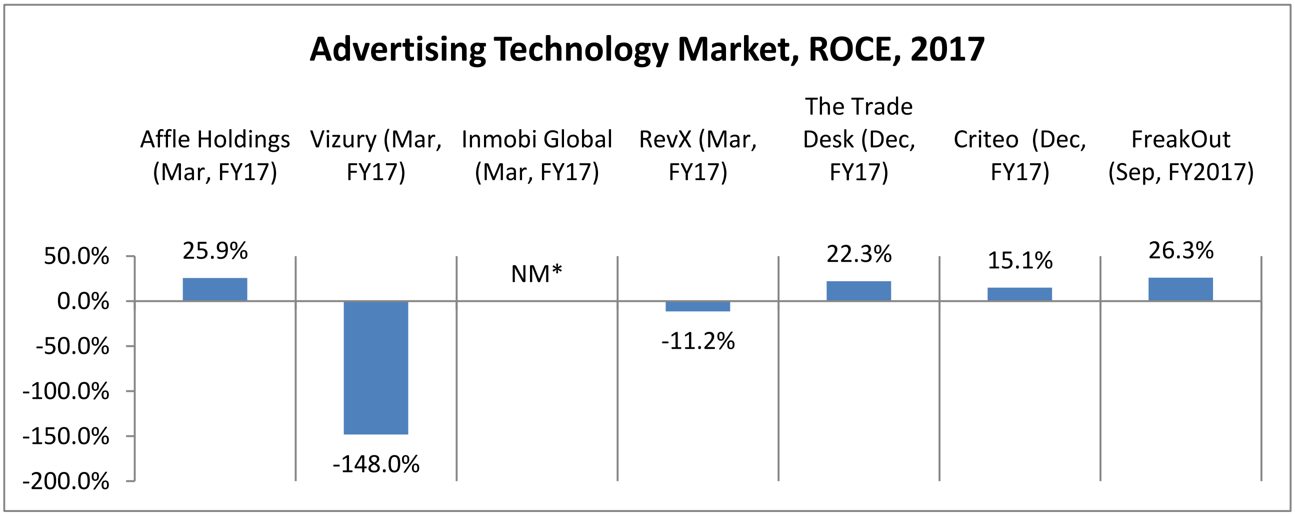
Source: Frost & Sullivan's analysis based global annual reports of the stated companies, and Affle Holdings' audited financial statements as at and for the year ended March 31, 2017.

Notes:

Profit margin is calculated as Profit after Tax (PAT) divided by revenues.

Frost & Sullivan has included numbers as provided by Affle from Affle Holdings' consolidated financial statements for fiscal 2017 in this report. According to Affle, its Restated Ind AS Summary Statement for fiscal 2017 did not include the consolidated financial statements of Affle Global Pte. Ltd. ("Affle Global") (which consolidated the financial statements of PT Affle Indonesia). However, in connection with Affle's proposed initial public offering in India, Affle undertook a corporate restructuring in which Affle incorporated a new Singapore subsidiary, Affle International Pte. Ltd. (the "Singapore Subsidiary") and it acquired all of Affle Global's business, intangible assets and all of the equity interests in PT Affle Indonesia effective July 1, 2018. Affle Global was engaged in the same business as Affle outside India and Indonesia and used Affle's solutions, and its assets included all of the equity interests in PT Affle Indonesia. PT Affle Indonesia is engaged in the same business as Affle in Indonesia using Affle's solutions. Affle Holdings Pte. Ltd. owns 100% of the issued shares in Affle Global. Following this corporate restructuring, Affle on a consolidated basis effectively has the same operations as Affle Holdings, which has been used for Frost & Sullivan's analysis.

Exhibit 34: Advertising Technology Market, ROCE, 2017



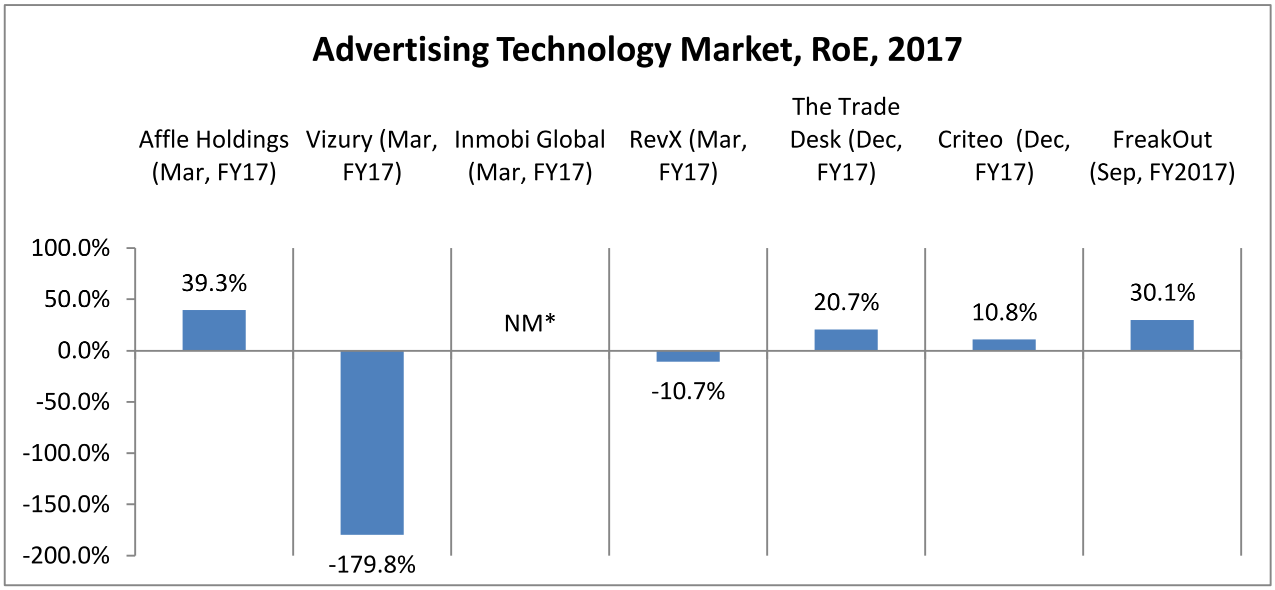
Source: Frost & Sullivan analysis based global annual reports of the stated companies, and Affle Holdings' audited financial statements as at and for the year ended March 31, 2017

Notes:

**NM: Not meaningful.*

Return on capital employed (ROCE) is a financial ratio that measures a company's profitability and the efficiency with which its capital is employed. ROCE is calculated as: ROCE = Earnings before Interest and Tax (EBIT) / Capital Employed. Where Capital Employed = Total Assets – Current liabilities.

Exhibit 35: Advertising Technology Market, ROE, 2017



Source: Frost & Sullivan analysis based global annual reports of the stated companies, and Affle Holdings' audited financial statements as at and for the year ended March 31, 2017.

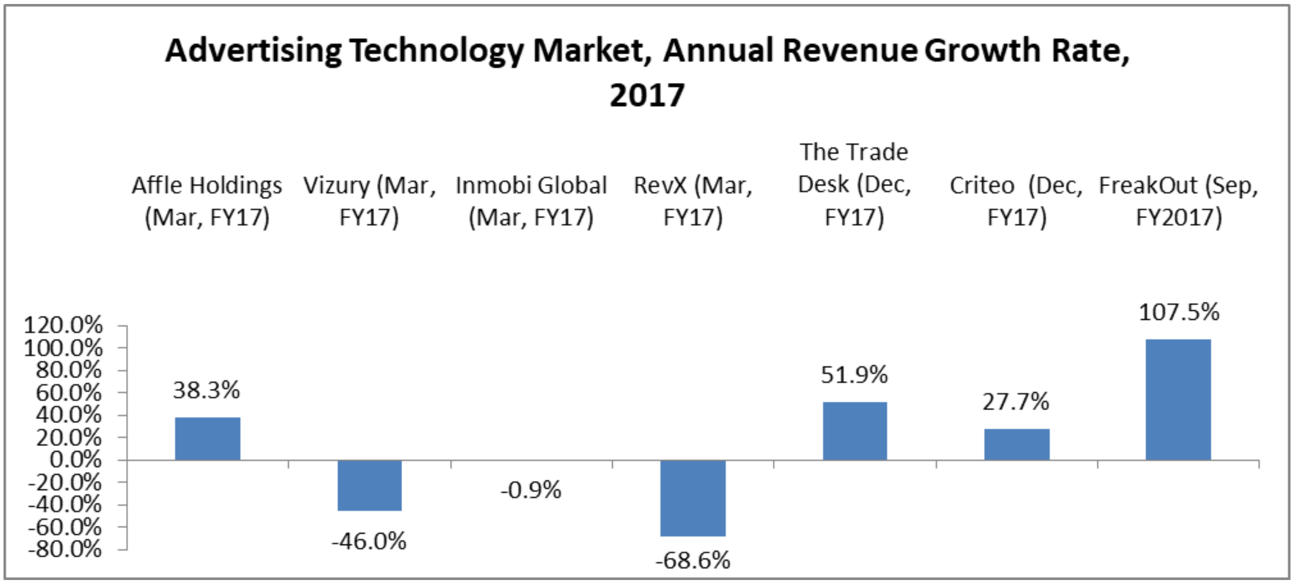
Notes:

**NM: Not meaningful. EBIT and Capital Employed in negative.*

Return on equity (ROE) is the amount of net income returned as a percentage of shareholders' equity. The formula used for calculating return on equity is Return on Equity = Profit after Tax/Shareholder's Equity.

The market shows inconsistent growth rates across vendors, reflecting the heightened level of competition. Companies such as Affle Holdings, Criteo, and The Trade Desk reported high growth rates of 38.3%, 27.7%, and 51.9% respectively, implying a stable and sustainable market presence. FreakOut, which reports over 90% of its revenue from Japan demonstrated a growth rate of 107% in 2017, largely because of its M&A activities, acquiring three companies outside Japan.

Exhibit 36: Advertising Technology Market, Annual Revenue Growth Rate, 2017



Source: Frost & Sullivan analysis based global annual reports of the stated companies, and Affle Holdings' audited financial statements as at and for the year ended March 31, 2017.

TYPES OF AD FRAUDS

Botnets: Botnets are a distributed network of computers/ dedicated servers on rented data centres that are controlled by a botmaster to defraud advertisers. The computers are generally infected by malware without the knowledge of the owner. A study jointly published by the ANA-White Ops estimated the cost of bot fraud to be USD 6.5 billion in 2017.

Ad Stacking: Ad stacking is a scenario where multiple ads are stacked one above the other. Only the ad on the top of the stack will be visible but all other ads of the stacks will be counted for ad impressions.

Ghost Sites: These are fake websites that are built in by fraudsters based on information from other available websites. These websites enter the RTB process through ad networks or ad exchanges and thus make deals with advertisers. When ads appear on these sites, bots perform click fraud and the advertiser pays based on cost per click.

Fake Installs: A fake install is accomplished by fraudsters who use device emulation software in virtualised environments (on server hardware) to do fake installs. The aim is to claim advertising revenue. Fake installs defraud everyone along the advertising chain – taking money away from advertisers, publishers and networks.

Click Injection: Fraudsters publish a low-effort Android app which uses something called "install broadcasts" which can detect when other apps are downloaded on a device and trigger clicks right before the install completes. The fraudster will receive the credit for (typically organic) installs as a consequence.

Click Fraud /Spam: Click spam happens when the fraudster executes clicks for another person in his device without his/her knowledge. In this case, the ad would not have been displayed or clicked on.

Domain Spoofing: Domain spoofing happens in two ways.

a. When a user unknowingly clicks the download button by mistake and downloads an application that is infected by malware. The malware thus takes control of the web browser and starts injecting ads that are unwarranted for.

b. Fraudsters gain access to the ad code of a publisher, delete the code and replace it with another domain identifier. Advertisers might think they are buying top-tier inventory but will have their ads published on unwarranted websites.

Compliance Fraud: The identity fraud happens when the ads are served in the wrong environment or format or against the agreement with the advertiser. Since the ads are not served to the targeted audience, they do not generate any revenue.

Pixel Stuffing: Pixel stuffing is the process of serving any ad on a 1 by 1 pixel frame. This makes the served ads invisible to the human eye.

INFORMATION PRIVACY

Information and communication technologies are revolutionising the way people, businesses and governments interact with one another across the globe. With all major transactions routed through or planned to be routed through the Internet, information privacy and data protection have become imperative.

As we are slowly but steadily moving towards a connected economy, rules and legislations have to be framed to suit the dynamism of the information and communication technology (ICT) environment. While a number of these rules already exist, most of them are incompatible with one another and are not suited to the dynamic ICT climate. Questions pertaining to jurisdiction, data management and commercial use of data are still unanswered to a large extent.

International bodies such as the United Nations Organisations (UN), The Council of European Convention 108 (CoE) and the OECD have modified/or are in the process of modifying legacy data protection regulations to suit the digital world. A global body called the International Data Protection Authority is involved in governing national data protection laws and addressing international disputes centred on data privacy. Except the CoE, all other initiatives have failed to create a major impact globally.

	Very Weak	**Weak**	**Moderate**	**Strong**
Addressing gaps in Coverage	Trade Agreements	IDPC, OECD, APEC and Commonwealth	UN, EU Directive and ECOWAS	EU GDPR, AU and CoE Convention
Addressing new technologies		APEC, Commonwealth, AU, ECOWAS, IDPC, UN and CoE Convention	OECD, Trade Agreements, EU Directive And EU GDPR	
Managing cross-border data transfer restrictions		OECD AND Commonwealth	EU DIRECTIVE, Trade Agreements, APEC,AU, ECOWAS, IDPC and UN	CoE Convention and EU GDPR
Balancing surveillance and data protection	APEC, Commonwealth, IDPC and OECD	OECD, AU and ECOWAS	CoE Convention	UN, Trade Agreements, EU Directive and EU GDPR
Strengthening enforcement	APEC, OECD, Commonwealth and Trade Agreements	UN, AU and ECOWAS	EU Directive	EU GDPR
Determining jurisdiction	OECD, APEC and Commonwealth	IDPC, UN, Trade Agreements and ECOWAS	IDPC, CoE Convention, EU Directive and AU	CoE Convention and EU GDPR
Managing the compliance burden	Commonwealth	DPC, UN, CoEConvention APEC, EU Directive And EU GDPR	OECD, AU and ECOWAS	Trade Agreements

Source: UNCTAD

By country, Australia and Canada have some of the advanced data protection laws in the world to suit the new-age online consumer. In countries like USA and India, the laws are sectoral and a combination of statutes, rules, guidelines and self-regulation.

Australia

Australia has amended and expanded data privacy legislations over the years to suit the latest developments. Though the law excludes some small businesses and completely excludes employee records, they are on par with international data protection models.

Data Privacy: The Privacy Act 1988 (Cth) requires private-sector organisations to comply with the Australian Privacy Principles in their collection, use, disclosure and handling of an individual's personal information. The legislation was significantly amended in 2012 (came into effect in 2014), resulting in increased penalties and a wider range of powers for the regulator.

Storage and Transfer of Data: There are no registration requirements for private sector organisations under the Australian privacy law. The international transfer of personal data is restricted unless organisations can meet certain requirements. These include consent, storage standards and the legal protection of the data in the recipient country.

France

France has implemented data protection policies successfully under the EU regime. The National Commission on Computer Science and Freedoms (Commission national de l'informatiqueet des libertés) (CNIL) is an independent administrative authority protecting privacy and personal data. CNIL is probably one of the most visible and active privacy regulators in the world.

Data Privacy: Chapter IV of the Data Processing Act sets out the required formalities for data processing. Depending on the type of data processing involved, the data controller must comply with one of four different sets of formalities, ranging from simple notification to authorisation. These rules are complex. Authorisation is generally restricted to activities that are "deemed potentially harmful to privacy and liberties".

Storage and Transfer of Data: Article 23 of the Data Processing Act 1978 sets out complex rules for the notification and authorisation of cross-border transfers: transfers within the EU do not require notification or authorisation; transfers to countries formally declared as 'adequate' by the EU requires notification only; and transfers to all other countries require authorisation.

Canada

Canada has stringent data protection laws compared to other countries or regions. Data Privacy : There are four private sector privacy statutes that govern the collection, use, disclosure and management of personal information in Canada: (i) the Federal Personal Information Protection and Electronic Documents Act, S.C. 2000, ch. 5 ("PIPEDA"); (ii) Alberta's Personal Information Protection Act, S.A. 2003, ch. P-6.5 ("PIPA Alberta"); (iii) British Columbia's Personal Information Protection Act, S.B.C. 2003, ch. 63 ("PIPA BC"); and (iv) Québec's An Act Respecting the Protection of Personal Information in the Private Sector, R.S.Q. ch. P-39.1 ("Québec Privacy Act") (collectively, "Canadian Privacy Statutes"). Apart from this, there are laws that govern specific sectors like healthcare. According to the laws, an individual must be informed about the existence, use and disclosure of his or her personal information, and must be given access to that information. Also, the organisation should correct the information in case of any inaccuracies and an individual has the right to withdraw consent to processing and marketing his or her personal information anytime.

Storage and Transfer of Data: In general, Canadian Privacy Statutes permit the transfer of personal information without consent for data management / processing purposes if the transferring organisation remains in control of the personal information in the custody of the third-party service provider.

The United States of America

Data protection laws in the United States are a combination of legislation, regulation and self-regulation rather than just government enforcements. Laws such as The Health Insurance Privacy, Portability and Accountability Act are for specific sectors and there is no common regulatory body that acts as a common data protection authority. The country also does not have a common legislation at the federal level regarding this but has ensured data privacy through the United States Privacy Act, the Safe Harbor Act and the Health Insurance Portability and Accountability Act. In some cases, legislations have been developed when self-regulation was challenging.

India

Like the U.S., India also does not have country level regulations and authorities to control data transfer and management. The most prominent provisions are contained in the Information Technology Act, 2000, that was amended by the Information Technology Amendment Act, 2008. In particular, Section 43A, which addresses 'reasonable security practices and procedures' is complemented by the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011. In regards to data transfer, data can be transferred only to a country where it is clear that the sensitive data will be adequately protected. However, the scope of this provision only applies to sensitive information, restricted to corporate entities undertaking automatic processing of data and the power of consumers to take enforcement action is restricted. A comprehensive law called Right to Privacy Law 2014 that will address the gaps in the existing provisions is being framed by the government.

EU GDPR

The General Data Protection Regulation (GDPR) is a legal framework that sets guidelines for the collection and processing of personal information of individuals within the EU. The GDPR sets out the principles for data management and the rights of the individual, while also imposing fines that can be revenue-based. The GDPR covers all companies that deal with the data of EU citizens, and so is a critical regulation for corporate compliance officers at banks, insurers and other financial companies. GDPR became effective across the EU on May 25, 2018.

Various regions and countries are becoming protectionist by implementing laws that address data security and privacy challenges. If a number of strong rules and regulations come into force in various countries and are implemented successfully, other countries will either follow these model laws or will frame laws and regulations according to their political, economic, social and administrative structure. Implementation of GDPR and strong laws in countries like Canada and Australia will pave way for more such effective initiatives across the globe.

OUR BUSINESS

OVERVIEW

We are a global technology company with a proprietary consumer intelligence platform that delivers consumer acquisitions, engagements and transactions through relevant mobile advertising (the "**Consumer Platform**"). Our Consumer Platform aims to enhance returns on marketing spend through delivering contextual mobile ads and reducing digital ad fraud, while proactively addressing consumer privacy expectations. As at March 31, 2018 on a Proforma Basis, we had approximately 1.18 billion consumer profiles and we accumulated over 140 billion data points over the preceding 12 months, which power our prediction and recommendation algorithm.

Our Consumer Platform is used by business to consumer ("**B2C**") companies across industries, including e-commerce, fin-tech, telecom, media, retail and FMCG companies, both directly and indirectly through their advertising agencies.

We utilise user-intent indicators derived from behavioural signals, marketing attribution and transactional data, which are received in real time and accumulated over time, which increases our ability to predict a user's likely interests. The accuracy of the prediction and recommendation algorithm improves with every advertisement we deliver, as the system incorporates new data, while continuing to learn from previous data. In addition, we enhance our customers' ad content with rich media experiences, including interactive videos, games and augmented reality. This paired with data-centric scientific targeting and retargeting enables a higher likelihood of consumer engagement, such as downloading an App or completing a transaction.

We have three registered patents in the United States with multiple patent claims in areas of advertising via data communication clients, online search system, method and computer programme and method and system for extending the use and/or application of messaging system. We have also filed seven patent applications in India covering various algorithms in the area of digital fraud detection.

For Fiscal 2018 on a Proforma Basis, our revenue from our Consumer Platform represented 97.0% of our revenue from operations. We primarily earn revenue from our Consumer Platform on a cost per converted user ("**CPCU**") basis, which comprises user conversions based on consumer acquisition and transaction models. Our consumer acquisition model focuses on acquiring new consumers for businesses, which is usually in the form of a targeted user downloading and opening an App or engaging with an App after seeing an advertisement delivered by us. Our transaction model is usually in the form of a targeted user submitting a lead acquisition form or purchasing a product or service after seeing an advertisement delivered by us. We also earn revenue from our Consumer Platform through awareness and engagement type advertising, which comprises cost per thousand impressions ("**CPM**"), cost per view ("**CPV**") and cost per click ("**CPC**") models. These models are relevant for brand advertisers who want to build awareness and recall and engage users online to transact with them offline/online. We understand our customers' business drivers and work with them to choose audience engagement models that are the most relevant for them, thereby delivering measurable business outcomes for them.

We benefit from broad access to mobile ad inventory through our relationships with publishers and data platforms. We encourage publishers to provide us with access to their mobile ad inventory by offering a platform through which they can tap into our advertisers' marketing budgets and manage their inventory yields. We also have access to mobile display advertising inventory through real-time-bidding advertising exchanges. For each campaign, we bid for the consumer profiles we believe have a higher likelihood to transact on the basis of our data intelligence. Our proprietary optimization algorithm enables us to buy media efficiently and at high scale, giving us the ability to drive high volumes of CPCU-led campaigns at efficient prices.

Our Consumer Platform business is asset light and scalable as shown by the fact that our employee benefit expenses, depreciation and amortization expenses and other expenses have remained relatively unchanged despite significant changes in our revenue in the last three fiscal years. For further details, see "*Restated Financial Statements–Restated Ind AS Summary Statements*" on page 201.

We also provide end-to-end solutions for enterprises to enhance their engagement with mobile users, such as developing Apps, enabling offline to online commerce for offline businesses with e-commerce aspirations and providing enterprise grade data analytics for online and offline companies (collectively, the "**Enterprise Platform**").

For Fiscal 2018 on a Proforma Basis, our revenue from our Enterprise Platform was 3.0% of our revenue from operations.

Our solutions are sold through our sales and marketing team, which as at July 1, 2018 comprised 36 persons across our four offices, a sales agent in Malaysia and through referrals from existing customers. Our customers include the companies for which we undertake a mobile ad campaign as well as the advertising agencies acting for such companies.

Our Company has received numerous awards from organizations in the advertising technology space, including "Digital Marketing Excellence in Healthcare / Pharma for Harpic for 2018" from Digixx, "Digital Marketing Excellence in Retail for PUMA (Gold) for 2018" from Digixx, "Best Brand Awareness Campaign Using Mobile (Gold)" for Mondelez India from IAMAI in 2017, "Best Big Data Analytics Platform (Gold)" from IAMAI in 2017.

As at July 1, 2018, we had 187 full time employees across our four offices located in Gurugram (India), Mumbai (India), Singapore and Jakarta (Indonesia).

In connection with the Offer, we undertook a corporate restructuring in which our Company incorporated a new Singapore subsidiary, Affle International Pte. Ltd. (the "**Singapore Subsidiary**"), and it acquired all of Affle Global Pte Ltd's ("**Affle Global**") business, intangible assets and all of the equity interests in PT Affle Indonesia (the "**Indonesian Subsidiary**"), effective July 1, 2018. Affle Global was engaged in the same business as our Company outside India and Indonesia and used our Company's solutions. The Indonesian Subsidiary is engaged in the same business as our Company in Indonesia using our Company's solutions. Affle Holdings, our corporate Promoter, owns 100% of the issued shares in Affle Global. For more details, see "*History and Certain Corporate Matters*" on page 152.

Due to our Company's indirect acquisition of Affle Global's business, intangible assets and all of the equity interests in the Indonesian Subsidiary, effective July 1, 2018, our historical results of operations, cash flows and financial condition will not be reflective of our future results of operations for periods from July 1, 2018 onwards. In order to give potential investors a better understanding of what the consolidated financial results for our Company and the acquired businesses would have been had we been operating as one group since April 1, 2017, we have prepared proforma financial statements for Fiscal 2018. For Fiscal 2018 on a Proforma Basis, our revenue from operations was ₹ 1,672.48 million, our profit after tax was ₹ 276.20 million, and profit after tax margin was 16.5%. For further details, see "*Proforma Financial Statements*" on page 194 and "*Risk Factors–Our Proforma Financial Statements are illustrative in nature and have not been prepared in accordance with accounting or other standards and practices generally accepted in any jurisdiction and accordingly should not be relied upon as if they had been prepared in accordance with those standards and practices*" on page 39.

For selected financial results of Affle Holdings, our corporate Promoter, for Fiscals 2018, 2017 and 2016, see "*Our Promoters and Promoter Group*" on page 181.

STRENGTHS

Leading position in India; a high growth market with substantial barriers to entry.

India is our key market. For Fiscal 2018, 92.0% of our Company's revenue from operations was from India. For Fiscal 2018 on a Proforma Basis, our Company's revenue from operations represented 48.2% of our total revenue from operations and the remaining 51.8% of our total revenue from operations was contributed by Affle Global and the Indonesian Subsidiary. According to Frost & Sullivan, we are a leading ad tech solution provider in India. As at March 31, 2018 on a Proforma Basis we had approximately 431 million consumer profiles in India and we provide services across the value chain in digital advertising, spanning the areas of DMP, DSP/SSP, fraud detection and ad network. We are one of the very few companies that have products spanning the entire value chain. While some companies are more focussed on buy-side platforms, others are focused on the publisher side. *(Source: Frost & Sullivan Report)*.

The ad tech market in India is fast growing, with a market size of US$304.9 million in 2017 and will likely grow at a CAGR of 39% to US$808 million by 2022. *(Source: Frost & Sullivan Report).*

We believe that the Indian market presents high barriers to entry given its unique challenges, such as a disjointed demographic, which is just getting habituated to digital applications (such as the use of e-commerce, digital payments, etc.) and low CPCU. In the last two calendar years, only about 25% of all Internet users in India have shopped online. Frost & Sullivan believes that this makes it a more challenging landscape for marketing tech to be able to discern the users who have the highest propensity to transact online. India can be a hard market to sustain, even for market participants who are globally successful. The range of CPCU in India is quite low compared to the global market. Frost & Sullivan believes that achieving profitability in such a price-sensitive market is possible only for companies that are familiar with the dynamics of consumer profiles and have a track record of working alongside brands locally for years. (*Source: Frost & Sullivan Report*). Therefore, we believe our extensive consumer profile data, proprietary technology and local knowledge makes us better placed compared to global peers to deliver profitability in India.

Proven international track record

For Fiscal 2018 on a Proforma Basis, the combined revenue from operations of Affle Global and the Indonesian Subsidiary was ₹ 866.05 million, which was 51.8% of our total revenue from operations. Our key international geographies are: (a) North America; (b) Europe; (c) South East Asia; (d) Middle East and Africa; and (e) Japan, Korea and Australia. As at March 31, 2018 on a Proforma Basis, we had approximately 747 million consumer profiles across our international markets. The global ad tech market is expected to grow at a CAGR of 10% from US$34 billion in Fiscal 2017 to US$54 billion in Fiscal 2022. (*Source: Frost & Sullivan Report*). To illustrate, as at March 31, 2018 on a Proforma Basis, we had 238 million profiles in North America, which includes the United States. The United States is a significant e-commerce market, with over 200 million e-commerce users (comprising 74% of its Internet users) and which generated about US$460 billion in revenue in 2017. The U.S. market is expected to grow to 250 million e-commerce users by 2022, exceeding US$640 billion in revenue. (*Source: Frost & Sullivan Report*). Despite not having any physical presence in the North America, we earned ₹ 393.78 million in CPCU revenue from customers in North America for Fiscal 2018 on a Proforma Basis.

We have two international offices: Singapore; and Indonesia. As at July 1, 2018, our international offices had seven sales staff and our India offices had five sales staff focussed on international markets. As at July 1, 2018, we also had a sales agent in Malaysia.

Profitable, low-cost business model built on an asset light, automated and scalable platform

Our platform is the result of over 12 years of focused research and development and investment. Our platform is supported by a flexible and scalable infrastructure, built in-house using cloud computing infrastructure. Our platform consists of our proprietary machine and deep learning algorithm for prediction and recommendation that operates in real time and at significant scale. Our team of research and development personnel, which as at July 1, 2018 comprised 81 members, is dedicated to further developing and enhancing our platform.

Over time, as we have attracted more marketing budgets and delivered advertisements, our data assets have grown. As a result, the accuracy of our prediction and recommendation algorithm has improved, enabling us to deliver even more precisely targeted and personalised advertisements. As our ability to generate actions improves with increased user intelligence and targeting, we believe more businesses will use our solutions and increase their marketing spend with us. We expect this network effect will continue to fuel our growth.

For Fiscals 2017 and 2018, our revenue from operations was ₹ 656.29 million and ₹ 837.56 million, respectively, an increase of 27.6%, our Total Operating Expenses were ₹ 621.07 million and ₹ 669.91 million, respectively, an increase of 7.9%, and our Earnings before Interest, Depreciation and Amortisation and Tax (EBITDA) was ₹ 35.22 million and ₹ 167.65 million respectively, an increase of 376.0%. More importantly, our revenue growth in India, which is a low CPCU market, did not impact our EBITDA margin, which was 5.4% in Fiscal 2017 and 20.0% in Fiscal 2018. For Fiscals 2017 and 2018, our total assets were ₹ 486.89 million and ₹ 580.31 million, respectively, an increase of 19.2%. As at July 1, 2018, we had 187 employees, of which 167 were in India. The EBITDA and EBITDA % presented above should be read in conjunction with our "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 314.

Approximately 1.18 billion consumer profiles with over 140 billion data points, giving us a deep data-driven understanding of consumer intent and behaviour

As at March 31, 2018 on a Proforma Basis, we had approximately 1.18 billion consumer profiles and we accumulated over 140 billion data points over the preceding 12 months. Our consumer profiles as at March 31, 2018 on a Proforma Basis included approximately (a) 431 million consumer profiles in India, (b) 238 million consumer profiles in North

America, (c) 166 million consumer profiles in South East Asia, (d) 148 million consumer profiles in Europe, (e) 65 million consumer profiles in Japan, Korea and Australia combined, (f) 63 million consumer profiles in the Middle East and Africa combined and (g) 67 million consumer profiles in other countries. We continually accumulate data profiles. Consumer profiles and data points are the primary building block that support our Consumer Platform. Our Consumer Platform uses a predictive algorithm to recommend mobile users who are most likely to engage with a particular advertisement and on that basis, we choose to display targeted and personalised mobile display advertisements to particular users. By dynamically matching what we believe to be users' intent or interest with relevant advertisements, we are able to deliver more relevant and engaging experiences to consumers, which are therefore more likely to lead to the desired action, such as the downloading of an App or the purchase of a product or service, on the basis of which we earn revenue. Therefore, having significant number of consumer profiles, enables us to expand into markets and deliver results to our customers more quickly and at lower costs.

Growth driven, global customer base

We work with customers who we believe are likely to grow, which we believe will help us to grow in the various countries in which our customers provide services. We are engaged to run ad campaigns either directly by the advertisers or indirectly via advertising agencies.

Global advertising spend is managed largely through six major advertising agency groups: WPP (GroupM); Publicis; Omnicom (OMG); Dentsu Aegis Network (DAN); Interpublic Group (IPG) Mediabrands and Havas. (*Source: Frost & Sullivan Report*). We currently work with all of the top six global advertising agency groups and with other mobile focussed advertising agencies, such as M&C Saatchi Mobile, and with domestic advertising agencies, such as Interactive Avenues and Madison.

We have run mobile advertising campaigns for some of the largest e-commerce and mobile app companies / brands in the world, such as Amazon, Flipkart, Jabong, BookMyShow, Wynk, ALTBalaji, PhonePe, Gojek, Elevenia, Spotify, Sivvi, Wadi, and well-known companies in other industries such as Airtel, Reckitt Benkiser, Johnson & Johnson, SC Johnson, McDonalds, Datsun, Nissan, Air Asia, Axis Bank, Citibank, BTPN, Gundang Garam and Tourism Australia.

Addressing digital fraud and data safety issues that are prevalent in the industry

Our mFaaS platform helps to detect fraud on a real time basis, thus minimising wastage of marketing spend. It processes large volumes of click and conversion data using multiple algorithms to detect patterns of indicative or definitive fraud. We believe mFaaS sets us apart from our competitors as its offers a real time solution for addressing fraud, which is a major issue for online advertising. mFaaS also helps advertising agencies, advertising networks and publishers to optimise the spend on marketing for their customers by helping weed out significant amounts of fraudulent traffic. mFaaS has been recognised and awarded as the industry-wide Best Big Data Technology Platform of the Year at the IAMAI India Digital Awards in 2017. We have filed seven patents in relation to mFaaS in India.

mTraction (v4.0) CDP is accredited under the Accreditation@SG Digital (SG:D) programme by the Info-communications Media Development Authority ("**IMDA**"), a Singapore government statutory board under the Ministry of Communications and Information. Factors considered for technical assessment include a security assessment, reliability and usability and maintainability assessment. Business sustainability, scalability, leadership and management are other areas of assessment. (Source:https://www.imda.gov.sg/industry-development/programmes-and-grants/startups/accreditation-at-sgd accessed on May 8, 2018). Our accreditation by IMDA strengthens our belief that we follow the highest standards in product development, business practices, data security and scalability.

Experienced and dedicated Key Management Personnel, who are ably supported by our other employees

We have an experienced and dedicated team of Key Management Personnel, with significant experience in all aspects of our business operations. Anuj Khanna Sohum, who is our founder, Chairman and Chief Executive Officer, as well as our individual Promoter, has over 18 years' experience in leading technology products/platform-based businesses. Anuj Kumar, our co-founder and Chief Revenue and Operating Officer and a Director, has 17 years' experience in the field of advertising and technology platforms-based business role. Charles Yong Jien Foong, our Chief Architect and Technology Officer and a Director, has over 19 years' experience in building product management and solution consulting/architecture. Vipul Kedia, our Chief Data and Platforms Officer, has over 13 years' experience in consulting and ad tech. All of the above persons have been associated with our business for more than 11 years. For more details on our Key Management Personnel, see "*Our Management*" on page 160. Our Board is also advised by Richard Humphreys, director of AHPL, and Jay Snyder, independent observer on AHPL's board. Richard Humphreys has previously served as President of Saatchi & Saatchi Advertising Worldwide, and he later set up the Adcom Investors in the United States, and has significant experience in advising media and advertising companies around the world. Jay Snyder, currently principal at HBJ Investments LLC (which provides private-equity and seed-capital funding), has served as a Public Delegate, United States representative at the 55th UN General Assembly, a member of the US Advisory Commission on Public Diplomacy and as Commissioner of the New York State Commission for Public Authority Reform. He has also worked with Biocraft Laboratories in various positions, retiring as its Vice-President of Research and Product Development and member of the steering committee of the board of directors.

We believe that our stable, senior management team has helped us in successfully implementing our development and operating strategies over the years. We also believe our executive Key Management Personnel's understanding of the industry trends, demands and market changes, have enabled us to adapt and diversify our operating capabilities and take advantage of market opportunities. Our Key Management Personnel are ably supported by our employees. As at July 1, 2018, we had 187 employees, 81 of whom are R&D personnel focusing on areas of machine learning, artificial intelligence and fraud analytics, among other areas.

STRATEGIES

Enhance our revenue from existing and new customers in India and acquire new consumer profiles beyond Tier 1 cities

The ad tech market in India is fast growing, with a market size of US$304.9 million in 2017 and will likely grow at a CAGR of 39% to US$808 million by 2022. *(Source: Frost & Sullivan Report)*. Our revenue from operations from our Consumer Platform has grown by 45.2% from ₹ 529.81 million in Fiscal 2017 to ₹ 769.40 million in Fiscal 2018. We intend to continue to grow our business in India by increasing our revenue from our existing customers by deepening our relationships with them. For example, we have conducted mobile ad campaigns in India for a number of well-known e-commerce and mobile app companies / brands, such as Amazon, Flipkart, Jabong, BookMyShow, and PhonePe. The Indian e-commerce market was US$38.5 billion in 2017 and is likely to grow at a CAGR of 12.4% to US$69.2 billion by 2022. However, with further increase in avenues for digital payments, accelerated broadband penetration, and an increasing number of product options across the breadth of the country, the market has the potential to grow to USS$130 billion over the same time period. Over the last two calendar years, approximately 25% of all internet users in India have shopped online and the number of e-commerce shoppers is forecast to grow at a CAGR of 33.7% from 100 million in 2017 to 320 million in 2022. Frost & Sullivan expects this growth to be driven by retailers and brands diversifying their presence and widen their distribution with integrated online-offline models to gain access to customers beyond those in Tier 1 and Tier 2 cities. (*Source: Frost & Sullivan Report*). We also intend to continue to grow our revenue by gaining new customers in the fast-growing e-commerce market, through our existing sales team in India and through referrals from existing customers.

To date, we have primarily focused on gaining consumer profiles in Tier 1 cities. In addition to focusing on consumers in Tier 1 cities, we intend to increase the number of consumer profiles in Tier 2 cities, Tier 3 cities and rural markets, which are areas that our customers have not placed much emphasis on to date. We have partnered in the past with Micromax Informatics Ltd. in order to enhance our consumer intelligence and we intend to continue to do that in the future, which we believe will enable us to increase our consumer intelligence in Tier 2 cities, Tier 3 cities and rural markets. In addition, we will encourage our customers to put more emphasis on ad campaigns that focus on consumers in Tier 2 cities, Tier 3 cities and rural markets, which will increase our consumer profile base in those areas.

Expand our international business through local business development efforts and through referrals from our existing customers

As at March 31, 2018 on a Proforma Basis, we had approximately 1.18 billion consumer profiles, of which approximately 431 million were in India and 747 million were outside of India, which means we had 73.2% more consumer profiles outside India compared to consumer profiles in India. For Fiscal 2018, on a Proforma Basis, our average CPCU outside India was higher than in India. For Fiscal 2018 on a Proforma Basis, our average CPCU was ₹ 24.1 in India, ₹ 179.4 in North America, ₹ 132.6 in Europe, ₹ 79.5 in the Middle East and Africa, ₹ 180.8 for Japan, Korea and Australia combined and ₹ 46.7 in South East Asia. Revenue from operations for Fiscal 2018 on a Proforma Basis was 48.2% from our Company and 51.8% from Affle Global and the Indonesian Subsidiary combined even though the average monetization factor, which is the percentage of converted users delivered relative to the number of consumer profiles on the Consumer Platform (the "**Monetization Factor**"), was 6.7% in India compared to 1.1% outside India. We intend to increase the Monetization Factor for our consumer profiles outside India by increasing our business development efforts to gain more customers outside India.

We currently have business development teams outside India in Singapore and Jakarta, Indonesia. Our initial plans for increasing our business development efforts outside India are to build business development teams in Dubai to service the Middle East and Africa market and in the United States to service North America market by the end of Fiscal 2019 to win more advertising campaigns with local and international companies operating in the regions by demonstrating our successful track record internationally and through our on the ground presence to deliver better support and build more trust with the market participants. Although we do not have business development teams in North America or in the Middle East and Africa, we had approximately 238 million consumer profiles in North America and approximately 63 million consumer profiles in the Middle East and Africa and our CPCU revenue from customers in North America and in the Middle East and Africa was ₹ 393.78 million and ₹ 73.84 million for Fiscal 2018 on a Proforma Basis, respectively.

Drive further penetration in our top customers and deliver more converted users for large e-commerce companies, such as Amazon

The table below shows revenue from our top 10 customers and our top customer for each of Fiscals 2016, 2017 and 2018 and Fiscal 2018 on a Proforma Basis.

(in ₹ millions, except for percentages)

	Fiscal 2016 (proforma)*		**Fiscal 2017***		**Fiscal 2018***		**Fiscal 2018 on a Proforma Basis****	
	Revenue	*Percentage of revenue from operations*	Revenue	*Percentage of revenue from operations*	Revenue	*Percentage of revenue from operations*	Revenue	*Percentage of revenue from operations*
Revenue from our top 10 customers	322.57	*36.7*	416.31	*63.4*	686.24	*81.9*	686.24	*41.0*
Revenue from our top customer	73.17	*8.3*	225.34	*34.3*	512.34	*61.2*	512.34	*30.6*

* *(Please note that these Restated Financials for 2016 (referred as 2016 (proforma), which are prepared in accordance with SEBI circular (no. SEBI/HO/CFD/DIL/CIR/P/2016/47) dated March 31, 2016 are different from the Proforma Financial Statements prepared on an illustrative basis to reflect the effect of the Transaction).*

** *(Please note that these Proforma Financial Statements are different from the Restated Financials for 2016 (referred as 2016 (proforma), which are prepared in accordance with SEBI circular (no. SEBI/HO/CFD/DIL/CIR/P/2016/47) dated March 31, 2016).*

Six of our top 10 customers in Fiscal 2018 were also our customers in Fiscals 2016 and 2017. The revenue contribution of these six recurring customers grew from ₹ 155.72 million for Fiscal 2016 to ₹ 335.32 million for Fiscal 2017 and to ₹ 623.97 million for Fiscal 2018, representing a CAGR of 100.2%.

For Fiscal 2018 on a Proforma Basis, our top customer was an advertising agency group. Advertising agencies are responsible for managing advertising spends for their clients. We currently work with all of the top six global advertising agency groups and with other mobile focussed advertising agencies, such as M&C Saatchi Mobile, and with domestic advertising agencies, such as Interactive Avenues and Madison. Our goal is to deepen our engagement with these agencies to play a key role as global digital advertising spends continue to increase, from 37% of total advertising spend as of Fiscal 2017 to 50% of total advertising spend by Fiscal 2022. *(Source: Frost & Sullivan Report).*

Our goal is to deliver more converted users for large e-commerce companies, such as Amazon, Flipkart and Gojek globally by being part of their expansion plans. We have delivered converted users for Amazon and its related group entities in 16 countries across North America, South America, South East Asia, Europe, and Middle East and Africa in Fiscal 2018 Amazon has been helping sellers in countries where it does not have a presence reach out to our customers in countries outside their home geographies. It hosted merchants from more than 100 different countries last year and helped them connect with customers in 185 nations. *(Source: Frost & Sullivan Report).*

Continue to invest in and develop our technological capabilities

For Fiscals 2016, 2017 and 2018 and for Fiscal 2018 on a Proforma Basis we spent ₹ 15.43 million, ₹ 66.31 million, ₹ 37.92 million and ₹ 73.66 million, respectively, on additions of software application development, representing 1.8%, 10.1%, 4.5% and 4.4% of our total revenue from operations for Fiscals 2016, 2017 and 2018 and for Fiscal 2018 on a Proforma Basis, respectively. We intend to continue devoting substantial resources on our research and development efforts. As at July 1, 2018, we had 81 full-time members in our research and development team. We expect to expand our research and development efforts by recruiting more employees. We plan to continue to invest more in research and development into: artificial intelligence, machine learning and deep learning in identifying and classifying our consumer profiles; a combination of data science and artificial intelligence, machine learning and deep learning in identifying fraud; moving to cloud agnostic platforms to enable multi-cloud deployments; and using database lakes that utilise multiple best of breed database technologies to distribute the data load and reduce costs and in some cases increase the speed of processing.

Continue to develop our award-winning fraudulent data detection and prevention platform

We believe mFaaS sets us apart from our competitors as its offers a real time solution for addressing fraud, which is a major issue for mobile advertising. Our fraud detection technology needs to continually evolve to counter and stay ahead of persons engaged in ad fraud. We intend to continue to build more fraud checks to detect and prevent mobile advertisement fraud and hence ensuring actual returns to our clients. We have currently filed for seven patents in India. For more details, see "-*Intellectual Property*" on page 141.

Continue to selectively pursue acquisitions

We will look to continue acquiring businesses, assets, and technologies that complement our existing capabilities, revenue streams and marketing presence. There are over 100 companies around the world which offer one or more components of the digital advertising technology. Only a few companies operate internationally such as our Company, InMobi, Criteo, Trade Desk, Freakout, Mobvista and YouAppi, among others, thereby providing us with opportunities for consolidation. (*Source: Frost & Sullivan Report*). We have in the past successfully acquired and integrated businesses such as Markt in March 2018 as it had an offline to online commerce platform through which we could enhance our platform propositions for e-commerce companies.

We are currently considering acquiring certain media re-targeting businesses (catering to e-commerce clients) of a company, and have entered into a non-binding term sheet. However, we have not entered into any binding agreement yet in relation to such contemplated acquisition.

Get new customers for our Consumer Platform business through our Enterprise Business solutions

The solutions in our Enterprise Platform enable offline to online commerce for currently offline businesses. Our Enterprise Platform solutions create a new segment of potential customers. Having developed a relationship with them through helping them build an e-commerce business, we believe we would be ideally placed to help them get customers for their online business through our Consumer Platform. Global e-commerce revenue was US$2.29 trillion in 2017, which comprised only 10% of the total global retail sales, thereby providing significant opportunity in the medium to long term to enable the shift to e-commerce globally. (*Source: Frost & Sullivan Report*).

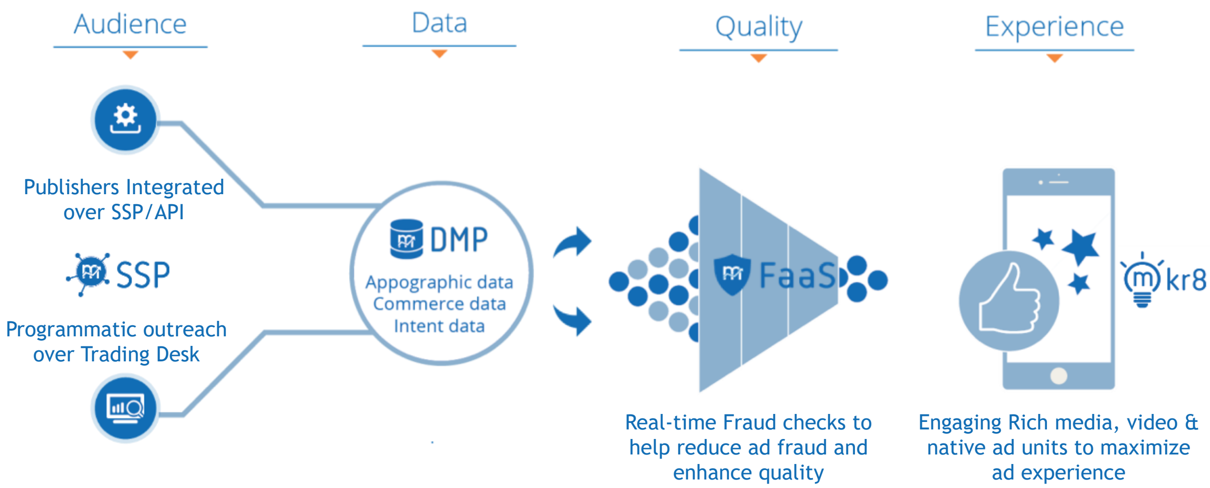
OUR PRODUCTS AND SERVICES

Consumer Platform

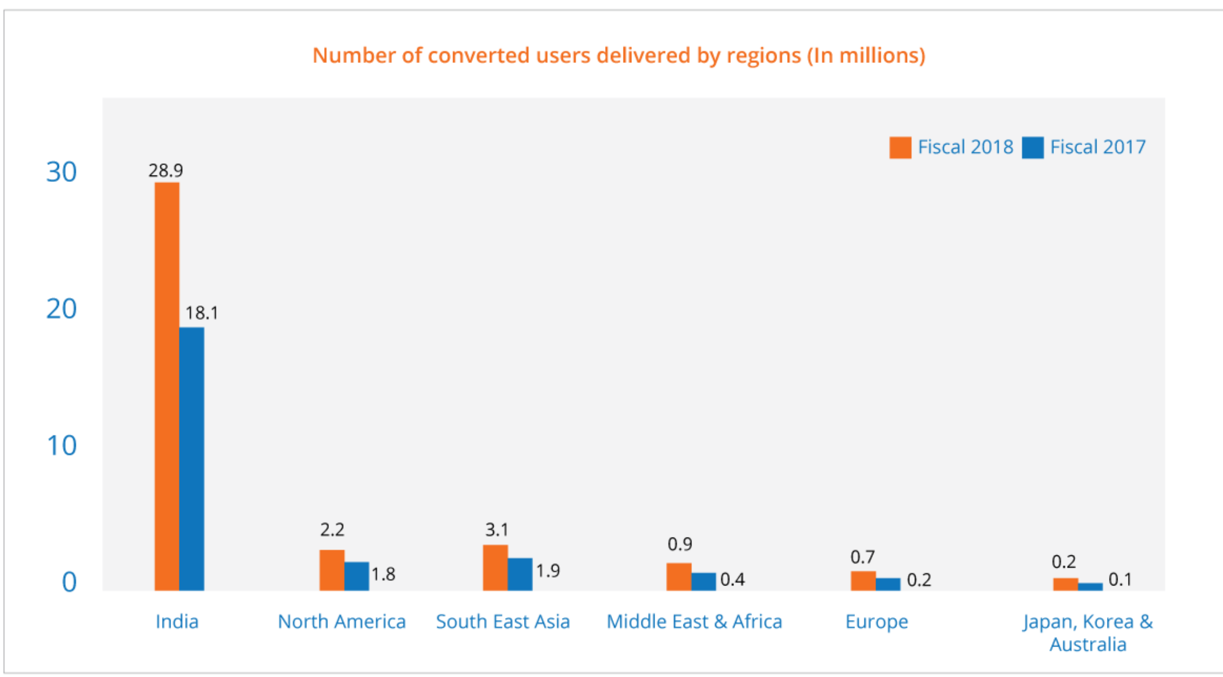
Our Consumer Platform delivers consumer acquisitions, engagements and transactions through contextual mobile advertising for B2C companies across industries, including e-commerce, fin-tech, telecom, media, retail and FMCG companies, both directly and indirectly through their advertising agencies. Our Consumer Platform aims to enhance returns on marketing spends by delivering relevant mobile advertisements and by detecting and reducing digital fraud, while proactively addressing consumer privacy.

We utilise user-intent indicators derived from behavioural signals, marketing attribution and transactional data, which are received in real time and accumulated over time, which increases our ability to predict a user's likely interests. The accuracy of the prediction and recommendation algorithm improves with every advertisement we deliver, as the system incorporate new data, while continuing to learn from previous data. We enhance our customers' ad content with rich media experiences, including interactive videos, games and augmented reality. This paired with data-centric scientific targeting and retargeting enables a higher likelihood of consumer engagement, such as downloading and opening an App or completing a transaction.

The key focus areas for our Consumer Platform are on audience, data, quality and experience and can be best understood as per below



We primarily earn revenue on a CPCU basis, which comprises user conversions based on consumer acquisition and transaction models. The following table shows the number of converted users for Fiscals 2017 and 2018 delivered by our Company in India and by Affle Global and the Indonesian subsidiary combined in (a) North America, (b) South East Asia, (c) the Middle East and Africa, (d) Europe, (e) Japan, Korea and Australia.



*Not made to scale

The following table shows the number of consumer profiles to Monetization Factor for our key regions for Fiscal 2018 on a Proforma Basis.

Region/Country	Consumer profiles as at March 31, 2018 on a Proforma Basis (in million)	Monetization Factor for Fiscal 2018 on a Proforma Basis
India	431	6.7%
North America	238	0.9%
South East Asia	166	1.9%
The Middle East and Africa	63	1.5%
Europe	148	0.5%
Japan, Korea and Australia	65	0.4%

We also earn revenue from awareness and engagement type advertising, which comprises CPM, CPV and CPC models. These models are relevant for brand advertisers who want to build awareness and recall and engage users online to transact with them offline/online.

Our Consumer Platform consists of the following:

MAAS

MAAS is our mobile audience as a service platform. It is an integrated mobile advertising platform, which leverages audience data and helps optimise mobile advertising spends for our customers. When our customers execute their campaigns on the MAAS platform they also get access to our other platform modules, which blend and integrate with MAAS.

The key component of MAAS is its optimiser module, which helps us to optimise return on investment for our customers by leveraging multiple data points from our platform and from our customers.

Our MAAS platform has several components and offers different interfaces for customers, operations and data-based optimisations.

mKr8

mKr8 is our mobile ad authoring platform that allows the creation of engaging rich media and video advertisement units that can be used across multiple media channels. Using mKr8, we can build dynamic advertisements on the basis of phone sensors (such as camera, location, and accelerometer) and global sensors (such as weather conditions, stock markets and air quality).

mSSP

mSSP is our supply side platform that is intended to enable publishers to maximise monetization from their mobile advertisement inventory. It connects to multiple advertisers to source demand and allows publishers to place these on their mobile applications and websites via application programmatic interfaces ("**APIs**") or real time bidding platforms. mSSP allows for multiple advertisement formats to be served, including App install advertisements, native advertisements (which are a form of paid media where the advertisement experience follows the natural form and function of the user experience in which it is placed), banner advertisements (which are advertisements embedded into a web page that are intended to attract traffic to a website by linking to the advertiser's website) and video advertisements.

mSSP allows publishers to manage all their advertisers via a single dashboard and offers complex bidding techniques, such as header bidding with server-side auctions to reduce latency constraints of traditional header bidding and allows publishers to evaluate bids from hundreds of exchanges, demand side platforms and networks, and direct demand in real-time.

Below is a diagrammatic representation of how mSSP works.

mDMP

mDMP is a data monetization platform that enables insight-driven audience marketing using Appographic data (Apps used by a user), intent data (click or other action initiated by user), behavioural data (in-App actions) and transaction data (purchases by users). It helps process, visualise and synchronise data across marketing and inventory channels. mDMP allows marketers to reach out to the right audience by choosing from a wide range of segments. Below is a diagrammatic representation of how mDMP works.

mFaaS

Our mFaaS platform processes large amounts of data to detect patterns of indicative or definitive fraud on a device, network and shared eco-system knowledge level. It detects and flags potentially fraudulent conversions and transactions on 15+ reason codes, which include click spamming, conversion hijacking, App version frauds, BOT/simulator activity and many internet protocol (IP) related fraud types. mFaaS utilises two primary interventions as part of its core detection technology: (a) device-based detections, including use of the gyroscope and other sensors for human compared to rack identification; and (b) server-side detections, including IP pools and device attributes. mFaaS helps to detect fraud on a real time basis, thus minimising wastage of marketing spend. mFaaS is designed such that it can be used by advertisers, advertising agencies, advertising networks and publishers to optimise return on marketing spend by helping weed out fraudulent traffic.

We use mFaaS in our mobile advertising display campaigns for customers and also licence it for a fee to customers.

Enterprise Platform

Our Enterprise Platform consists of the following:

App Development

We develop Apps for third parties using our ARC (Affle Reusable Components) platform, which allows us to leverage pre-built components so that we can build high quality enterprise grade Apps in a cost-efficient way. Our Apps include government automation Apps, e-commerce and retail Apps, travel Apps, self-care Apps, ticketing Apps, healthcare Apps, social/chat Apps, OTT/streaming Apps and workforce management Apps.

mTraction CDP

mTraction CDP is an end-to-end user data, intelligence, and engagement management platform for enterprises across multiple sectors and industries. Its data analytics suite enables insights on usage analytics, marketing attribution, and utilises these for rules-based customer engagement to maximise the return on a customer's marketing spend.

mTraction CDP allows the capturing of usage events and attribution of data points using its software development kits ("**SDK**") or server to server ("**S2S**") integrations and to visualise these as complex data sets, e.g., cohorts of revenue and user retention. Its segment builder allows creating user segments on the basis of each of these data points and sends customised messages to users using its push notifications module.

mTraction CDP offers private cloud type of deployment options making it an attractive product for enterprises and governments that have access to a lot of personally identifiable user data and need a secure and trusted platform to store, segment and utilise it.

Markt

Markt is our commerce platform that enables offline, businesses and enterprises to conduct end-to-end online commerce. It is an enterprise grade, omni-channel, commerce platform consisting of multiple custom-built modules that offer web service APIs for easy and fast integration. The platform is modular in nature and can integrate with any custom interfaces or systems. Markt's key modules include a catalogue management system, inventory management, order management, payments handler, and delivery management.

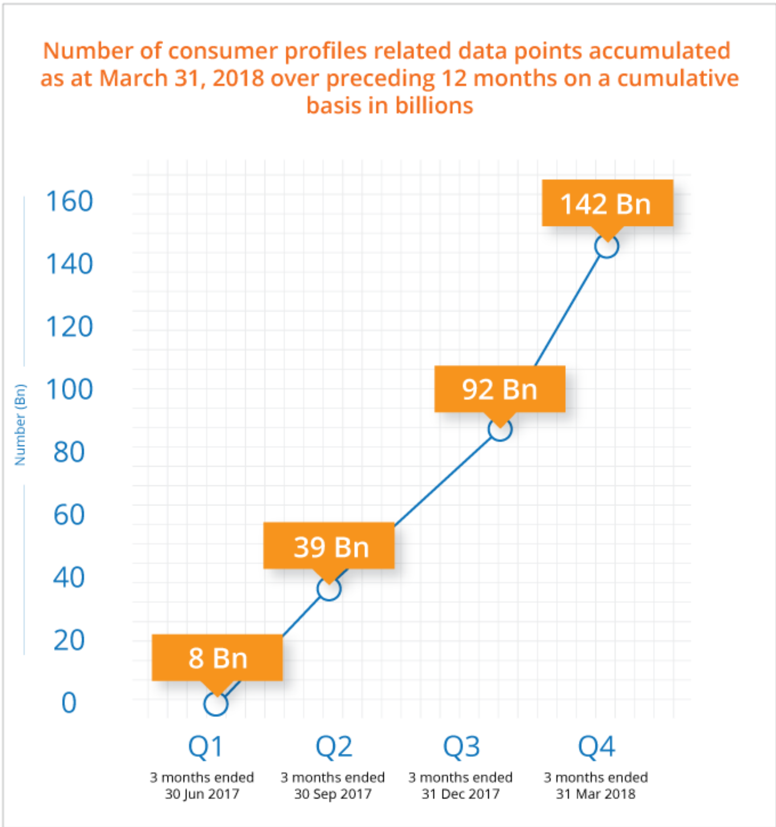
Markt supports two primary implementation scenarios: offline to online store enablement; and offline to online marketplace enablement.

ACCESS TO DATA

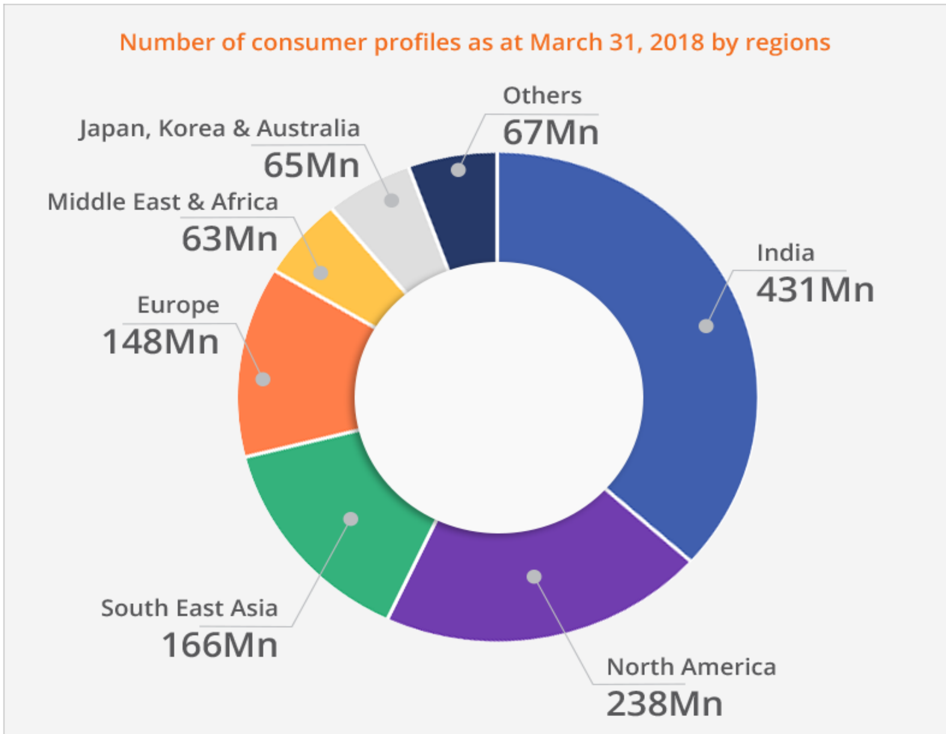
Access to high quality data assets fuels the accuracy and predictive nature of our algorithm. These data assets include: (a) first party data received from our customers, such as usage and transactions on their Apps and websites; (b) second party data collected by us based on the performance/engagement of advertisements delivered on a particular publisher's App or website; and (c) third-party data, such as customer demographic and behavioural data derived from third-party cookies and device id information.

We obtain large volumes of consumer intent data, browsing behaviour and transaction data through integration with a diverse set of customers and publishers, which enables us to track users' behaviour and build meaningful user personas. Our proprietary algorithms, which process and extract user insights from this data, are a result of over 12 years' experience. The combination of these data sets gives us actionable insights into consumer purchase behaviour that we use to deliver relevant advertisements to drive engagement and ultimately drive sales for our customers. As at March 31 2018 on a Proforma Basis, we had approximately 1.18 billion consumer profiles and we accumulated over 140 billion data points over the preceding 12 months.

The following chart shows the number of consumer profile related data points we have accumulated cumulatively on a quarterly basis in Fiscal 2018 on a Proforma Basis.



The following chart shows the number of consumer profiles (in millions) as at March 31, 2018 on a Proforma Basis by region.



ACCESS TO INVENTORY

We have access to extensive mobile advertising inventory through our relationships with publishers and through real-time bidding mobile advertising inventory exchanges and platforms. In some cases, we have negotiated direct and privileged access with publishers, giving us the opportunity to purchase on an impression by impression basis and in real time: (a) inventory that a publisher might otherwise only sell subject to minimum volume commitments; and/or (b) particular advertising impressions before such impressions are made available to other potential buyers. Across both our direct publisher relationships and inventory purchasing done on advertising exchanges, we leverage our ability to quickly and accurately value available advertising inventory and utilise that information to bid for inventory on a programmatic, automated basis. Our ability to efficiently access and value inventory enables us to deliver effective advertisements at the right price for our customers and continue to do so as the size and complexity of campaigns increases.

We purchase inventory from our direct publishers generally through insertion orders consistent with industry standard terms and conditions for the purchase of internet advertising inventory. Pursuant to such arrangements, we purchase impressions on multiple purchase models for users that we recognise on the publishers' network. Such arrangements are cancellable upon short notice and without penalty.

Through the direct relationships we have with publishers, we take steps to determine that the publisher's inventory meets our content requirements and that of our customers to ensure that their display advertisements are not shown in inappropriate content categories, such as adult or political content. With respect to our inventory purchased through real-time bidding mobile advertising inventory exchanges and platforms, we utilise third-party software to verify that the inventory where the advertisement placement is shown conforms to our advertising guidelines and the content expectations of our advertisers.

TECHNOLOGY INFRASTRUCTURE

Our ability to deliver our platform depends largely on our sophisticated technology infrastructure. Our infrastructure comprises open source and cloud-based technologies. We utilise the latest tools in the industry, which includes the following.

Front-End

We use a modular front-end, built on MEAN Stack, which comprises Mongo, Express, Angular and Node.JS, to ensure consistency and high code reusability between our products.

User Profiling and Behavioural Analysis

We use an artificial intelligence-based rules engine to detect behaviour analysis from various sources and use that data to determine a user's interests and if the user is a fraudulent user. We use Appographic, click, install, engagements, location and device information and store this information in an efficient and cost-effective method. Some customers expect us to track the number of installations over a period of time to ascertain the genuineness of users, while others appoint a third-party service provider to do the same.

Data Translation Engine

We use server-less technologies and server-based technologies to process data in the most efficient manner.

Big Data Storage

We store information in our database pool. We use multiple layered security controls to protect our data assets. including security controls based upon governance, security by design and a security quality assurance team.

<u>Governance</u>

Through the years of audits of our system, including the accreditation review by IMDA, we have developed processes in place not only for the tech team but also on security governance. These include strict measures on identity and access management, which starts from our infrastructure (local and cloud), compute machines, databases, security/monitoring services, our products, third-party products and our email. We also have clear escalation procedures and checks-and-balances on processes in place.

Security by Design

Where possible, we utilise automated processes to minimise the risk to systems and with the appropriate identity and access management controls. In addition, we also employ security measures such as:

- HTTPS to ensure transport security.
- Encryption at rest where possible (data being encrypted at storage).
- Virtual private cloud.
- Logs on all modifications to production, which is shared and reviewed periodically.
- Access to the machines is disabled unless there is an emergency and/or maintenance.
- Use of third-party tools and services to monitor our servers for abnormal behaviour and intrusion detections.

Quality Assurance Team

Our quality assurance team has a dedicated section on security. This section conducts periodic penetration testing, periodic security static code analysis and periodic testing for the OWASP (Open Web Application Security Project) security guidelines.

Disaster Recovery

We have a comprehensive disaster recovery and business recovery plan. The information we collect is stored on cloud storage and archived on tapes. This information is then stored onto our databases across multiple zones. Our servers are also backed up automatically daily. This adds to five layers of security. The total failure of our system would require two servers across two physical locations to completely fail, and the raw storage, tape backups and our snapshot backups to also fail. It is extremely unlikely that these would all fail at the same time as failure of one these systems would prompt us to recover the data immediately.

Connectivity to customers

All our products have several integration mechanisms for our customers/partners, including SDKs, APIs, embedded website code, S2S integrations and data synchronisations.

OUR CUSTOMERS

We work with customers who we believe are likely to grow, which we believe will help us to grow in the various countries in which our customers provide services. We are engaged to run ad campaigns either directly by the advertisers or indirectly via advertising agencies.

Global advertising spend is managed largely through six major advertising agencies: WPP (GroupM); Publicis; Omnicom (OMG); Dentsu Aegis Network (DAN); Interpublic Group (IPG) Mediabrands and Havas. *(Source: Frost & Sullivan Report)*. We currently work with all of the top six global advertising agency groups and with other mobile focussed advertising agencies, such as M&C Saatchi Mobile, and with domestic advertising agencies, such as Interactive Avenues and Madison.

We have run mobile advertising campaigns for some of the largest e-commerce and mobile app companies / brands in the world, such as Amazon, Flipkart, Jabong, BookMyShow, Wynk, ALT Balaji, PhonePe, Gojek, Elevenia, Spotify, Sivvi, Wadi, and well-known companies in other industries such as Airtel, Reckitt Benkiser, Johnson & Johnson, SC Johnson, McDonalds, Datsun, Nissan, Air Asia, Axis Bank, Citibank, BTPN, Gundang Garam and Tourism Australia.

Case Studies

BookMyShow (Movie/Event Ticketing App/Website in India)

Background

Bigtree Entertainment Pvt. Ltd. (“**Bigtree**”) is India's premiere comprehensive ticketing, information and analysis solutions provider. It owns and operates BookMyShow, a movie and event ticketing App/website. *(Source: http://www.bigtree.in/ accessed on July 2, 2018).*

Objectives

Bigtree engaged us to grow BookMyShow’s consumer base and help acquire more users for its mobile App in India and also do real time tracking and data analytics of its mobile App users.

Solution and Results

We utilized our Consumer Platform to help BookMyShow meet its objectives. With the existing consumer profile information, we used our predictive algorithm to identify potential users who were interested in movies and likely to purchase from BookMyShow using its mobile App. The relevant and recent movie ads for BookMyShow were then shown to these identified users inside apps and/or websites that they frequently visited.

Our Consumer Platform further built its consumer intelligence each time a user (a) clicked on BookMyShow’s ad (thus showing intent); (b) downloaded BookMyShow’s App (thus showing interest); (c) had an active session on BookMyShow’s App (showing purchase intent); or (d) made a purchase from BookMyShow (showing conversion of the targeted user to becoming a consumer for BookMyShow). We tracked all of this data, which was integrated with BookMyShow’s App.

This campaign was executed in the period from April 2017 to March 2018 during which we helped deliver over 350,000 App users for BookMyShow.

ALTBalaji (Video on Demand Platform in India)

Background

ALT Digital Media Entertainment Limited (“**ALTBalaji**”) owns and operates ALTBalaji, a subscription-based video on demand platform that was launched in India in 2017. *(Source: https://www.altbalaji.com/about-us accessed on July 2, 2018).*

Objective

ALTBalaji engaged us to grow its consumer base and acquire more users for its mobile App in India during its launch phase. ALTBalaji wanted to target only those users who were likely to subscribe and pay for mobile entertainment content.

Solution and Results

We utilized our Consumer Platform to help ALTBalaji meet its objectives. With the existing consumer profile information, we used our predictive algorithm to identify potential users who were frequent users of video and entertainment content on their mobile and had shown some affinity to e-commerce in the past. ALTBalaji’s ads were then shown to these identified users inside Apps and/or websites that they frequently visited.

Our Consumer Platform further built its consumer intelligence each time a user (a) clicked on ALTBalaji’s ad (thus showing intent); or (b) downloaded and paid for ALTBalaji’s App (thus showing interest).

This campaign was executed in the period of April 2017 to March 2018 during which we helped deliver more than 1.5 million App users (paid) for ALTBalaji.

Wadi (E-commerce Company in the Middle East Market)

Background

Wadi General Trading LLC ("**Wadi**") is an e-commerce company that operates in Saudi Arabia, UAE, Oman, Bahrain and Kuwait. *(Source:* https://en-sa.wadi.com/ *accessed on July 2, 2018).*

Objective

Wadi engaged Affle Global with an objective to grow its consumer base and business in Saudi Arabia and the UAE. While one of Wadi's objectives was to get relevant users to download its mobile App, it also wanted to target those users who were likely to purchase from it. Its marketing challenge was to reach out to potentially high value users and its key measurement for success was to acquire new users for its mobile App who made purchases from it.

Solution and Results

To help Wadi meet these objectives, Affle Global utilized our Consumer Platform. With the existing consumer profile information, the predictive algorithm was used to identify potential users who are likely to purchase from Wadi using its mobile App. Wadi's ads were shown to these identified users inside Apps and/or websites that they frequently visited.

Our Consumer platforms further built its consumer intelligence each time a user (a) clicked on Wadi's ad (thus showing intent); (b) downloaded Wadi's App (thus showing interest); and (c) made a purchase from Wadi (showing conversion of the targeted user to becoming a consumer for Wadi). This data was used to progressively better optimize the campaign.

This campaign was executed in the period of April 2017 to May 2018 during which our Consumer Platform helped deliver over 425,000 App users.

SALES AND MARKETING

Our solutions are sold to customers through our sales and marketing team, which as at July 1, 2018 comprised 36 persons across our four offices, a sales agent in Malaysia and through referrals from existing customers.

The agreements we enter into with our customers are typically for a period of between one to two years and many contain an option for automatic renewal for further periods of one year. Typically, our agreements with advertising agencies contain provisions for volume related discounts. Some of our agreements with advertising agencies contain restrictions on the use of revenue generated through those agreements, such as a requirement that a certain percentage of that revenue is used to purchase services from the advertising agency.

COMPETITION

The global advertising technology market is highly competitive, with multiple regional and global players. Although it is dominated by digital giants such as Google and Facebook, there are over a hundred companies around the world who offer one or more components of this solution. However, only a few companies operate internationally, including our Company, InMobi, Criteo, Tradedesk, Freakout, Mobvista, YouAppi, among others. For more information on our competition, see "*Industry–Advertising Technology Market*" on page 114.

We have signed a non-compete agreement dated July 14, 2018 with Affle Holdings, our corporate Promoter. Under this agreement, till such time as its remains our Promoter, Affle Holdings has agreed not to (a) engage in any business activity that competes with our Company in any geography; (b) solicit any employees or independent contractors of our Company; and (c) induce any employee or independent contractor of the Company to terminate or breach his contractual relationship with our Company.

TECHNOLOGY DEVELOPMENT

We invest substantial resources on research and development to enhance our solutions and technology infrastructure, develop new features, conduct quality assurance testing and improve our core technology. For Fiscals 2016, 2017 and 2018 and Fiscal 2018 on a Proforma Basis, we spent ₹ 15.43 million, ₹ 66.31 million, ₹ 37.92 million and ₹ 73.66 million, respectively, on additions of software application development, representing 1.8%, 10.1%, 4.5% and 4.4% of our total revenue from operations for Fiscals 2016, 2017 and 2018 and Fiscal 2018 on a Proforma Basis, respectively. We expect to continue to expand the capabilities of our technologies in the future and to invest significantly in continued research and development efforts. As at July 1, 2018, we had 81 employees specifically engaged in research and development activities from our corporate office in Gurugram, India.

INTELLECTUAL PROPERTY

We regard our patents, trademarks, domain names, copyrights, trade secrets, proprietary technologies and similar intellectual property as critical to our success. We seek to protect our intellectual property rights through a combination of patents, copyright and trademark protections.

We own three patents in the United States, details of which are in the table below.

Title	Filing Date in England	PCT (worldwide patent application)	Filing in the United States	Date of Grant of Patent in the United States
Online search system, method and computer program	August 30, 2006	PCT/GB2006/003220	US 20080270379 A1 October 30, 2008	May 28, 2013
Method and apparatus to provide information and consumer-acceptable advertising via data communications clients	April 26, 2006	PCT/GB2006/001499	US 20100094710 A1 April 15, 2010	December 27, 2011
Method and system for extending the use and/or application of messaging systems	May 19, 2006	PCT/GB2006/001875	US 20080305774 A1 December 11, 2008	November 1, 2011

The above patents were sold to Affle International by Affle Global on July 1, 2018. However, the United States Patent and Trademark Office's records have not been updated yet to reflect this.

We have also applied for seven patents in India. All of these patent applications are pending. Please see the table below for details:

Title	Patent application number	Application Date
Method and System for Creating Decentralized Repository of Fraud IPs and Publishers using Blockchain	201711035334	October 5,2017
Method and System to Detect Advertisement Fraud	201711046485	December 23,2017
Method and System for IP Address Traffic based Detection of Fraud	201711046487	December 23,2017
Method and System for Click to Install Behavior based Detection of Fraud	201711046488	December 23,2017
Method and System to Utilize Advertisement Fraud Data for Blacklisting Fraudulent Entities	201711046489	December 23,2017
Method and System for Hardware and Software based User Identification for Advertisement Fraud Detection	2017110464	December 23,2017
Method and System for Distribution of Advertisement Fraud Data to Third Parties	20171104648	December 23, 2017

We have registered our “affle”corporate logo as a trademark in India, which is valid until October 2025. Further, through an agreement dated July 14, 2018, Affle International has granted our Company the right to use the “Affle” trademark in or outside India.

PRIVACY AND DATA PROTECTION

Privacy and data protection laws play a significant role in our business.

There are laws in India that govern activities such as the collection and use of data by companies like us. The Indian Supreme Court recognised the “right to privacy” as a fundamental right in August 2017, and the GoI has set up an expert committee to evaluate data-privacy issues under Indian law, which has recently mulled data-protection legislation in India.

As we deliver ads and have consumer profiles throughout various other countries, our activities are also subject to the laws of foreign jurisdictions. As we continue to expand into other foreign countries, we may be subject to additional laws and regulations that may affect how we conduct business.

The European Union's ("**EU**") General Data Protection Regulation ("**GDPR**") is a legal framework that sets guidelines for the collection and processing of personal information of individuals within the EU. The GDPR sets out the principles for data management and the rights of the individual, while also imposing fines that can be revenue-based. The GDPR covers all companies that deal with the data of EU citizens. GDPR became effective across the EU on May 25, 2018. *(Source: Frost & Sullivan Report)*

Various regions and countries are becoming protectionist by implementing laws that address data security and privacy challenges. If a number of strong rules and regulations come into force in various countries and are implemented successfully, other countries will either follow these model laws or will frame laws and regulations according to their political, economic, social and administrative structure. Implementation of GDPR and strong laws in countries like Canada and Australia will pave the way for more such effective initiatives across the globe. *(Source: Frost & Sullivan Report).*

International bodies such as the United Nations Organisations, The Council of European Convention 108 and the OECD have modified/or are in the process of modifying legacy data protection regulations to suit the digital world. A global body called the International Data Protection Authority is involved in governing national data protection laws and addressing international disputes centred on data privacy. *(Source: Frost & Sullivan Report)*

A number of regional initiatives by the EU (EU Directive and EU GDPR), Asia Pacific Economic Cooperation (APEC), African Union, ECOWAS (West African Economic and Monetary Union) and The Commonwealth have focussed on region-specific rules and regulations. Trade agreements have emerged as a new source of both data protection law and guidance on managing the potential conflict between data protection law and cross-border data flows. *(Source: Frost & Sullivan Report).*

For more information, see "*Risk Factors–Regulatory, legislative or self-regulatory developments regarding data protection could adversely affect our ability to conduct our business.*", "*Regulations and Policies*" and "*Industry Overview–Information Privacy*" on pages 19, 144 and 122, respectively.

EMPLOYEES

The following table sets forth the numbers of our full-time employees, categorised by function, as at July 1, 2018:

Functions	Number of Employees
Management	11
Research and development	81
Sales and marketing	36
Data platforms and operations	33
Finance, human resources, administrative staff and others	26
Total	**187**

Our success depends on our ability to attract, retain and motivate qualified personnel. We believe we have developed a corporate culture that encourages initiative, technical superiority and self-development.

PROPERTIES

We do not own any real property. We lease/license four properties for our operations, comprising our corporate office in Gurugram (India), and commercial offices in each of Mumbai (India), Singapore and Jakarta (Indonesia).

INSURANCE

We have group medical insurance policies. We also maintain a directors' and officers' liability policy to cover certain liabilities that may be imposed on them. We have not purchased any insurance policies that cover us for any business-related risks, such as insurance against damage to property, liabilities for any acts or omissions, consequential damages or business interruption, as we believe they are not necessary given the nature of our business and the nominal value of our fixed assets.

CORPORATE SOCIAL RESPONSIBILITY

We have a CSR committee in place, whose mandate is to formulate and recommend a CSR policy to the Board, which will indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013. As per the terms of reference of our CSR committee, it shall recommend the amount of expenditure to be incurred on the above-mentioned activities and to do such other acts, deeds and things as may be required to comply with applicable laws.

REGULATIONS AND POLICIES

The following is an overview of the certain sector specific Indian laws and regulations which are relevant to our Company's business. Tax related statutes and applicable shops and establishment statutes, labour laws and other miscellaneous regulations and statutes apply to us as they do to any other Indian company. Additionally, this also includes sector specific international regulations which are relevant to our Company's business and applicable to our Subsidiaries.

The description of law and regulations set out below are not exhaustive and are only intended to provide general information and is neither designed nor intended to be a substitute for professional legal advice. For details of government approvals obtained by our Company in compliance with these regulations, see the section titled "Government and Other Approvals" beginning on page 341. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Laws relating to intellectual property

The Trade Marks Act, 1999

In India, trademarks are protected under statutory and common law. Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 ("**Trademark Act**") governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademark Act. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future.

Applications for a trademark registration may be made in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after ten years, the mark lapses and the registration has to be renewed. The Trademark (Amendment) Act, 2010 has been enacted to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademarks in other countries, and to empower the Registrar of Trademarks to do so. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law generally in line with international practice.

The Patents Act, 1970

The Patents Act, 1970 ("**Patents Act**") governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

Section 39 of the Patents Act also prohibits any person resident in India from applying for a patent for an invention outside India without making an application for a patent for the same invention in India. The term of a patent granted under the Patents Act pursuant to Section 53 is for a period of twenty years from the date of filing of the application for the patent. A patent shall cease to have effect if the renewal fee is not paid within the period prescribed for the payment of such renewal fee.

The Copyright Act, 1957

The Copyright Act, 1957 ("**Copyright Act**") governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes *prima facie* evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years following, the demise of the author.

Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which expressly amount to an infringement of copyright.

Information Technology Laws

Information Technology Act, 2000

The Information Technology Act, 2000 ("**IT Act**") regulates and governs the communications made and services provided in the electronic form. It provides legal recognition to transactions carried out by means of electronic data interchange and other means of electronic communication. The IT Act prescribes punishment for publication of, obscene and offensive materials through electronic means. The Information Technology (Amendment) Act, 2008, which amended the IT Act, gives recognition to contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability.

Under Section 67 of the IT Act, publication or causing publication of lascivious material or material which is likely to corrupt persons, in electronic form, is punishable with imprisonment up to three years and with fine which may extend to ₹ 500,000 on a first conviction, and in the event of a second or subsequent conviction with imprisonment up to five years and also with fine which may extend to ₹ 1 million. Further, under Section 69A of the IT Act and the Information Technology (Procedure & Safeguards for Blocking for Access of Information by Public) Rules, 2009, directions can be issued by the Government or intermediary, blocking public access to any information generated, transmitted, retrieved, stored or hosted in any computer resource. Pursuant to Section 44 of the IT Act, a person may be imposed with a fine of up to ₹ 0.10 million in case of failure to furnish any document, return or report to the controller or the certifying authority or fails to maintain books or records.

The Department of Information Technology ("**DoIT**") has also notified the Information Technology (Intermediaries Guidelines) Rules, 2011 in respect of Section 79(2) of the IT Act (the "**Intermediaries Rules**"). The Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it. Further, Section 72A of the IT Act provides a penalty of three years imprisonment or/and a fine up to ₹ 0.5 million on a person or intermediary who discloses any personal information about a person that it may have been obtained while providing services under the terms of a lawful contract, without such person's consent.

Section 43A provides for a company to pay compensation to the affected person if it fails to protect the sensitive personal data handled, possessed or dealt by it. In April, 2011 the DoIT notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (the "**Personal Data Protection Rules**") in respect of Section 43A of the IT Act which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a company or any person acting on behalf of a company. Further, the Personal Data Protection Rules require every such company to provide a stipulated privacy policy, which is to be published on its website, for dealing with personal information, including sensitive personal data and ensuring security of all personal data collected by it.

The Government of India has constituted a Committee of Experts on a Data Protection Framework for India which has published a white paper titled, "*White Paper on Data Protection Framework for India*" (the "**White Paper**"). The White Paper questions the territorial applicability of existing data privacy laws, scope of the definition of personal data, acceptable purposes of data collection, etc. and aims to introduce a new legal framework that would balance growth of the software development industry with concerns of privacy, data protection and security.

Laws Governing Foreign Investments

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by Reserve Bank of India ("**RBI**") thereunder, and the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India from time to time. Under the current FDI Policy (effective August 28, 2017) 100% foreign direct investment is permitted in e-commerce activities, under the automatic route. In terms of applicable regulations notified under FEMA and the SEBI (Foreign Portfolio Investors) Regulations, 2014 ("**SEBI FPI Regulations**"), investments by Foreign Portfolio Investors

("**FPIs**") in the capital of an Indian company under the SEBI FPI Regulations are subject to individual holding limits of 10% of the capital of the company per FPI and the aggregate holding limit of 24% of the capital of the company. However, the aggregate limit for FPI investment in a company can be increased up to the applicable sectoral cap by passing a resolution of the company's board of directors, followed by a special resolution by the shareholders and prior intimation to the RBI.

*Overseas Direct Investment ("**ODI**")*

In terms of the Master Direction No. 15/2015-16 on "Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary Abroad" issued by the RBI, dated January 1, 2016, an Indian entity is allowed to make ODI under the automatic route up to limits prescribed by the RBI, which currently should not exceed 400% of its net worth. ODI can be made by investing in either joint ventures or wholly owned subsidiaries outside India. Any financial commitment exceeding USD one billion (or its equivalent) in a financial year would require prior approval of the RBI.

Labour Legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following in an indicative list of labour laws applicable to the business and operations of Indian companies:

- Regional Shops and Establishments Legislations
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' State Insurance Act, 1948;
- Equal Remuneration Act, 1976;
- Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In addition, there may be certain other state specific labour laws which also need to be complied with by Indian companies**.**

Other miscellaneous legislations

Consumer Protection Act, 1986

The Consumer Protection Act, 1986 ("**Consumer Protection Act**") came into effect on December 24, 1986. The Consumer Protection Act reinforces the interest and rights of consumers by laying down a mechanism for speedy grievance redressal. Any person to whom goods were delivered/intended to be delivered or services were rendered/ intended to be rendered, or a recognized consumer association, or numerous consumers having the same interest, or the Central/State Government may lodge a complaint before the district forum or any other appropriate forum under the Consumer Protection Act, *inter alia,* for:

a. an unfair trade practice or a restrictive trade practice has been adopted by a service provider;
b. the services availed or agreed to be availed suffer from any deficiency in any material aspect; and
c. provision of services which are hazardous or likely to be hazardous to life and safety of the public when used are offered by the service provider which such person could have known with due diligence to be injurious to life and safety.

When a person against whom a complaint is made fails to or omits to comply with any order made by the forum/commission, such person shall be punishable with imprisonment for a term of not less than a month, but not exceeding three years, or a fine of not less than two thousand rupees, but not more than ten thousand rupees, or both.

The Consumer Protection Act is proposed to be repealed by the Consumer Protection Bill, 2018, which has been introduced in Lok Sabha on January 5, 2018 and is currently pending approval.

In addition to the above, our Company is required to comply with the provisions of the Companies Act, 1956, to the extent applicable, the Companies Act, 2013, the Competition Act, 2002, different state legislations, various tax related legislations including in relation to payment of service tax and other applicable statutes for its day-to-day operations.

Overseas Direct Investment

An Indian entity is allowed to make Overseas Direct Investment ("**ODI**") under the automatic route up to limits prescribed by the RBI, which currently should not exceed 400% of its net worth. ODI can be made by investing in either joint ventures or wholly owned subsidiaries outside India. Any financial commitment exceeding USD one billion (or its equivalent) in a financial year would require prior approval of the RBI. An Indian entity which has made an ODI has to submit an Annual Performance Report (APR) in Form ODI Part III to the Reserve Bank by 30th of June every year in respect of each Joint Venture (JV) / Wholly Owned Subsidiary (WOS) outside India.

International Regulations

For a Summary of international regulation, see "*Industry Overview - Information Privacy*" on page 122.

SINGAPORE

The following is an overview of certain sector specific Singapore laws and regulations that are relevant to our and the Singapore Subsidiary's business. The Companies Act (Chapter 50) of Singapore, tax related statutes and other miscellaneous laws and regulations apply to the Singapore Subsidiary as they do to any other Singapore company. The description of law and regulations set out below are not exhaustive and are only intended to provide general information and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Singapore law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Laws relating to intellectual property

Trade Marks Act

For a sign to be registrable under the Trade Marks Act (Chapter 332) of Singapore, it must be:

- Capable of being represented graphically.
- Distinctive of the trader's goods or services.
- Capable of distinguishing the trader's goods and services from another trader's goods and services.

The remedies provided in the Trade Marks Act include:

- Injunction.
- Damages.
- Account of profits.
- Order for delivery up.
- Order for disposal.

A registered trade mark is valid for an initial period of 10 years from the date of filing the application. Registration may be renewed for further periods of 10 years, subject to payment of the renewal fee.

Patents Act

For an invention to be patentable under the Patents Act (Chapter 221) of Singapore, it must, among other things, fulfill the following requirements:

- It must be novel.
- There must be an inventive step.
- It must be industrially applicable.

The remedies provided in the Patents Act include:

- Injunction.
- Damages.
- Account of profits.
- Order for delivery up.
- Order for disposal.
- Declaration that the patent is valid and has been infringed by the infringer.

A patent is protected for a maximum of 20 years from the date of filing, subject to payment of renewal fees.

Copyright Act

The Copyright Act (Chapter 63) of Singapore protects the expression of ideas, as opposed to the idea or concept itself. The Copyright Act lists the following categories of subject-matter as eligible for protection:

- literary works;
- dramatic works;
- musical works;
- artistic works;
- sound recordings;
- cinematograph films;
- television and sound broadcasts;
- cable programmes; and
- published editions of works.

The Copyright Act confers on the owner of the right the exclusive right to do, and to authorise others to do, certain acts in relation to the subject matter such as the following:

- to reproduce the work in a material form;
- to publish the work if the work is unpublished;
- to perform the work in public;
- to communicate the work to the public;
- to make an adaptation of the work;
- to make a copy of the sound recording or film;
- to enter into a commercial rental arrangement in respect of the recording; and
- to cause the film, insofar as it consists of visual images, to be seen in public.

Generally, the author of the subject-matter of the copyright is entitled to the copyright. However, where the author created the subject-matter in the course of his employment, then the employer is entitled to the copyright.

Information technology laws

Undesirable Publications Act

The Undesirable Publications Act (Chapter 338) of Singapore prevents, among other things, the distribution or reproduction of undesirable publications.

According to the act, a publication is obscene if its effect is such as to tend to deprave and corrupt persons who are likely, having regard to all relevant circumstances, to read, see or hear the matter contained or embodied in it.

A publication is considered objectionable if, in the opinion of any controller, it describes, depicts, expresses or otherwise deals with:

- matters such as sex, horror, crime, cruelty, violence or the consumption of drugs or other intoxicating substances in such a manner that the availability of the publication is likely to be injurious to the public good; or
- matters of race or religion in such a manner that the availability of the publication is likely to cause feelings of enmity, hatred, ill-will or hostility between different racial or religious groups.

To determine if a publication is objectionable, the following matters shall be considered:

- the extent and degree to which, and the manner in which, the publication:
  - describes, depicts or otherwise deals with acts of torture, the infliction of serious physical harm, sexual conduct or violence or coercion in association with sexual conduct;
  - exploits the nudity of persons or children or both;
  - promotes or encourages criminal acts or acts of terrorism;
  - represents, directly or indirectly, that members of any particular community or group are inherently inferior to other members of the public or of any other community or group;
- the impact of the medium in which the publication is presented;
- the character of the publication, including any merit, value or importance that the publication has in relation to literary, artistic, social, cultural, educational, scientific or other matters;
- the standards of morality, decency and propriety that are generally accepted by reasonable members of the community; and
- the persons, classes of persons or age groups of the persons to whom the publication is intended or is likely to be made available.

The question whether or not a publication is objectionable is a matter for the expert judgment of any person authorised or required by or pursuant to the act to determine it.

Any person who imports, publishes, sells, offers for sale, supplies, offers to supply, exhibits, distributes or reproduces any prohibited publication or any extract therefrom (as defined in section 5 of the act) shall be guilty of an offence and shall be liable on conviction for a first offence to a fine not exceeding S$10,000 or to imprisonment for a term not exceeding three years or to both, and for a subsequent offence to imprisonment for a term not exceeding four years.

Any person who makes or reproduces, sells, offers for sale, supplies, exhibits or distributes to any other person any obscene publication (not being a prohibited publication) knowing or having reasonable cause to believe the publication to be obscene shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S$10,000 or to imprisonment for a term not exceeding two years or to both.

Any person who makes or reproduces, sells, offers for sale, supplies, exhibits or distributes to any other person any objectionable publication (not being a prohibited publication) knowing or having reasonable cause to believe the publication to be objectionable shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S$5,000 or to imprisonment for a term not exceeding 12 months or to both.

Personal Data Protection Act ("PDPA")

The PDPA establishes a data protection law that comprises various rules governing the collection, use, disclosure and care of personal data. It recognises both the rights of individuals to protect their personal data, including rights of access and correction, and the needs of organisations to collect, use or disclose personal data for legitimate and reasonable purposes.

An organisation is required to comply with the following obligations prescribed by the PDPA:

- obtain the consent of the individual before collecting, using, or disclosing his personal data, for purposes that a reasonable person would consider appropriate in the circumstances;
- notify the individual of the purpose of collecting his personal data;
- only use personal data for purposes consented by the individual;
- put in place mechanisms for individuals to withdraw their consent;

- take reasonable efforts to ensure that personal data collected is accurate and complete if the personal data is likely to be used to make a decision that affects the individual, or is likely to be disclosed to another organisation;
- when requested, correct any error or omission in an individual's personal data;
- upon an individual's request, provide the individual with his personal data in the organisation's possession and control, as well as information about the ways in which the personal data has been used or disclosed in the past year;
- protect personal data by making reasonable security arrangements to prevent unauthorized access, collection, use, disclosure, copying, modification, disposal or similar risks;
- cease to retain personal data as long as it is reasonable to assume that:
    - the purpose for which it was collected is no longer being served by retaining it; and
    - the retention is no longer necessary for business or legal purpose;
- not to transfer any personal data out of Singapore except in accordance with the requirements set out in the PDPA; and
- implement the necessary policies and practices in order to meet its obligations under the PDPA and make information about its policies and practices available on request.

If the Personal Data Protection Commission finds that an organisation is not complying with any provision in the PDPA, it may give the organisation all or any of the following directions:

- to stop collecting, using or disclosing personal data in contravention of the PDPA;
- to destroy personal data collected in contravention of the PDPA;
- to comply with any direction of the PDPC to provide access to or correct the personal data; and/or
- to pay a financial penalty of such amount not exceeding S$1.0 million.

The PDPA also provides for the establishment of a national Do Not Call (DNC) Registry. The DNC Registry allows individuals to register their Singapore telephone numbers to opt out of receiving marketing phone calls, mobile text messages such as SMS or MMS, and faxes from organisations.

Laws related to employment

Employment Act

The Employment Act (Chapter 91) of Singapore ("**Employment Act**") is administered by the Ministry of Manpower and sets out the basic terms and conditions of employment and the rights and responsibilities of employers as well as employees who are covered under the Employment Act ("**Relevant Employees**").

In particular, Part IV of the Employment Act sets out requirements for rest days, hours of work and other conditions of service for workmen who receive salaries not exceeding S$4,500 a month and employees (other than workmen) who receive salaries not exceeding S$2,500 a month.

Section 38(8) of the Employment Act provides that a relevant employee is not allowed to work for more than 12 hours in any one day except in specified circumstances, such as where the work is essential to the life of the community, defence or security. In addition, Section 38(5) of the Employment Act limits the extent of overtime work that a relevant employee can perform to 72 hours a month.

Employers must seek the prior approval of the Commissioner for Labour (the "**Commissioner**") for exemption if they require a relevant employee or class of Relevant Employees to work for more than 12 hours a day or work overtime for more than 72 hours a month. The Commissioner may, after considering the operational needs of the employer and the health and safety of the relevant employee or class of Relevant Employees, by order in writing exempt such Relevant Employees from the overtime limits subject to such conditions as the Commissioner thinks fit. Where such exemptions have been granted, the employer shall display the order or a copy thereof conspicuously in the place where such employees are employed.

An employer who breaches the above provisions shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S$5,000, and for a second or subsequent offence to a fine not exceeding S$10,000 or to imprisonment for a term not exceeding 12 months or to both.

Employment of Foreign Manpower

The availability and the employment cost of skilled and unskilled foreign workers are affected by the government's policies and regulations on the immigration and employment of foreign workers in Singapore. The policies and regulations are set out in the Employment of Foreign Manpower Act and the relevant Government Gazettes.

In relation to the employment of semi-skilled or unskilled foreign workers, employers must ensure that such persons apply for a "Work Permit". In relation to the employment of foreign mid-level skilled workers, employers must ensure that such persons apply for a "S Pass".

In relation to the employment of foreign professionals, employers must ensure that such persons apply for an "Employment Pass".

The Employment of Foreign Manpower (Work Passes) Regulations 2012 ("**EFMR**") requires employers of work permit holders, among other things, to:

- Subsidise medical expenses of foreign worker (unless agreed otherwise);
- Provide safe working conditions;
- Provide acceptable accommodation consistent with any law or governmental regulations; and
- Provide and maintain medical insurance for inpatient care and day surgery, with coverage of at least S$15,000 per every 12-month period.

The EMFR also requires employers of S Pass holders, among other things, to:

- Subsidise medical expenses of foreign worker (unless agreed otherwise); and
- Provide and maintain medical insurance for inpatient care and day surgery, with coverage of at least S$15,000 per every 12-month period.

An employer of foreign workers is also subject to the provisions set out in the Employment Act (Chapter 91), the Employment of Foreign Manpower Act (Chapter 91A), the Immigration Act (Chapter 133) and the Immigration Regulations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as 'Tejus Securities Private Limited', a private limited company under the Companies Act, 1956, with a certificate of incorporation issued by the Registrar of Companies, Maharashtra on August 18, 1994 at Mumbai. As on January 2006, our Company was owned and managed by Mukesh Tulsyan, Raj Pal Singh Rana and certain other shareholders. Subsequently in January 2006, the entire equity share capital of Tejus Securities Private Limited was acquired by Anuj Khanna Sohum, our individual Promoter, along with Anuj Kumar and Madhusudan Ramakrishna (collectively, the "**Tejus Acquirers**"). Thereafter, the name of our Company was changed to 'Affle (India) Private Limited', pursuant to a letter of approval from the Central Government dated August 29, 2006 and a fresh certificate of incorporation issued by the RoC on September 29, 2006. Our Company was subsequently converted to a public limited company and the name of our Company was changed to our present name, i.e., 'Affle (India) Limited', and a fresh certificate of incorporation consequent upon conversion was issued by the RoC on July 13, 2018.

Business and management

For a description of our activities, services, products, technology and built-up capacity, market of each segment, the growth of our Company, foreign operations, the standing of our Company with reference to prominent competitors in connection with our products, management and managerial competence, major suppliers and customers, environmental issues, geographical segment etc., see "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and *"Government and Other Approvals"* on pages 125, 314 and 341, respectively. For details of the management of our Company and its managerial competence, see "*Our Management*" on page 160.

Changes in our registered office

To the extent ascertainable from available past records, the details of changes in registered office of our Company, from its incorporation till January 2006 (prior to the acquisition by the Tejus Acquirers), are as follows:

Sr. No.	Date of Change	Old Address	New Address
1.	December 12, 2005	Building No 2, Sanjay Mittal Industrial Estate Unit No 6, Andheri-Kurla Road Andheri (East) Mumbai, 400 059	M-64, Jalvayu Vihar Hiranandani Gardens Powai, Mumbai, 400 076

Set forth below are details of changes in our registered office since January 2006.

Sr. No.	Date of Change	Old Address	New Address
1.	June 9, 2007	M-64, Jalvayu Vihar, Hiranandani Gardens Powai, Mumbai 400 076	102, Wellington, Business Park 1 Marol, Andheri (East), Mumbai 400 059
2.	September 11, 2012	102, Wellington, Business Park 1 Marol, Andheri (East), Mumbai 400 059	505, D Definity, Jay Prakash Road Goregaon (East), Mumbai 400 063
3.	June 11, 2015	505, D Definity, Jay Prakash Road Goregaon (East), Mumbai 400 063	402, 4th Floor, Akruti Orion Shraddhanand Road, Vile Parle (East), Mumbai 400 057
4.	July 7, 2018	402, 4th Floor, Akruti Orion Shraddhanand Road, Vile Parle (East), Mumbai 400 057	312, B-Wing, Kanakia Wallstreet, Andheri Kurla Road, Andheri (East) Mumbai, Maharashtra, 400 093

The changes listed above were effected for ease of administrative convenience.

Our main objects

The main objects of our Company as contained in our Memorandum of Association are:

1. To carry on the business of delivery of mobile information solutions to mobile phone subscribers across different mobile phone operators.

2. To sell advertising space which would be delivered to mobile phones / other connected devices.

3. To create / source content which would be show cast on the mobile phone / other connected devices.

4. To create solutions which would add value to the user experience on mobile phones / other connected devices.

5. To carry on the business of development and upgradation of software, engineering works; electronic data processing, designing, developing, planning, assembling, integration and installation of computer network system, data networks and systems of every description and for whatever purpose and to provide system consultancy and integration services, solutions, assistance, help, maintenance relating to software*.

6. To carry on the business of offering customized computer applications, programming services, data services, internet technology, technical advice, maintenance and support services and generally to act as consultants and advisers in the provision of business solutions involving information technology, including but not limited to computer software, data networks and systems and related services, and to carry on the business of designing, developing and dealing in computer and peripheral equipment and software and to provide technical and advisory services for users and potential users including providing the service of integration of networks and systems*.

7. To carry on of any kind of Advertising services through Mouth Print & Papers, Audio-Video or Visual Representation or any other form of Electronic Media*.

8. To carry on the business of advertising contractors and to act as advertisers, advertising agents, press agents, newspaper cutting agents, bill posters, commission agents, promoters or organizers or agents for all kinds of advertising or publicity schemes or methods, publicity advertisers consultants and to require and dispose of advertising time, space, opportunities in any media and to undertake and provide advertising and promotional campaign of every nature and to acquire and provide promotional requisites of every kind and description and for the purpose aforesaid and to undertake and carry on the business of designers, commercial artists, engravers, lithographers, typesetters, stereo typers, newspaper reporters, printers, publishers of any magazine, periodicals, stationers, electro typers, photographic, printers, photo-gravure, photographers, cromo-lithographers, offset printers, draftsman, type founders and manufacturers of all kinds of advertising novelties and to act as consultants any carry on all other business to advertising and publicity through all kinds of media including films, radio, television, sign boards and wall posters, etc*.

9. To organizing, operating and conducting the event management programmes, seminar exhibitions & conferences in relation to the promotion of the aforesaid*.

10. To carry on the business of installers and repairers in information technology equipments with or without options to rent, license, operate, install, repair, maintain, alter, convert and improve computers, data processors, calculators, tabulators, machines, appliances, apparatus, devices, equipment, instruments, tools, accessories and peripherals of every kind and activation for use in any industrial, commercial, financial, scientific or other purpose and any product or products thereof or materials whether raw or otherwise, articles, software, hardware, publications and aids used in the operation of or otherwise in connected therewith or ancillary thereto*.

11. To provide consultancy, advisory, execution and marketing services related to brand building of products and services through Mobile medium*.

12. To provide mobile content, services, applications, solutions, technology, or technology platforms, to consumers, mobile network operators, media companies, brands or to any other parties*.

13. To promote, develop, build, construct, create, operate, manage, run, supervise, maintain, produce, market, direct, edit, distribute, exhibit, record, trade, give on hire, and otherwise deal in all types of mobile products, services, contents, technologies, solutions and applications*.

14. To promote, develop, build, construct, create, operate, manage, run, supervise, maintain, produce, market, direct, edit, distribute, exhibit, record, trade, give on hire, and otherwise deal in all types of mobile products, services, contents, technologies, solutions and applications*.

[*] *Pursuant to a resolution of our Board and Shareholders, both dated July 14, 2018, Clauses 5 and 6 were included pursuant to the 2017 Scheme, and our Company has filed Form MGT-14 with the RoC as regards this change.*

The main object clause and objects incidental or ancillary to the main objects contained in the Memorandum of Association enable our Company to undertake its existing activities.

Amendments to our Memorandum of Association

To the extent ascertainable from available past records, there have been no changes to the Memorandum of Association of our Company from its incorporation till January 2006 (prior to the acquisition by the Tejus Acquirers). The details of amendments to our Memorandum of Association since January 2006 are as follows:

Date	Nature of amendment
September 5, 2006	Amendment of Clause I of the Memorandum of Association to reflect change in name of the Company from "Tejus Securities Private Limited" to "Affle (India) Private Limited".
	Amendment to sub-clause 1 of Clause III (A) and addition thereto of sub-clauses 2, 3 and 4 under Clause III (A) to reflect change of main objects to be pursued by the Company.
March 11, 2008	Clause V of the Memorandum of Association was amended to reflect the increase in Authorised Share Capital of the Company from ₹ 500,000 divided into 50,000 Equity Shares of ₹ 10 each to ₹ 10,000,000 divided into 1,000,000 Equity Shares of ₹ 10 each.
November 10, 2011	Clause V of the Memorandum of Association was amended to reflect the increase in Authorised Share Capital of the Company from ₹ 10,000,000 divided into 1,000,000 Equity Shares of ₹ 10 each to ₹ 100,000,000 divided into 10,000,000 Equity Shares of ₹ 10 each
March 28, 2013	Clause V of the Memorandum of Association was amended to reflect the increase in Authorised Share Capital of the Company from ₹ 100,000,000 divided into 10,000,000 Equity Shares of ₹ 10 each to ₹ 160,000,000 divided into 16,000,000 Equity Shares of ₹ 10 each.
June 1, 2016[*]	Clause V of the Memorandum of Association was amended to reflect the increase in Authorised Share Capital of the Company from ₹ 160,000,000 divided into 16,000,000 Equity Shares of ₹ 10 each to ₹ 250,000,000 divided into 25,000,000 Equity Shares of ₹ 10 each.
June 1, 2018	Clause V of the Memorandum of Association was amended to reflect the increase in Authorised Share Capital of the Company from ₹ 250,000,000 divided into 25,000,000 Equity Shares of ₹ 10 each to ₹ 300,000,000 divided into 30,000,000 Equity Shares of ₹ 10 each.
June 26, 2018	Amendment of Clause I of the Memorandum of Association to reflect change in status of company from private to public and name of the Company from "Affle (India) Private Limited" to "Affle (India) Limited".
July 14, 2018[#]	Amendment to Clause III (A) to add sub-clauses 5 and 6 of the current Main Objects of our Company.

[*] *Note: Pursuant to the 2017 Scheme, which came into effect on February 7, 2017 from the appointed date of April 1, 2015, the authorized share capital had been increased from ₹160,000,000 divided into 16,000,000 Equity Shares of ₹10 each to ₹190,600,000 divided into 19,060,000 Equity Shares of ₹ 10 each. However, pursuant to subsequent amendments to Memorandum of Association as mentioned above, the authorized share capital of our Company stands currently increased to ₹300,000,000 divided into 30,000,000 Equity Shares of ₹10 each.*
[#] *This change is pursuant to a resolution of our Board and Shareholders, both dated July 14, 2018. Our Company has filed Form MGT-14 with the RoC as regards this change.*

Total number of equity shareholders of our Company

As on the date of this Draft Red Herring Prospectus, our Company has seven Shareholders. For further details, see "*Capital Structure*" on page 77.

Awards and accreditations

Calendar Year	Awards/ Accreditations
2016	Our Company received membership of Internet and Mobile Association of India, valid for the period from April 1, 2016 to March 31, 2017.
	Our Company was recognised as the "Top App Monetization Platforms 2015" by Business of Apps.
	Our Company was recognised as the "Top Mobile Ad Mediation Platforms" by Business of Apps in 2016.
2017	Our Company received The Measurement Scorecard which is part of TUNE's Certified Partner Program and is prepared by TUNE Partnerships, that helps marketers identify advertising partners that are the best fit for their marketing goals. The Measurement Scorecard includes the list of certification requirements advertising partners must support to be a TUNE Certified Partner.
	Our Company received membership of Internet and Mobile Association of India, valid for the period from April 1, 2017 to March 31, 2018.

Calendar Year	Awards/ Accreditations
	Our Company received the Enabling Technologies - Innovation (Silver)" award at The Maddies.
	Our Company received the "Best Big Data Technology Platform (Gold)" and the "Best Brand Awareness Campaign Using Mobile (Gold)" awards at the Indian Digital Awards by IAMAI.
2018	Our Company received membership of IAMAI, valid for the period from April 1, 2018 to March 31, 2019.
	Our Company received the "Digital Marketing Excellence in Retail (Gold)" and the "Digital Marketing Excellence in Healthcare/ Pharma (Gold)" awards at Digixx Awards 2018.
	Our Company received the "Location-based Marketing Campaign of The Year For Harpic (Silver) 2018" and "Best Use of AR or VR For Dish TV (Bronze) at Indian Digital Media Awards (IDMA)" organised by Exchange4Media in 2018.
	Our Company received the Augmented Reality Campaign For Dish TV (Bronze) at the Campaign Asia Digital Crest Awards 2018.

Major events and milestones

The table below sets forth some of the major events in our history of our Company:

Calendar Year	Details
2007	Launch of our first product "*SMS 2.0*" in partnership with Bharti Airtel in India in June 2007. Subsequent to the launch, this product and partnership was scaled pan-India in December 2007.
2009	Announcement of first significant mobile monetization partnership with NDTV Convergence.
2012	Launch of our Mobile Advertising Agency 'ad2c'.
	Launch of our Cross Screen Advertising Platform "*Ripple*" in August, which was followed by announcement of partnerships with Yahoo, ESPN Cricinfo & India Today for this platform.
2014	Launch of our mobile marketing platform 'ad2campaign'.
2015	Launch of our end-to-end "*Mobile Audience as a Service (MAAS)*" platform in March 2015.
2017	Launch of *"Mobile Ad Fraud detection (mFaaS)*" platform which was later awarded by the IAMAI as the Best Big Data Technology Platform in 2017.
	Announced our first significant Data Management Platform (DMP) partnership with Micromax for Data and Native Ads monetization.
2018	Acquisition by Affle International of the Affle Global's platform business.

Changes in activities of our Company during the last five years

There have been no changes in the activities of our Company during the last five years, which may have had a material effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors.

Capital raising (Equity/ Debt)

Our equity issuances in the past and outstanding debts as on July 10, 2018 have been provided in "*Capital Structure*" and "*Financial Indebtedness*" on pages 77 and 333, respectively. Further, our Company has not undertaken any public offering of debt instruments since January 2006.

Strike and lock-outs

We have not had any strikes and lock-outs in our operations since January 2006.

Time/cost overrun

We have not experienced any instances of time / cost overrun in our business operations since January 2006.

Defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity by the Company

There have been no defaults or rescheduling of borrowings with financial institutions, banks, conversion of loans into equity in relation to our Company since January 2006.

Injunctions or restraining order against our Company

As on the date of this Draft Red Herring Prospectus, there are no injunctions or restraining orders against our Company.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets

Except as disclosed below, since January 2006, our Company has neither acquired any entity, business/ undertaking nor undertaken any merger, amalgamation or revaluation of assets.

Scheme of amalgamation of AD2C Holdings Private Limited, AD2C (India) Private Limited and Appstudioz Technologies Private Limited with our Company, or the 2017 Scheme

Through its orders dated August 5, 2016, August 12, 2016 and January 16, 2017, respectively, the High Court of Bombay, the High Court of Punjab & Haryana and the High Court of Delhi approved the 2017 Scheme and the resultant amalgamation of AD2C Holdings, AD2C India and ATPL with our Company. The effective date of the 2017 Scheme was February 7, 2017, i.e. the last date on which certified copies of the orders of the respective High Courts were filed with the Registrar of Companies. The 2017 Scheme took effect from its appointed date, i.e. April 1, 2015. The rationale of the 2017 Scheme was consolidation of the operations of the Affle group in India. The three transferor companies and our Company were subsidiaries of the same holding company, namely, Affle Holdings Pte. Ltd., our corporate Promoter. Accordingly, the 2017 Scheme envisaged merger of the Indian operations of Affle Holdings Pte. Ltd. and creation of a resultant entity which would carry on integrated and complimentary businesses.

Pursuant to the 2017 Scheme, the assets, properties, debts, liabilities, duties, responsibilities and obligations of the transferor companies were transferred to and vested in our Company on a going concern basis, with effect from the appointed date, i.e. April 1, 2015. In consideration of this transfer, our Company was required to issue and allot, Equity Shares in the following manner: (a) 74 Equity Shares to the shareholders of AD2C Holdings, for every 21 equity shares in AD2C Holdings held by them; (b) 48 Equity Shares to the shareholders of AD2C India, for every 17 equity shares in AD2C India held by them; and (c) 586 Equity Shares to the shareholders of ATPL, for every 5 equity shares in ATPL held by them. Our Company made these allotments on February 13, 2017.

Upon the 2017 Scheme becoming effective, the authorised share capital of our Company stood increased by the aggregate authorised share capital of the transferor companies to ₹ 190,600,000*. The transferor companies stood dissolved with effect from April 1, 2015.

* *See "- Amendments to our Memorandum of Association" on page 154.*

Business transfer agreement dated July 1, 2018 between Affle Global and Affle International.

Affle Global and Affle International entered into a business transfer agreement dated July 14, 2018 (the "**BTA**") recording the terms and conditions of the sale of Affle Global's consumer platform and enterprise platform based business undertaking ("**Platform Business Undertaking**") and 100% of the equity interests in the Indonesian Subsidiary to Affle International, with an effective date of July 1, 2018 (the "**Agreement Effective Date**"). The Platform Business Undertaking, as defined in the BTA comprises (a) all intangible assets required for the Platform Business Undertaking, such as software, platforms, tags, software development kits and three US patents registered in the name of Affle Global, including the brand name "Affle" and related assets (including websites, domain names, social accounts and trademarks); (b) business relationships with customers, clients, suppliers and vendors, (c) technical information (including data and assets) of the Platform Business Undertaking, and (d) employees. The aggregate consideration for this transaction is USD 2.09 million, which is payable by Affle International in monthly instalments of 10% every month after the Agreement Effective Date. If an unexpired contract pertaining to the Platform Business Undertaking ("**Assumed Contract**") has not been already novated, transferred or assigned to Affle International as on July 14, 2018 ("**Remaining Assumed Contract**") then such contract shall be novated, transferred or assigned in favour of Affle International with effect from the Agreement Effective Date as soon as practicable. In the period between the Agreement Effective Date and the date that such Remaining Assumed Contract is novated, transferred or assigned in favour of Affle International, Affle Global shall be responsible for fulfilling the terms and conditions of such contract. With effect from the Agreement Effective Date, any benefits, earnings and monies received by Affle Global from such Remaining Assumed Contract shall be paid by Affle Global to Affle International within 30 days of the receipt thereof. All direct costs incurred by Affle Global in connection with such Remaining Assumed Contract shall be invoiced by Affle Global to Affle International on a monthly basis. Further, from the

Agreement Effective Date, Affle Global has agreed to not compete globally with Affle International for all customers previously served by it.

See also "*Risk Factors*" "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" and "*Financial Information – Proforma Financial Statements*" on pages 18, 125, 314 and 194 for further details.

Revaluation of assets

Our Company has not re-valued its assets since January 2006.

Material Agreements

A. Share Purchase and Shareholders' Agreements

1. Share purchase and shareholders' agreement dated July 12, 2018 entered into amongst Malabar India Fund Limited, Affle Holdings and our Company

Our Company, Affle Holdings and Malabar India Fund Limited entered into a share purchase and shareholders' agreement dated July 12, 2018 ("**SPSHA 1**"), pursuant to which Affle Holdings agreed to sell and Malabar India Fund Limited agreed to purchase, 1,616,214 Equity Shares for an aggregate sum of ₹ 1,164.50 million.

Under the terms of the SPSHA 1, in the event the Company is unable to complete the IPO by March 31, 2019, certain rights provided to Malabar India Fund Limited such as *inter- alia* affirmative voting rights, tag along rights, information rights shall come into effect. Further the SPSHA 1 shall be terminated *inter-alia*, by (i) mutual consent, or (ii) upon listing of the Equity Shares on a recognized stock exchange, or (iii) upon occurrence of any liquidation event or (iv) upon any of the parties ceasing to be a shareholder of the Company.

2. Share purchase and shareholders' agreement dated July 12, 2018 entered into amongst Malabar Value Fund, Affle Holdings and our Company

Our Company, Affle Holdings and Malabar Value Fund entered into a share purchase and shareholders' agreement dated July 12, 2018 ("**SHSPA 2**"), pursuant to which Affle Holdings agreed to sell and Malabar Value Fund agreed to purchase, 285,214 Equity Shares for an aggregate sum of ₹ 202.84 million.

Under the terms of the SPSHA 2, in the event the Company is unable to complete the IPO by March 31, 2019, certain rights provided to Malabar Value Fund such as *inter- alia* tag along rights, exit rights, information rights shall come into effect. Further the SPSHA 2 shall be terminated either, *inter-alia* by (i) mutual consent, or (ii) upon listing of the Equity Shares on a recognized stock exchange, or (iii) upon occurrence of any liquidation event or (iv) upon any of the parties ceasing to be a shareholder of the Company.

A. Other Material Agreements

See " – *Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets*" on page 156.

Except as disclosed above, our Company has not entered into any material contracts other than in the ordinary course of business carried on or intended to be carried on by our Company in the last two years preceding this Draft Red Herring Prospectus.

Holding Company

Affle Holdings Pte. Ltd., our corporate Promoter, is our holding company. For details of Affle Holdings Pte. Ltd., see "*Our Promoters and Promoter Group"* on page 181.

Subsidiaries of our Company

Our Company has two Subsidiaries, as set forth below.

1. *Affle International ("Affle International")*

Affle International was incorporated on April 1, 2018 under the Companies Act, Chapter 50 of Singapore with the Singapore Registrar of Companies. Its Unique Entity Number is 201810924K and its registered office is situated at 100 Pasir Panjang Road #06-07 100 Pasir Panjang Singapore 118 518.

Affle International is engaged in the business of rendering service through MAAS platform.

Capital structure and shareholding pattern

The authorised, issued, subscribed and paid-up share capital of Affle International is 500,000 divided into 500,000 equity shares of one USD each.

The shareholding pattern of Affle International is as follows:

Sr. No.	Name of shareholder	No. of equity shares of US$ 1 each	Percentage of issued capital (%)
1.	Affle (India) Limited	500,000	100%
Total		**500,000**	**100%**

2. *PT Affle Indonesia ("Indonesian Subsidiary")*

The Indonesian Subsidiary was incorporated on May 18, 2010 under Indonesian Law No. 40 of 2007 on Limited Liability Companies by virtue of Deed No. 103 dated May 18, 2010, drawn before Eliwaty Tjitra, S.H., Notary in West Jakarta, which was ratified by the Minister of Law and Human Rights of the Republic of Indonesia by virtue of his Decree No. AHU-34615.AH.01.01.Tahun 2010 dated July 7, 2010. It was registered in the Company Registration of the Ministry of Law and Human Rights of the Republic of Indonesia under No. AHU-0051130.AH.01.09.Tahun 2010 dated July 7, 2010 and published in the State Gazette of the Republic of Indonesia No. 61 dated August 2, 2011, Supplement No. 22389. Its registered office is situated at Cyber 2 Tower 18th floor Jl. HR. Rasuna Said Block X-5 Kav.13 East Kuningan, Setiabudi, South Jakarta.

The Indonesian Subsidiary is engaged in the business relating to value-added services of telephony and computer programming. In performing the engaged business activities, the Indonesian Subsidiary may also perform (i) the provision of services relating to mobile content, and (ii) software development that includes case study and design, development and implementation, maintenance and related activities.

Capital structure and shareholding pattern

The authorised share capital of the Indonesian Subsidiary is USD 400,000 (which at the time of the capitalization as on November 21, 2014 is equivalent IDR 3,612,000,000) divided into 400,000 equity shares of USD 1 (which at the time of the capitalization is equivalent to IDR 9,030) per share. The issued and paid-up capital of the Indonesian Subsidiary is USD 400,000 (which at the time of the capitalization as on November 21, 2014 is equivalent IDR 3,612,000,000) divided into 400,000 equity shares of USD 1 (which at the time of the capitalization is equivalent to IDR 9,030) per share. The shareholding pattern of the Indonesian Subsidiary is as follows:

Sr. No.	Name of shareholder*	No. of equity shares of Rp (9030) each	Percentage of issued capital (%)
1.	Affle Global	396,000	99%
2.	Affle Holdings	4,000	1%
Total		**400,000**	**100%**

* *In connection with the Offer, we undertook a corporate restructuring in which our Company incorporated a new Singapore subsidiary, Affle International, in order to acquire all of Affle Global's business, intangible assets, and all of the equity interests in PT Affle Indonesia. Affle Global*

was engaged in the business of the sale of our Company's solutions outside India and Indonesia, and its assets included 99% of the equity shares in the Indonesian Subsidiary, however this transition is still under process. The Indonesian Subsidiary is engaged in the business of the sale of our Company's solutions in Indonesia.

Associates/ Joint Ventures of our Company

Our Company does not have any associates/ joint ventures as on the date of this Draft Red Herring Prospectus.

Common Pursuits

Our Subsidiaries are engaged in activities similar to that of our Company but not in the same geographies. With effect from July 1, 2018, our Subsidiary, Affle International acquired the assets and business of Affle Global, pursuant to which Affle International is engaged in sale of Affle products and services outside India and Indonesia. Further, our Indonesian Subsidiary's business is the sale of Affle products and services in Indonesia. For further details, see "*Our Business*" on page 125.

Business interest between our Company and Subsidiaries

Except as disclosed in "*Our Business*" and "*Related Party Transactions*" on pages 125 and 191 respectively, none of the Subsidiaries have any business interest in our Company.

Other confirmations

Listing

None of our Subsidiaries are listed on any stock exchange in India or abroad, nor have any of our Subsidiaries been refused listing of any securities at any time, by any of the recognised stock exchanges in India or abroad. Further, none of our Subsidiaries have made any public or rights issue (including any rights issue to the public) in the three years preceding the date of this Draft Red Herring Prospectus.

Sick Subsidiaries

None of our Subsidiaries had become sick companies under the meaning of the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, nor have they been declared insolvent or bankrupt under the Insolvency and Bankruptcy Code, 2016. Further, no winding up, insolvency or bankruptcy proceedings have been initiated against any of our Subsidiaries.

Accumulated profits or losses

Since our Subsidiaries became subsidiaries of our Company after March 31, 2018, our Company was not required to prepare consolidated financial statements prior to April 1, 2018.

Sale or purchase of shares of our Subsidiaries during the last six months

None of our Promoters, the other members of our Promoter Group, directors of AHPL i.e. our corporate Promoter, or our Directors or their relatives have sold or purchased any equity shares or other specified securities of our Subsidiaries during the six months immediately preceding the date of this Draft Red Herring Prospectus.

Sale or purchase between our Company and Subsidiaries

There have been no sales or purchase between our Company and any of our Subsidiaries where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company.

Strategic and financial partnerships

As on date of this Draft Red Herring Prospectus, our Company has no strategic or financial partners.

Guarantees given by our Promoter and Selling Shareholder

Affle Holdings, one of our Promoters and the Selling Shareholder has provided a corporate guarantee in relation to a credit facility availed by our Company. For further details, see "*Financial Indebtedness*" on page 333.

OUR MANAGEMENT

Pursuant to our Articles of Association, our Company is required to have not less than three Directors and not more than 12 Directors. Our Company currently has 10 Directors on its Board, including five Independent Directors.

Our Board

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (years)	Other Directorships / Trusteeships
Anuj Khanna Sohum *Designation:* Chairman, Managing Director and Chief Executive Officer *Address:* 283, Ocean Drive #01-05, The Oceanfront @ Sentosa Cove, Singapore, 098 528 *Occupation*: Business *Nationality:* Singaporean *Term:* Five years with effect from April 1, 2018 *DIN:* 01363666	40	1. Affle Holdings 2. Anuj Khanna Investments Pte. Ltd. 3. Affle International 4. Affle Global 5. FESS OLD NEW Pte. Ltd.
Anuj Kumar *Designation:* Director and Chief Revenue & Operating Officer *Address:* 14B GH-2, Orchid Gardens Suncity, Sector-54, Gurgaon 122 002 *Occupation*: Service *Nationality:* Indian *Term:* Five years with effect from January 13, 2015 *DIN:* 01400273	40	1. FESS OLD NEW Pte. Ltd.
Kapil Mohan Bhutani *Designation:* Director and Chief Financial & Operations Officer *Address:* 757,C.A. Apartments, Paschim Vihar, New Delhi 110 063 *Occupation*: Service *Nationality:* Indian *Term:* With effect from September 30, 2017 *DIN:* 00554760	45	Nil
Charles Yong Jien Foong *Designation:* Director *Address:* 508, Upper East Coast Road, Singapore 466 533	43	1. FESS OLD NEW Pte. Ltd.

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (years)	Other Directorships / Trusteeships
Occupation: Service *Nationality:* Australian *Term:* With effect from June 1, 2018 *DIN:* 08160891		
Mei Theng Leong *Designation:* Non-Executive Director *Address:* 21 Lorong 108 Changi #03-03, Singapore 426 411 *Occupation*: Service *Nationality:* Malaysian *Term:* With effect from June 1, 2018 *DIN:* 08163996	41	1. Affle International 2. Affle Global
Bijynath *Designation:* Non-Executive Independent Director *Address:* Apartment Block 334, Tampines Street 32 #03-510, Singapore 520 334 *Occupation*: Professional *Nationality:* Singaporean *Term:* Two years with effect from June 1, 2018 or from date of issuance of DIN in India till May 31, 2020. *DIN:* 08160918	53	1. Affle Holdings 2. NKV Consulting Pte. Ltd. 3. Intertwine Ventures Pte. Ltd. 4. LVNM Services Pte. Ltd. 5. Oxon Law LLC 6. Clicksoftware Singapore Pte. Ltd. 7. Legal Watch Pte. Ltd. 8. Camford Corporate Services Pte. Ltd. 9. Kodenet Shipping Pte. Ltd.
Naresh Chand Gupta *Designation:* Non- Executive Independent Director *Address:* 200, Sector 15A Noida, Uttar Pradesh 201 301 *Occupation*: Service *Nationality:* Indian *Term:* Two years with effect from June 1, 2018 *DIN:* 00172311	51	1. Info Edge (India) Limited 2. AccuraCap Consultancy Services Pvt. Ltd.
Sudhir Jatia *Designation:* Non- Executive Independent Director *Address:* Jatia Sadan, 81 Worli Sea Face, Worli, Mumbai 400 018 *Occupation*: Entrepreneur *Nationality:* Indian	49	1. Safari Investments Private Limited 2. Safari Lifestyles Limited 3. Safari Industries (India) Limited

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (years)	Other Directorships / Trusteeships
Term: Two years with effect from June 1, 2018 *DIN:* 00031969		
Sumit Mamak Chadha *Designation:* Non- Executive Independent Director *Address:* Flat No. 602, Block 18, Heritage City Complex, MG Road, Gurgaon 122 002 *Occupation*: Service *Nationality:* Indian *Term:* Two years with effect from June 1, 2018 *DIN:* 05207581	53	1. XL India Business Services Private Limited ***Trusts*** 1. Canara Robeco Mutual Fund
Vivek Narayan Gour *Designation:* Non- Executive Independent Director *Address:* Apartment 1203, Magnolias, DLF Golf Links, DLF Phase 5, Gurgaon 122 009 *Occupation*: Service *Nationality:* Indian *Term:* Two years with effect from June 1, 2018 *DIN:* 00254383	55	1. Make My Trip Limited, Mauritius 2. IndiaMART InterMESH Limited 3. Affle International 4. Advait Lakshmi Foundation ***Trusts*** 1. Sunbeam

Brief profiles of our Directors

Anuj Khanna Sohum, aged 40 years, is the individual Promoter, and the Chairman, Managing Director and Chief Executive Officer of our Company. He completed a bachelor's degree in computer engineering from the National University of Singapore ("**NUS**") on a full scholarship by SIA & NOL Scholarships for Undergraduate Studies in Singapore. He has also completed the Stanford Executive Program from Graduate School of Business, Stanford University and the Owner/President Management Program from Harvard Business School. He also received a full scholarship for a Ph.D-MBA program at NUS, which he did not complete. While at NUS, he co-founded Anitus Technologies Pte. Ltd. and Seclore Technology Private Limited. He is a technopreneur with over 18 years of experience in leading technology products/ platforms-based businesses.

Anuj Kumar, aged 40 years, is the Director and Chief Revenue & Operating Officer of our Company. He holds a bachelor's degree in arts (honours course in economics) from St. Stephen's College at University of Delhi and also holds a post-graduate diploma in communications from Mudra Institute of Communications, Ahmedabad (MICA). He has over 17 years of experience in advertising and technology platforms-based business roles. He has earlier worked in J Walter Thompson (Hindustan Thompson Associates Limited), WPP Marketing Communications India Private Limited in its Mindshare business and ESPN Software India Private Limited.

Kapil Mohan Bhutani, aged 45 years, is a Director and Chief Financial and Operations Officer of our Company. He holds a bachelor's degree in commerce (honours) from University of Delhi and has also completed a certificate programme in production technology from the National Institute of Fashion Technology. He has also been admitted as a fellow of the Institute of Chartered Accountants of India. Prior to joining our Company he has worked in KMG Infotech Ltd. and M/s. S. Mohan & Co.

Charles Yong Jien Foong, aged 43 years, is a Director of our Company and the Chief Architect & Technology Officer of Affle International. He has been associated with Affle Global since 2008 as the Director Online Services. He holds a degree of bachelor of science and a degree of bachelor of engineering (with honours) from Monash University. He has over 19 years of experience in product management and solution consulting/architecture and has in the past held positions with The Edge Consultants Pte. Ltd. and Okilabs Pte. Ltd.

Mei Theng Leong, aged 41 years, is a Non-Executive Director of our Company and the Chief Financial & Commercial Officer, International of Affle International. She has been associated with Affle Global since March 2017, as the Group Finance Director. She holds a degree of bachelor of commerce, majoring in accounting and finance from Curtin University of Technology and a masters of business administration from The University of Hong Kong. She has been awarded a fellow membership of CPA Australia and entitled to use the designation of FCPA. She has over 19 years of experience in accounting and finances and has in the past held positions in IHM Sdn. Bhd. and Pioneer Corporate Services Pte. Ltd. and has held position of Group Financial Controller in Europtronic Group Ltd.

Bijynath, aged 53 years, is a Non-Executive Independent Director of our Company. He holds a bachelor's degree in jurisprudence from the University of Oxford. He is admitted to practice as an advocate and solicitor in Singapore. He was the Managing Director of the Singapore law firm, Camford Law Corporation ("Camford") from August 2014 to February 2017 during which time Camford was the Singapore member firm of PricewaterhouseCoopers International Limited. He founded the law firm Oxon Law and currently heads its practice.

Naresh Chand Gupta, aged 51 years, is a Non-Executive Independent Director of our Company. He holds a degree of bachelor of technology in computer science and engineering from Indian Institute of Technology Kanpur, where he also received the Ratan Swarup Memorial Gold Medal. He also holds the degree of master of science and the degree of doctor of philosophy from University of Maryland. With publications in various academic journals, he has also been listed among the inventors in numerous patent applications for computer applications. In the past, he has held the position of managing director in Adobe Systems India Private Limited. He is currently a designated partner in Accuracap Technologies LLP and hold the position of director in Info Edge (India) Limited.

Sudhir Jatia, aged 49 years, is a Non-Executive Independent Director of our Company. He completed the course of S.Y.B.Com. at H.R. College of Commerce & Economics from University of Bombay and completed the Owner/ President Management Program from Harvard Business School. He has over 29 years of experience in luggage and travel products industry. In the past, he has been the director of VIP Industries Limited. He is currently the chairman and managing director of Safari Industries (India) Limited, a company listed on the BSE.

Sumit Mamak Chadha, aged 53 years, is a Non-Executive Independent Director of our Company. She holds a bachelor's degree (honours course) from St. Stephen's College at University of Delhi and a master's degree in arts, in economics from Delhi School of Economics at the University of Delhi. She also holds a degree of master of arts in economics from the University of California. She has over 27 years of experience in banking and financial services. She has earlier worked in Citibank N.A. India for 20 years where she last worked as Director and she also worked at BlackRock Services India Private Limited for two years as Managing Director. She is currently the head of enterprise shared services at XL Catlin, and is also a director of XL India Business Services Private Limited.

Vivek Narayan Gour, aged 55 years, is the Non-Executive Independent Director of our Company. He holds a bachelor's degree in commerce from University of Bombay and a master's degree in business administration from Faculty of Management Studies, University of Delhi. He also completed the Owner/ President Management Program offered by the Harvard Business School. He has over 32 years of experience in marketing, financial services and aviation industry. Previously he has worked in Genpact India and GE Capital Services India, and has also been the managing director and the chief executive officer of Air Works India (Engineering) Private Limited. Currently, he is also serving on the boards of directors of MakeMyTrip Limited, Mauritius and IndiaMART InterMESH Limited.

Relationship between Directors

None of our Directors are related to each other.

Remuneration details of our Directors

(1) Remuneration details of our Executive Directors

Anuj Khanna Sohum

Pursuant to resolution passed at the EGM held on March 31, 2018, the Shareholders approved the appointment of Anuj Khanna Sohum as the Managing Director of our Company with effect from April 1, 2018 for a period of five years. The terms of appointment as indicated in the aforesaid resolution held on March 31, 2018, are as follows:

Sr. No.	Particulars	Amount
1.	Basic Salary	₹ 21,000/- per month (to be reviewed for upscale revision at the end of every financial year).
2.	Variable Salary	Maximum up to 5% of available net profit as the provisions of Companies Act, 2013.
3.	Leave Travel Assistance	Payable as per the rules of the Company.
4.	Sitting Fees	Not entitled to any sitting fees or other payments for attending meetings of the Board, or where applicable, any Committee/s thereof.

During the Fiscal Year 2018, no remuneration was received by Anuj Khanna Sohum from our Company.

Anuj Kumar

Pursuant to resolution passed at the EGM held on January 13, 2015, the Shareholders approved the appointment of Anuj Kumar on the Board of our Company with effect from January 13, 2015 for a period of five years. Vide Board Resolution dated May 18, 2018 his designation was changed from Managing Director to Director of the Company, with effect from the same date. Further, the new terms of appointment for the Fiscal Year 2019, pursuant to appraisal letter dated April 30, 2018, are as follows:

Role: Chief Revenue & Operating Officer, Affle Audience Platform	Fixed Annual Base Pay	Annual Variable1 (V1)	Annual Variable2 (V2)	Total
India Business Overall Customer Revenues, Recurrence & Relationships	₹ 4,600,000			₹ 4,600,000
International Business Overall Customer Revenues, Recurrence & Relationships	₹ 4,600,000			₹ 4,600,000
Specific Recurrence & Growth Targets		₹ 2,150,000	₹ 2,150,000	₹ 4,300,000
Total Annual Compensation (including both fixed & variable components)				₹ 13,500,000

During the Fiscal Year 2018, the total payment of compensation made to him was ₹ 13,681,033, out of which ₹ 9,855,195 pertained to Fiscal Year 2018 and ₹ 3,825,838 pertained to Fiscal Year 2017.

Kapil Mohan Bhutani

Pursuant to resolution passed at the AGM held on September 30, 2017, the Shareholders approved the appointment of Kapil Mohan Bhutani on the Board of our Company as Director with effect from same date. Further, the terms of appointment for the Fiscal Year 2019, pursuant to appraisal letter dated April 30, 2018, are as follows:

Sr. No.	Particulars	Amount
1.	Fixed Annual Base Pay- Payable monthly	₹ 7,000,000
2.	Annual Variable 1 (V1) - Payable quarterly	₹ 1,500,000
3.	Annual Variable 2 (V2) - Payable quarterly	₹ 1,500,000
Total Annual Compensation (including both fixed & variable components)		₹ 10,000,000

During the Fiscal Year 2018, the total payment of compensation made to him was ₹ 5,900,000, out of which ₹ 5,500,000 pertained to Fiscal Year 2018 and ₹ 400,000 pertained to Fiscal Year 2017.

Charles Yong Jien Foong

Pursuant to a resolution passed at the EGM held on June 1, 2018, the Shareholders approved the appointment of Charles Yong Jien Foong on the Board of our Company as Director with effect from same date. No remuneration is payable by our Company to him in relation to such appointment. Further, since he was appointed in the present Fiscal Year, no remuneration was paid to him during the Fiscal Year 2018.

(2) Remuneration details of our Non-Executive and Independent Directors

Mei Theng Leong (Non-Executive Director)

Pursuant to a resolution passed at the EGM held on June 1, 2018, the Shareholders approved the appointment of Mei Theng Leong on the Board of our Company as Non-Executive Director with effect from same date. No remuneration is payable by our Company to her in relation to such appointment.

Non-Executive Independent Directors

Our Non-Executive Independent Directors are entitled to a sitting fee of ₹ 90,000 per meeting for the meetings of the Board and the committees of the Board along with reimbursement of reasonable expenses incurred in discharge of roles/duties, including travelling and accommodation expenses.

As our Non-Executive Directors and Independent Directors were appointed in the present Fiscal Year, no remuneration was paid to them during the Fiscal Year 2018.

Bonus or profit sharing plan for the Directors

Except for certain remuneration payable to Anuj Khanna Sohum, our Chairman, Managing Director and Chief Executive Officer, Anuj Kumar, Director and Chief Revenue & Operating Officer and Kapil Mohan Bhutani, Director and Chief Financial and Operations Officer, as variable salary, and as disclosed under "*– Remuneration details of our Directors – Remuneration details of our Executive Directors*" on page 164, our Company does not have a bonus or profit sharing plan for our Directors.

Shareholding of our Directors

Our Articles do not require our Directors to hold any qualification shares.

Details of our Directors who hold Equity Shares as on the date of this Draft Red Herring Prospectus are as follows:

Name	No. of Equity Shares	% of pre-Offer equity share capital
Anuj Khanna Sohum	32[(1)]	*Negligible*
Anuj Kumar	1[(2)]	*Negligible*
Charles Yong Jien Foong	1[(2)]	*Negligible*
Mei Theng Leong	1[(2)]	*Negligible*

(1) *Includes 31 Equity Shares held by Anuj Khanna Sohum, in relation to which Affle Holdings is the beneficial owner, and one Equity Share held by Anuj Khanna Sohum, in relation to which Affle Global is the beneficial owner.*

(2) *Beneficial owner in relation to these Equity Shares is held by Affle Global.*

Further, certain of our Directors, namely Anuj Khanna Sohum, Anuj Kumar, Kapil Mohan Bhutani, Charles Yong Jian Foong and Vivek Narayan Gour, also hold shares in Affle Holdings, our corporate Promoter. For details see "*Our Promoters and Promoter Group - Capital structure and shareholding pattern*" on page 182.

Service contracts with Directors

There are no service contracts that have been entered into with any of our Directors which provide for benefits upon termination of employment.

Interest of Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them, as applicable.

Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them. For further details regarding the shareholding of our Directors, see "- *Shareholding of our Directors*" on page 165.

Certain of our Directors may also be regarded as interested in the Equity Shares held by them and may also be deemed to be interested in Equity Shares that may, pursuant to this Offer, be subscribed by or Allotted to them, their relatives, or to the companies, firms, trusts, in which they are interested as directors, members, partners, trustees and promoters.

Other than as disclosed in the "*Related Party Transactions*" on page 191, none of the beneficiaries of loans, advances and sundry debtors are related to our Directors.

Our Directors, Anuj Khanna Sohum, Mei Theng Leong and Vivek Narayan Gour are also shareholders, directors and/or promoters of some of our Group Companies and Subsidiaries and may be deemed to be interested to the extent of their shareholding and transactions in such entities and payments made between our Company and the Group Companies or such Subsidiaries, if any. For further details, please refer to "*Related Party Transactions*" on page 191.

No loans have been availed by our Directors from our Company.

Interest in promotion of our Company

Except for Anuj Khanna Sohum, who is a Promoter of our Company, our Directors have no interest in the promotion of our Company as of the date of this Draft Red Herring Prospectus.

Interest in property

Our Directors have no interest in any property acquired by our Company within the two years preceding the date of this Draft Red Herring Prospectus, or presently intended to be acquired by our Company or in any transaction for acquisition of land, construction of buildings and supply of machinery.

Payment of benefits (non-salary related)

Except as disclosed in "- *Interest of Directors*", no non-salary related amount or benefits were paid or were intended to be paid to our Directors within the two preceding years from the date of filing of this Draft Red Herring Prospectus.

Business interest

Except as stated in this section and "*Related Party Transactions*" on page 191, our Directors do not have any other interest in our business or our Company.

Confirmations

Except as detailed below, our Directors are not, and have not, during the five years preceding the date of this Draft Red Herring Prospectus, been on the board of any listed company whose shares have been or were suspended from being traded on BSE or NSE.

Details	**Particulars**
Name of the Director	Sudhir Jatia
Name of the Company	Ramgopal Polytex Limited
Listed on	NSE and BSE
Date of suspension on BSE/NSE	Date of suspension on NSE: August 2, 2000 Date of suspension on BSE: May 13, 2002
Whether, suspension of trading is for period of	Yes

Details	Particulars
more than three months (Yes/No)	Reasons: Non-compliance with the listing agreement Period for suspension on NSE: From August 2, 2000 to January 1, 2018 Period for suspension on BSE: From May 13, 2002 to January 1, 2018
Whether, suspension of trading revoked (Yes/No)	Yes Date of revocation of suspension on BSE and NSE: January 1, 2018
Term of the directorship along with the relevant date of joining, (and the date of resignation, if applicable).	Date of Appointment- April 7, 1988 Date of Resignation- July 31, 2006

None of our Directors have been or are directors on the board of listed companies which have been or were delisted from any stock exchange(s).

None of our Directors have been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities.

For details of our Directors' association with the securities market, see "*Other Regulatory and Statutory Disclosures*" on page 344.

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

Name of Director	Date of change	Reasons
Kapil Mohan Bhutani	September 30, 2017	Appointment as Director
Anuj Khanna Sohum	April 1, 2018	Appointment as Managing Director
Anuj Kumar	May 18, 2018	Change in designation from Managing Director to Director
Charles Yong Jien Foong	June 1, 2018	Appointment as Director
Mei Theng Leong	June 1, 2018	Appointment as Non-Executive Director
Bijynath	June 1, 2018	Appointment as Non-Executive Independent Director
Naresh Chand Gupta	June 1, 2018	Appointment as Non-Executive Independent Director
Sudhir Jatia	June 1, 2018	Appointment as Non-Executive Independent Director
Sumit Mamak Chadha	June 1, 2018	Appointment as Non-Executive Independent Director
Vivek Narayan Gour	June 1, 2018	Appointment as Non-Executive Independent Director

Borrowing Powers

In accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow from time to time any sum or sums of money, where the money to be borrowed, together with the money already borrowed by our Company does not exceeds aggregate of our paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from our Company's bankers in the ordinary course of business.

Corporate Governance

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be applicable to our Company immediately upon listing of the Equity Shares on the Stock Exchanges.

Our Chairman is an Executive Director. Our Company currently has 10 directors, of which four are Executive Directors, one is a Non-Executive Director, and five are Non-Executive Independent Directors, which includes one women Director. Our Company is in compliance with corporate governance norms prescribed under SEBI Listing Regulations and the Companies Act, 2013, particularly in relation to composition of our Board of Directors and constitution of board level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements under SEBI Listing Regulations and the Companies Act, 2013.

Board-level committees

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

(a) Audit Committee;
(b) Nomination and Remuneration Committee;
(c) Stakeholders Relationship Committee; and
(d) Corporate Social Responsibility Committee.

In addition to the above committees, our Board has also constituted an IPO Committee for the Offer and a Risk Management Committee.

Audit Committee

The Audit Committee currently consists of:

Name	Position in the committee	Designation
Vivek Narayan Gour	Chairperson	Non-Executive Independent Director
Sumit Mamak Chadha	Member	Non-Executive Independent Director
Naresh Chand Gupta	Member	Non-Executive Independent Director

Our Audit Committee was constituted by a resolution of our Board dated June 16, 2018, in compliance with Section 177 of the Companies Act, 2013 and SEBI Listing Regulations. The terms of reference of the Audit Committee include the following:

(i) oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(ii) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(iv) review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    (a) matters required to be included in the director’s responsibility statement to be included in the board of directors 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 the management of the Company;
    (d) significant adjustments made in the financial statements arising out of audit findings;
    (e) compliance with listing and other legal requirements relating to financial statements;
    (f) disclosure of any related party transactions; and
    (g) modified opinion(s) in the draft audit report.

(v) review, with the management, the quarterly financial statements before submission to the board of directors for their approval;

(vi) review, 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 utilised 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 our board of directors to take up steps in this matter;

(vii) review and monitor the auditor’s independence and performance, and effectiveness of audit process;

(viii) approve or subsequently modify transactions of the Company with related parties;

Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(ix) make recommendations to the Board in case of non-approval of transactions other than those referred to in section 188 of the Companies Act, 2013

(x) scrutinise inter-corporate loans and investments;

(xi) valuation of undertakings or assets of the Company, wherever it is necessary;

(xii) evaluate internal financial controls and risk management systems;

(xiii) review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(xiv) review 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;

(xv) discuss with internal auditors of any significant findings and follow up there on;

(xvi) review 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;

(xvii) discuss 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;

(xviii) 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;

(xix) to review the functioning of the whistle blower mechanism;

(xx) approve the appointment of the Chief Financial Officer of the Company after assessing the qualifications, experience and background, etc. of the candidate;

(xxi) oversee the vigil mechanism established by the Company and the chairman of audit committee shall directly hear grievances of victimisation of employees and directors, who use vigil mechanism to report genuine concerns; and

(xxii) carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the board of directors of the Company or specified/provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other regulatory authority.

The Audit Committee shall mandatorily review the following information:

(i) management discussion and analysis of financial condition and results of operations;

(ii) statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;

(iii) management letters / letters of internal control weaknesses issued by the statutory auditors of the Company;

(iv) internal audit reports relating to internal control weaknesses;

(v) appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and

(vi) statement of deviations in terms of the SEBI Listing Regulations:

  (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and

  (b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice."

The powers of the Audit Committee shall include the following:

(i) to investigate any activity within its terms of reference

(ii) to seek information from any employee of the Company;

(iii) to obtain outside legal or other professional advice; and

(iv) to secure attendance of outsiders with relevant expertise, if it considers necessary.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee currently consists of:

Name	Position in the committee	Designation
Bijynath	Chairperson	Non-Executive Independent Director
Sudhir Jatia	Member	Non-Executive Independent Director
Sumit Mamak Chadha	Member	Non-Executive Independent Director

Our Nomination and Remuneration committee was constituted by a resolution of our Board dated June 16, 2018 in compliance with Section 178 of the Companies Act, 2013. The terms of reference of the Nomination and Remuneration Committee include the following:

(i) 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 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 (including that of independent directors);

(ii) formulate the criteria for determining qualifications, positive attributes and independence of a director;

(iii) formulate criteria for evaluation of performance of independent directors and the Board;

(iv) devise a policy on diversity of the Board;

(v) determine whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors;

(vi) recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;

(vii) recommend to the Board, all remuneration, in whatever form, payable to senior management.

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that —

  (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our 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.

(viii) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(ix) perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other applicable law or regulatory authority.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee currently comprises of:

Name	Position in the committee	Designation
Sudhir Jatia	Chairperson	Non-Executive Independent Director
Bijynath	Member	Non-Executive Independent Director
Kapil Mohan Bhutani	Member	Director and Chief Financial & Operations Officer

Our Stakeholders Relationship Committee was formed by a resolution of our Board dated June 16, 2018, in compliance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. The terms of reference of the Stakeholders Relationship Committee include the following:

(i) redressal of all security holders' and investors' grievances including complaints related to general meetings, transfer/transmission of shares, non receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints;.

(ii) giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(iii) overseeing the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services;

(iv) review of adherence to the service standards adopted by our Company in respect of various services being rendered by the registrar and share transfer agent;

(v) review of the various measures and initiatives taken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of our Company; and

(vi) carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or SEBI Listing Regulations, or by any other regulatory authority.

Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee currently comprises of:

Name	Position in the committee	Designation
Anuj Khanna Sohum	Chairperson	Chairman, Managing Director and Chief Executive Officer
Mei Theng Leong	Member	Non-Executive Director
Sumit Mamak Chadha	Member	Non-Executive Independent Director

The CSR Committee was constituted by a resolution of our Board dated June 16, 2018 in compliance with Section 135 of the Companies Act, 2013. The terms of reference of the CSR Committee include the following:

(i) To formulate and recommend to the board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Companies Act, 2013 and make any revisions therein as and when decided by the Board;

(ii) To recommend the amount of expenditure to be incurred on the activities referred to in (a);

(iii) To monitor the Corporate Social Responsibility Policy of the company from time to time;

(iv) To do such other acts, deeds and things as may be required to comply with the applicable laws; and

(v) To perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

IPO Committee

In addition to above committees, our Board has also constituted an IPO Committee pursuant to a resolution dated June 16, 2018, which currently comprises of:

Name	Position in the committee	Designation
Anuj Khanna Sohum	Chairperson	Chairman, Managing Director and Chief Executive Officer
Anuj Kumar	Member	Director and Chief Revenue & Operating Officer
Kapil Mohan Bhutani	Member	Director and Chief Financial & Operations Officer

The terms of reference of the IPO Committee of our Company include the following:

(i) to decide, in consultation with the BRLMs, on the IPO size (including any reservation for employees, and/or any other reservations or firm allotments as may be permitted, green shoe option and/ or any rounding off in the event of any oversubscription), timing, pricing (price band, issue price, including to anchor investors etc.) and all other terms and conditions of the IPO, including the price, premium, discount (as permitted under Applicable Laws) and to make any amendments, modifications, variations or alterations thereto;

(ii) to make applications to the Stock Exchanges for in-principle approval for listing of its equity shares and file such papers and documents, including a copy of the Draft Red Herring Prospectus filed with Securities and Exchange Board of India, as may be required for the purpose;

(iii) to take all actions as may be necessary or authorized, in connection with the Offer for Sale, including taking on record the approval of the Offer for Sale, extending the Bid/Offer period, revision of the Price Band, allow revision of the Offer for Sale portion in case any Selling Shareholder decides to revise it, in accordance with the Applicable Laws;

(iv) to invite the existing shareholders of the Company to participate in the IPO to offer for sale Equity Shares held by them at the same price as in the IPO;

(v) authorisation of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorney, to do such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/transfer of the Equity Shares;

(vi) giving or authorising any concerned person to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time;

(vii) to appoint and enter into arrangements with the BRLMs, underwriters, syndicate members, brokers, advisors, escrow collection banks, registrars, refund banks, public issue account banks, monitoring agency, legal counsel, advertising agencies and any other agencies or persons or intermediaries to the IPO and to negotiate and finalise the terms of their appointment;

(viii) to seek, if required, the consent of the lenders to the Company and/or the lenders to the subsidiaries of the Company, industry data providers, parties with whom the Company has entered into various commercial and other agreements including without limitation customers, suppliers, strategic partners of the Company, any concerned government and regulatory authorities in India or outside India, and any other consent, approval or waiver that may be required in connection with the IPO, if any;

(ix) to approve the list of 'group companies' of the Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, RHP and the Prospectus

(x) to make applications to, seek clarifications and obtain approvals from, if necessary, the RBI, the SEBI or any other statutory or governmental authorities in connection with the IPO and, wherever necessary, incorporate such modifications/ amendments/ alterations/ corrections as may be required in the DRHP, the RHP and the Prospectus;

(xi) to negotiate, finalise, settle, execute and deliver or arrange the delivery of the BRLM's mandate or engagement letter, the offer agreement, registrar agreement, syndicate agreement, underwriting agreement, cash escrow agreement, share escrow agreement and all other documents, deeds, agreements, memorandum of understanding and other instruments whatsoever, including any amendment(s) or addenda thereto, including with respect to the payment of commissions, brokerages and fees, with the BRLMs, registrar to the IPO, legal advisors, auditors, Stock Exchanges and any other agencies/intermediaries in connection with the IPO with the power to authorise one or more officers of the Company to negotiate, execute and deliver all or any of the aforestated documents;

(xii) to open and operate any bank account(s) required of the Company for the purposes of the IPO and the Pre-IPO Placement, including the cash escrow account, the public issue account as may be required;

(xiii) deciding the pricing and all other related matters regarding the Pre-IPO Placement, including the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with applicable laws;

(xiv) approving the DRHP, RHP and the Prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient) and the preliminary and final international wrap for the IPO together with any addenda, corrigenda and supplement thereto as finalised in consultation with the BRLMs, in accordance with all applicable laws, rules, regulations, notifications, circulars, orders and guidelines and take all such actions as may be necessary for filing of these documents including incorporating such alterations/corrections/modifications as may be required by and to submit undertakings/certificates or provide clarifications to SEBI or any other relevant governmental and statutory authority;

(xv) seeking the listing of the Equity Shares on any Indian stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;

(xvi) to issue receipts/allotment letters/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices regulations and applicable law, including listing on one or more Stock Exchanges, with power to authorise one or more officers of the Company to sign all or any of the aforestated documents;

(xvii) to make applications for listing of the Equity Shares on the Stock Exchange for listing of the Equity Shares of the Company and to execute and to deliver or arrange the delivery of necessary documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;

(xviii) accept and appropriate proceeds of the fresh issue in accordance with the applicable laws;

(xix) to do all such deeds and acts as may be required to dematerialise the Equity Shares of the Company and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officers of the Company to execute all or any of the aforestated documents;

(xx) to authorise and approve the incurring of expenditure and payment of fees, commissions, remuneration and expenses in connection with the IPO;

(xxi) to withdraw the DRHP or the RHP or to decide not to proceed with the IPO at any stage in accordance with the SEBI ICDR Regulations and applicable laws;

(xxii) to do all such acts, deeds, matters and things and execute all such other documents, etc. as it may, in consultation with the BRLMs, deem necessary or desirable for the IPO, including without limitation, determining the anchor investor portion and allocation to Anchor Investors, finalizing the basis of allocation and allotment of Equity Shares to the successful allottees and credit of Equity Shares to the demat accounts of the successful allottees in accordance with Applicable Laws and any documents or instruments so executed and delivered or acts and things done or caused to be done by committee shall be conclusive evidence of the authority of the committee in so doing;

(xxiii) to settle all questions, remove any difficulties or doubts that may arise from time to time in regard to the IPO, including with respect to the issue, offer or allotment of the Equity Shares, terms of the IPO, utilisation of the IPO proceeds, appointment of intermediaries for the IPO and such other issues as it may, in its absolute discretion deem fit;

(xxiv) to take such action, give such directions, as may be necessary or desirable as regards the IPO and to do all such acts, matters, deeds and things, including but not limited to the allotment of Equity Shares against the valid applications received in the IPO, as are in the best interests of the Company;

(xxv) to negotiate, finalise, settle, execute and deliver any and all other documents or instruments and doing or causing to be done any and all acts or things as may be deemed necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the IPO. Any documents or instruments so executed and delivered or acts and things done or caused to be done by the Board shall be conclusive evidence of the authority of the Board in so doing; and

(xxvi) to delegate any of the powers mentioned in (i) to (xxv) to such persons as the IPO Committee may deem necessary.

Risk Management Committee

Lastly, our Board has also constituted Risk Management Committee pursuant to a resolution dated June 16, 2018, which currently comprises of:

Name	Position in the committee	Designation
Naresh Chand Gupta	Chairperson	Non-Executive Independent Director
Anuj Khanna Sohum	Member	Chairman, Managing Director and Chief Executive Officer
Anuj Kumar	Member	Director and Chief Revenue & Operating Officer
Charles Yong Jien Foong	Member	Director and Chief Architect & Technology Officer

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

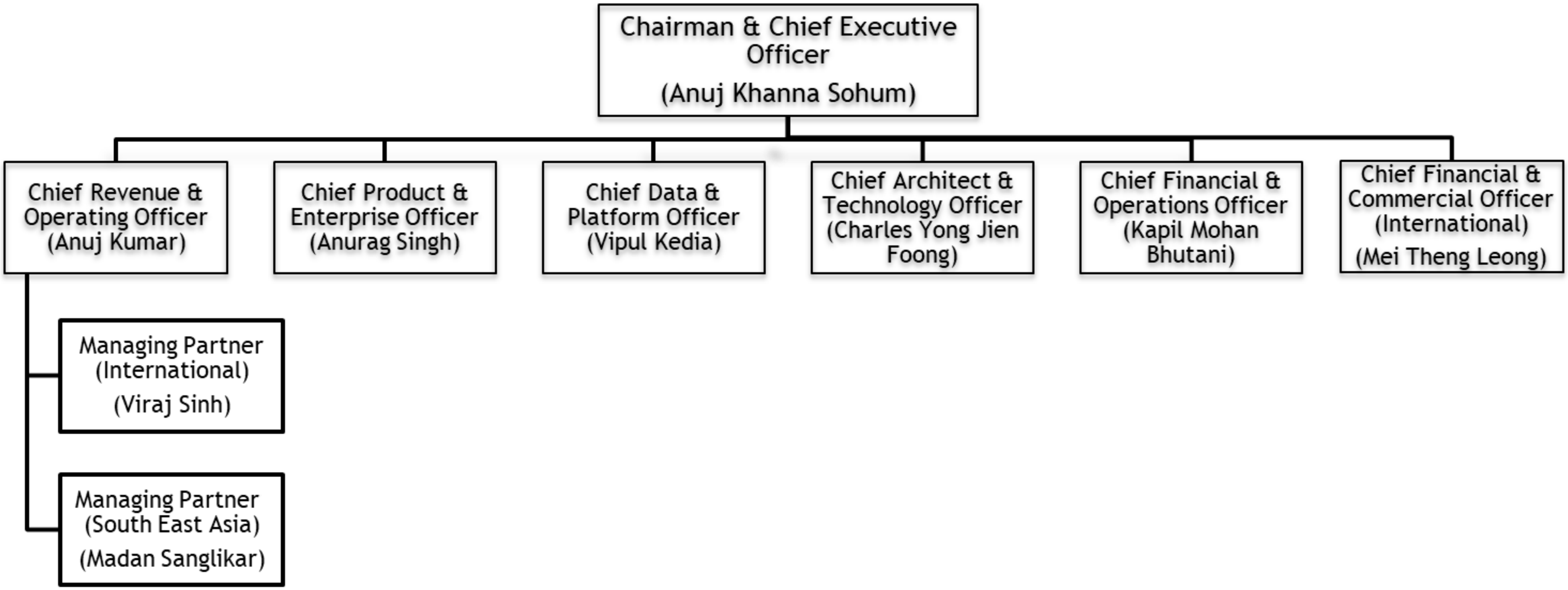
(i) to review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;

(ii) to frame, devise and monitor risk management plan and policy of the Company;

(iii) to review and recommend potential risk involved in any new business plans and processes; and

(iv) to perform such other activities and functions as may be delegated by the Board, specifically covering cyber security, or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority

Management Organisation Structure



Key Management Personnel

The following persons are our Key Management Personnel:

1. Anuj Khanna Sohum, Chairman, Managing Director and Chief Executive Officer
2. Anuj Kumar, Director and Chief Revenue & Operating Officer
3. Kapil Mohan Bhutani, Director and Chief Financial & Operations Officer
4. Anurag Singh, Chief Product & Enterprise Officer
5. Vipul Kedia, Chief Data & Platforms Officer
6. Charles Yong Jien Foong, Director and Chief Architect & Technology Officer
7. Mei Theng Leong, Non-Executive Director and Chief Financial & Commercial Officer, International
8. Viraj Sinh, Managing Partner - International
9. Madan Sanglikar, Managing Partner (South East Asia)
10. Akanksha Gupta, Company Secretary and Compliance Officer

Anuj Khanna Sohum, Chairman, Managing Director and Chief Executive Officer, Anuj Kumar, Director and Chief Revenue & Operating Officer, Kapil Mohan Bhutani, Director and Chief Financial & Operations Officer and Akanksha Gupta, Company Secretary and Compliance Officer, are also Key Management Personnel of our Company as defined in Section 2(51) of the Companies Act, 2013.

Except Charles Yong Jien Foong and Mei Theng Leong, who are the employees of Affle International, and Madan Sanglikar, who is an employee of the Indonesian Subsidiary, all Key Management Personnel are permanent employees of our Company.

Brief profiles of our Key Management Personnel

For a brief profile of Anuj Khanna Sohum, Chairman, Managing Director and Chief Executive Officer, Anuj Kumar, Director and Chief Revenue & Operating Officer, Kapil Mohan Bhutani, Director and Chief Financial & Operations Officer, Charles Yong Jien Foong, Director and Mei Theng Leong, Non-Executive Director see "- *Brief Profiles of our Directors*" above on page 162.

The details of our other Key Management Personnel as of the date of this Draft Red Herring Prospectus are set forth below:

Anurag Singh, is the Chief Product & Enterprise Officer of our Company. He had initially joined our Company in April 2012 and was associated till October 2015. He thereafter re-joined our Company in April 2018. He holds a degree of bachelor of arts (honours) from University of Delhi and master of business administration from the Netherlands Business School of Universiteit Nyenrode. He has over 13 years of experience in services and operations management and has in the past held positions with Bharti Airtel Limited and Buongiorno (Hong Kong) Limited, India branch office. Further, since he was appointed in the present Fiscal Year, no remuneration was paid to him by our Company for Fiscal Year 2018.

Vipul Kedia is the Chief Data & Platforms Officer of our Company. He has been associated with our Company since November 6, 2006. He holds a degree of bachelor of technology in computer science and engineering (honours) from International Institute of Information Technology, Hyderabad and completed a post-graduate programme in management from Indian Institute of Management, Ahmedabad. He has 13 years of professional experience and has in the past been associated with IBM India Private Limited as Consultant. He received a gross remuneration of ₹ 8,884,924 in Fiscal Year 2018, out of which ₹ 6,700,000 pertained to Fiscal Year 2018 and ₹ 2,184,924 pertained to Fiscal Year 2017.

Viraj Sinh, is the Managing Partner - International of our Company. He was earlier part of AD2C India and later joined our company pursuant to 2017 Scheme. He holds a degree of bachelor of arts (honours) from University of Delhi and a degree of master in business administration from Asian Institute of Management. He has over 15 years of experience in business management and sales and has in the past held positions with Reliance Industries Limited, Reliance Webstore Limited, Buongiorno (Hong Kong) Limited, India branch office and Vodafone Essar Limited. He received a gross remuneration of ₹ 11,014,695 in Fiscal Year 2018, out of which ₹ 6,900,000 pertained to Fiscal Year 2018 and ₹ 4,114,695 pertained to Fiscal Year 2017.

Madan Sanglikar is the Managing Partner - South East Asia of our Company. He had joined AD2C India as chief executive officer in 2011 and he was thereafter transferred to our Indonesian Subsidiary. He holds a degree of bachelor of engineering (civil branch) and a degree of master of marketing management from University of Mumbai. He has experience in the field of media and has in the past held the position of principal partner – invention at GroupM Media India Private Limited. No remuneration was paid to him by our Company during the Fiscal Year 2018.

Akanksha Gupta, is the Company Secretary and Compliance Officer of our Company. She has been associated with our Company since January 8, 2018. She holds a bachelor's degree in commerce (honours) from Satyawati College of University of Delhi. She also holds the bachelor's degree in law from Lloyd Law College of Chaudhary Charan Singh University, Meerut and a master's degree in law from Kurukshetra University. She has passed the professional programme examination of Institute of Company Secretaries of India, of which she is now a member. She has over seven years of experience working as Company Secretary and has in the past held such position in Airwil Business Park Private Limited and in the legal and secretarial department of Sandhar Tooling Private Limited. She received a gross remuneration of ₹ 0.33 million during the Fiscal Year 2018.

Relationship among Key Management Personnel

None of our Key Management Personnel are related to each other.

Bonus or profit sharing plan for the Key Management Personnel

There is no profit sharing plan for the Key Management Personnel of the Company.

Shareholding of Key Management Personnel

Other than as disclosed in "- *Shareholding of our Directors*" none of our Key Management Personnel holds any Equity Shares as on the date of this Draft Red Herring Prospectus.

None of our Key Management Personnel hold equity shares in our Subsidiaries as on the date of this Draft Red Herring Prospectus.

Other than as disclosed in "- *Shareholding of our Directors*", certain of our Key Management Personnel, namely Anurag Singh, Madan Sanglikar, Vipul Kedia and Viraj Sinh also hold shares in Affle Holdings, our corporate Promoter. For details see "*Our Promoters and Promoter Group - Capital structure and shareholding pattern*" on page 182.

Service Contracts with Key Management Personnel

Except for terms set forth in the appointment letters, our Key Management Personnel have not entered into any other contractual arrangements with our Company or our Subsidiaries, as the case may be. Our Company has not entered into any service contracts, pursuant to which our Key Management Personnel, are entitled to benefits upon termination of employment.

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company, including Directors or Key Management Personnel, is entitled to any benefit upon termination of employment or superannuation.

Interest of Key Management Personnel

None of our Key Management Personnel have any interest in our Company except to the extent of their shareholding in our Company and certain Subsidiaries, remuneration from our Company and certain Subsidiaries, benefits and reimbursement of expenses incurred by them in the ordinary course of business. For details of interest of Directors who are also KMPs, see "- *Interest of Directors*" on page 166.

No loans have been availed by the Key Management Personnel from our Company.

Contingent and deferred compensation payable to Key Management Personnel

There is no contingent or deferred compensation payable to our Key Management Personnel which does not form part of their remuneration.

Changes in Key Management Personnel during the last three years

Changes in our Key Management Personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

Name	Date of change	Reason
Akanksha Gupta	July 7, 2018	Redesignated as Compliance Officer*
Anuj Khanna Sohum	May 18, 2018	Redesignated as Managing Director and Chief Executive Officer**
Anuj Khanna Sohum	April 1, 2018	Appointment as Managing Director
Anuj Kumar	April 1, 2018	Redesignated as Chief Revenue & Operating Officer***
Kapil Bhutani	April 1, 2018	Redesignated as Chief Financial & Operations Officer***
Charles Yong Jien Foong	April 1, 2018	Redesignated as Chief Architect & Technology Officer in Affle International****
Mei Theng Leong	April 1, 2018	Redesignated as Chief Financial & Commercial Officer, International in Affle International****
Vipul Kedia	April 1, 2018	Redesignated as Chief Data & Platforms Officer***
Viraj Sinh	April 1, 2018	Redesignated as Managing Partner - International***
Anurag Singh	April 1, 2018	Appointment as Chief Product & Enterprise Officer
Madan Sanglikar	April 1, 2018	Redesignated as Managing Partner - South East Asia in Indonesian Subsidiary*****
Akanksha Gupta	January 8, 2018	Appointment as Company Secretary
Khushboo Sachdeva	September 14, 2017	Resignation as Company Secretary

**Pursuant to Board Resolution dated July 14, 2018, Akanksha Gupta was appointed as Compliance Officer in addition to the designation of Company Secretary.*

*** Pursuant to Board Resolution dated May 18, 2018, Anuj Khanna Sohum was appointed as Chief Executive Officer in addition to the designation of Managing Director.*

****Pursuant to respective letters from our Company dated June 28, 2018, Anuj Kumar was redesignated from Managing Director to Chief Revenue & Operating Officer, Kapil Bhutani was redesignated from Executive Director-International Compliance and Enterprise Risk Management to Chief Financial & Operations Officer, Vipul Kedia was redesignated from Managing Partner-Global Delivery & Platforms to Chief Data & Platforms Officer and Viraj Sinh was re- designated from Managing Partner- International Business to Managing Partner-International. Further all such re-designations were effective from April 1, 2018.*

*****Pursuant to respective Affle International letters dated April 30, 2018, Charles Yong Jien Foong was re-designated from Chief Architect to Chief Architect & Technology Officer and Mei Theng Leong was re-designated from Group Finance Director to Chief Financial & Commercial Officer, International.*

******Pursuant to Indonesian Subsidiary letter dated April 30, 2018, Madan Sanglikar was redesignated from Managing Partner for Indonesia & SEA to Managing Partner- South East Asia, with effect from April 1, 2018*

Employee stock option and stock purchase schemes

Our Company does not have an employee stock option or stock purchase scheme.

Payment of non-salary related benefits to officers of our Company

No amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid, other than in the ordinary course of their employment.

Arrangements and understanding with major shareholders, customers, suppliers or others

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Directors or Key Management Personnel have been appointed or selected as a Director or a member of senior management.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

The Promoters of our Company are:

1. Anuj Khanna Sohum; and
2. Affle Holdings.

As on the date of this Draft Red Herring Prospectus, our Promoters hold, in aggregate, 20,270,399* Equity Shares, representing 83.46 % of the issued and paid-up Equity Share capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, see "*Capital Structure – Notes to Capital Structure*" on page 77.

* *Includes 31 Equity Shares held by Anuj Khanna Sohum, in relation to which Affle Holdings is the beneficial owner, and one Equity Share held by Anuj Khanna Sohum, in relation to which Affle Global is the beneficial owner.*

The details of our Promoters are as follows:

1. Anuj Khanna Sohum

Identification Particulars	Details
Voter ID Number	Not Applicable
Driving License Number	S7868854H
Address	283, Ocean Drive #01-05, The Oceanfront @ Sentosa Cove, Singapore, 098 528

Anuj Khanna Sohum, aged 40 years, is the Chairman, Managing Director and Chief Executive Officer of our Company. For his brief profile, see "*Our Management*" on page 160.

We confirm that the PAN, bank account number and passport number of our individual Promoter shall be submitted with the Stock Exchanges at the time of submission of this Draft Red Herring Prospectus.

2. Affle Holdings

Corporate information

Affle Holdings was incorporated on July 16, 2008 under the Companies Act, Chapter 50 of Singapore with the Singapore Registrar of Companies. Its Unique Entity Number is 200813948D and its registered office is situated at 100 Pasir Panjang Road #06-07 100 Pasir Panjang Singapore 118 518.

Affle Holdings is engaged in the business of research and experimental development on IT & product development for mobile software & technology.

Promoters of our corporate Promoter

Our individual Promoter, Anuj Khanna Sohum, is the promoter of Affle Holdings. Further, he also controls Anuj Khanna Investments Pte. Ltd., and FESS OLD NEW Pte. Ltd., the shareholders of Affle Holdings, our corporate Promoter.

Board of directors

The board of directors of Affle Holdings comprises the following persons:

1. Anuj Khanna Sohum
2. Bijynath

3. Richard Alan Humphreys
4. Takayuki Hoshuyama

Capital structure and shareholding pattern

The issued, subscribed and paid-up capital of Affle Holdings is 26,295,716 ordinary shares 4,285,158 compulsorily convertible preference shares.

The shareholding pattern of Affle Holdings Pte. Ltd. is as follows:

Shareholders	**Ordinary shares**	**Preference shares***	**% ownership (fully converted)**
Anuj Khanna Sohum	1,954,501	-	6.29%
Anuj Khanna Investments Pte Ltd	1,650,000	246,750	6.20%
Fess Old New Pte Ltd	8,139,154	-	26.18%
Affle Global Pte Ltd	3,526,556	-	11.34%
Anuj Kumar	280,533	-	0.90%
Anurag Singh	226,045	-	0.73%
Charles Yong Jian Foong	171,218	-	0.55%
Madan Sanglikar	21,454	-	0.07%
Vipul Kedia	20,778	-	0.07%
Viraj Sinh	195,220	-	0.63%
Madhusudana Ramakrishna	772,727	-	2.49%
Richard Alan Humphreys	704,862	242,001	3.14%
Benjamin Fones Tse Min	570,190	-	1.83%
Mandar Anil Chitre	67,393	-	0.22%
Kapil Bhutani	8,635	-	0.03%
Vivek Narayan Gour		26,250	0.09%
Adways Inc.	79,084	-	0.25%
Bennett, Coleman & Co. Limited		1,500,000	5.40%
Centurion Private Equity Ltd	672,000	-	2.16%
D2c Inc.	2,940,047	-	9.46%
Microsoft Global Finance	2,016,000	-	6.48%
Itochu Corporation		1,090,909	3.93%
Madison Communications Pte Ltd		159,750	0.58%
Pi Holdings Limited		210,000	0.76%
Unimedia Inc.	26,888	-	0.09%
Sam Balsara	457,800	18,750	1.54%
Low Check Kian		60,000	0.22%
Loh Kim Guan		60,000	0.22%
John Patrick Baron	141,056	202,249	1.18%
Ashok P Aggarwal		150,000	0.54%
Lee Hsien Yang		60,000	0.22%
Lutz C. Jacob		15,000	0.05%
Six Rivers Group Limited		210,000	0.76%
Sl Ventures Ii, Llc	173,211	-	0.56%
Pang Sheng Dong	347,971	-	1.12%
Rajiv Lochan Gupta	173,490	33,499	0.68%
Zana Asia Fund Limited	416,100	-	1.34%
Mayank Agarwal	4,500	-	0.01%
Graham John Kelly	12,484	-	0.04%
Ludovic Coquelle	50,445	-	0.16%
Liu Song	6,088	-	0.02%
Ian Morrison	5,409	-	0.02%
Alie Tan	5,655	-	0.02%
Alok Pabalkar	116,361	-	0.37%

Shareholders	Ordinary shares	Preference shares*	% ownership (fully converted)
Amit Sharma	7,657	-	0.02%
Aseem Tandon	4,500	-	0.01%
Ng Yew Choong	11,250	-	0.04%
Mr Parijat Mishra	155,940	-	0.50%
Parry Pon Boon San	19,500	-	0.06%
Paul Hidalgo	4,500	-	0.01%
Sankalp Mehrotra	32,806	-	0.11%
Srijon Biswas	4,500	-	0.01%
Sunil Kumar	30,000	-	0.10%
Syeda Rabia Fathima	4,500	-	0.01%
Tan Lay See	25,050	-	0.08%
Venkatraman Dhamodaran	41,658	-	0.13%
Total by Categories	**26,295,716**	**4,285,158**	**100.00%**

**These preference shares will compulsorily convert to ordinary shares of Affle Holdings in the ratio of 1:1.12.*

Financial information

Set forth below is selected financial information about Affle Holdings, based on its financial statements for the last three Fiscals, prepared in accordance with the financial reporting standards in Singapore. For the purpose of translation, for balance sheet items, 1 SGD = ₹ 48.89, ₹ 46.40 and ₹ 48.89 for the Fiscal Years 2018, 2017 and 2016, respectively, and for the statement of profit and loss items, 1 SGD = ₹ 49.51, ₹ 46.39 and ₹ 48.89, for the Fiscal Years 2018, 2017 and 2016, respectively.

Select Income Statement Lines	FY2018		FY2017		FY2016	
	S$'000	₹'million	S$'000	₹'million	S$'000	₹'million
Revenue	35,295	1,747.70	28,175	1,307.26	20,379	996.34
YoY Revenue growth (%)	25.3%		38.3%			
Select Expense Line Items						
Business Development and Marketing Expenses	1,956	96.85	1,236	57.35	753	36.82
Inventory and Data Costs	18,036	893.09	14,452	670.54	11,883	580.97
Salaries and Employee Benefits	5,015	248.33	4,747	220.25	4,538	221.87
Travelling Expenses	246	12.18	264	12.25	348	17.01
Project Development and Service Fees	16	0.79	105	4.87	263	12.86
Professional Fees	777	38.47	930	43.15	625	30.56
Rental on Operating Lease	363	17.97	488	22.64	511	24.98
Other Net Expenses	1,028	50.90	540	25.05	987	48.26
EBITDA	7,858	389.10	5,413	251.15	471	23.03
EBITDA Margin (%)	22.3%	22.3%	19.2%	19.2%	2.3%	2.3%
Depreciation and Amortization	1,805	89.38	1,807	83.84	1,671	81.70
Finance Cost	266	13.17	381	17.68	237	11.59
PBT	5,787	286.55	3,225	149.63	(1,437)	(70.26)
PBT Margin (%)	16.4%	16.4%	11.4%	11.4%	-7.1%	-7.1%

Notes:
No cash outflow on taxes as the company is able to offset any current taxes with the accumulated tax losses
EBITDA has grown at CAGR of 308.5% from FY2016 to FY2018

Select Balance Sheet Lines	FY2018		FY2017		FY2016	
	S$'000	₹'million	S$'000	₹'million	S$'000	₹'million
Assets						
Intangible Assets	6,647	329.14	6,899	320.10	6,627	324.00
Trade Receivables	5,972	295.71	5,956	276.35	3,310	161.83
Cash and Equivalents	10,199	505.02	5,978	277.37	2,547	124.53
Liabilities						
Loans and Borrowings	-	-	2,999	139.15	1,872	91.52
Trade Payables	5,852	289.77	4,577	212.36	5,052	247.00
Total Equity	15,519	768.45	13,390	621.27	8,063	394.21

Definition for specific line items

EBITDA refers to profit before interest, tax, depreciation and amortization expenses.

EBITDA margin is computed by expressing EBITDA as a percentage of revenue for the year.

PBT refers to profit before taxation.

PBT Margin is computed by expressing PBT as a percentage of revenue for the year.

CAGR for EBITDA using the following formula:

$$\left(\frac{\textit{FY 2018's EBIDTA}}{\textit{FY 2016's EBIDTA}}\right)^{\text{(1 divided by no. of years) -1}}$$

Change in control or management in the last three years

There has been no change in control or management of Affle Holdings in the last three years immediately preceding the date of filing this Draft Red Herring Prospectus.

We confirm that the details of the bank account numbers, the company registration number and the addresses of the registrar of companies, as applicable where Affle Holdings is registered shall be submitted with the Stock Exchanges at the time of submission of this Draft Red Herring Prospectus.

Affle Holdings has applied for PAN registration, which is currently pending. Once received, its PAN will be submitted to the Stock Exchanges.

Shareholders Agreement

Our Promoter has entered into a consolidated shareholders' agreement dated November 28, 2014, amended from time to time ("**AHPL SHA**"), with its investors and shareholders. The AHPL SHA sets forth various obligations, rights and liabilities of holders of such ordinary and preference shares with respect to our Promoter and its direct and indirect subsidiaries, including (a) a governance framework, directing the composition of the board of directors of Affle Holdings, board-nomination rights to certain shareholders and the conduct of board meetings; (b) certain actions by our Promoter and its subsidiaries that require majority approval of our Promoter's shareholders; (c) pre-emptive and anti-dilution protections to our Promoter's shareholders in the event it, or its subsidiaries issue new shares; (d) a right of first refusal by our Promoter/ its subsidiaries in the event of any divestment of shares in them by existing shareholders; and (e) provisions governing the establishment of an employee stock option plan by our Promoter. In its meeting on May 10, 2018, the shareholders of our Promoter have unanimously approved an initial public offering by any subsidiary of our Promoters (including, in particular, our Company), authorised all actions, and waived all relevant rights under the AHPL SHA to enable completion of such initial public offering.

Interest of Promoters

Interest of Promoters in the promotion of our Company

Our Promoters are interested in our Company to the extent of their shareholding and the directorship/ employment of our individual Promoter in our Company as well as any dividends declared and remuneration and employment related benefits paid by our Company to them, as applicable. For further details, see *"Capital Structure"* and *"Our Management"* on pages 77 and 160, respectively.

Interest of Promoters in property of our Company

Our Promoters do not have any interest in any property acquired by our Company within two years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as on the date of this Draft Red Herring Prospectus or in any transaction for acquisition of land, construction of buildings and supply of machinery etc.

Interest of Promoters in our Company other than as Promoters

Except as stated in this section and "*Our Business*", "*History and Certain Corporate Matters*", "*Our Management*" and *"Financial Information"* on pages 125, 152, 160 and 193, respectively, our Promoters do not have any interest in our Company other than as promoters.

Common Pursuits of our Promoters

Except as disclosed above, and in the sections "*Our Business*" and "*History and Certain Corporate Matters – Common Pursuits*" on pages 125 and 159, respectively, our Promoters are not involved with any ventures which are in the same line of activity or business as that of our Company.

Payment of amounts or benefits to our Promoters or Promoter Group during the last two years

Except as disclosed in "*– Interest of Promoters*" and "*Our Management*" on pages 185 and 160, no amount or benefit has been paid by our Company to our Promoters or the members of our Promoter Group in the two years preceding the date of this Draft Red Herring Prospectus.

Related Party Transactions

Except as stated in *"Related Party Transactions"* on page 191, our Company has not entered into any related party transactions with our Promoters during the last five Fiscal Years.

Confirmations

Except as stated in "*Our Management*" and "*History and Certain Corporate Matters – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets*" on pages 160 and 156, our Company has not made any payments in cash or shares or otherwise to our Promoters or to firms or companies in which our Promoters are interested as members, directors or promoters. Further, our Promoters have not been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company.

The control of our Company has remained with our Promoters for the five years immediately preceding the date of this Draft Red Herring Prospectus.

Except as disclosed in "*Related Party Transactions*" on page 191, none of our sundry debtors are related to our Promoters in any manner.

Disassociation by Promoters in the Last Three Years

Our Promoters have not disassociated themselves from any venture during the three years preceding the date of filing of this Draft Red Herring Prospectus, except as stated below:

Sr. No.	Name of Venture	Year of disassociation	Reason for disassociation
1.	AD2C Holdings, AD2C India and ATPL	2017	Amalgamation with our Company pursuant to the 2017 Scheme

Promoter Group

(a) Natural Persons

In addition to Anuj Khanna Sohum, our individual Promoter, the natural persons who are part of our Promoter Group (being the immediate relatives of Anuj Khanna Sohum), are as follows:

Sr. No.	Name	Relation with individual Promoters
1.	Gitanjali Khanna Sohum	Spouse
2.	Yogendra Khanna	Father
3.	Sunita Khanna	Mother
4.	Manav Khanna	Brother
5.	Saarth Sohum	Son
6.	Aadya Khanna Sohum	Daughter
7.	Lalit Mohan Goyal	Father of spouse
8.	Neera Goyal	Mother of spouse
9.	Nalin Goyal	Brother of spouse
10.	Aditi Anand	Sister of spouse

(b) Companies and entities

In addition to our Subsidiaries, as listed in "*History and Certain Corporate Matters – Subsidiaries of our Company*" on page 158 and Affle Holdings, our corporate Promoter, the companies and entities that form part of our Promoter Group are as follows:

Sr. No.	Name of Promoter Group Entity
1.	Affle Global
2.	Affle UK
3.	Anuj Khanna Investments Pte. Ltd.
4.	OOO Marketplace Private Limited
5.	FESS OLD NEW Pte. Ltd.
6.	Unnat Plastics India Private Limited

(c) Hindu Undivided Families

The HUFs who are part of our Promoter Group follows:

Sr. No.	Name of Promoter Group Entity
1.	LM Goyal & Sons
2.	Nalin Goyal & Sons
3.	Yogendra Khanna HUF

Note:

1. *As of the date of this Draft Red Herring Prospectus, D2C Inc. ("**D2C**") holds more than 10% of the ordinary share capital of Affle Holdings. However, by virtue of being purely an investor in Affle Holdings, D2C is not being disclosed as an entity forming part of the Promoter Group.*

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group, see "*Capital Structure – Notes to Capital Structure - Shareholding of our Promoters, Promoter Group and directors of our corporate Promoter*" on page 80.

Other Confirmations

Our Promoters (including the person in control of Affle Holdings) and members of our Promoter Group have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them.

Our Promoters, relatives of our Promoters and members of our Promoter Group have not been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters' as defined under the SEBI ICDR Regulations.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

OUR GROUP COMPANIES

As per the requirements of SEBI ICDR Regulations, for the purpose of identification of 'group companies', our Company has considered companies as covered under the applicable accounting standards, being Accounting Standard 18 or Ind AS 24, as applicable (as disclosed in our Restated Financial Statements), or other companies as considered material by our Board.

Pursuant to a resolution of our Board dated July 7, 2018, for the purpose of disclosure in offer documents for the Offer, a company shall be considered material and disclosed as a 'Group Company' if (i) such company is a member of our Promoter Group and our Company has entered into one or more transactions with such company in the most recent Fiscal Year, being Fiscal Year 2018 which, individually or in the aggregate, exceed 10% of the total revenues of our Company for such Fiscal Year; and/or (ii) companies which, subsequent to the date of the last audited financial statements of our Company, would require disclosure in the financial statements of our Company for subsequent periods as entities covered under the Ind AS 24, in addition to/ other than those companies covered under Ind AS 24 in the Restated Financial Statements.

Further, in terms of the aforementioned resolution of our Board, it is clarified that (i) our Subsidiaries, (ii) Affle Holdings, our corporate Promoter, and (iii) any companies which, subsequent to March 31, 2018, have ceased to be related parties of the Company in terms of Ind AS 24 solely on account of there being no significant influence/control over such company in terms of Ind AS 24 (as confirmed by the IPO Committee in a resolution) shall not be considered as 'group companies' for the purpose of disclosure in this Draft Red Herring Prospectus.

Based on the foregoing, our Group Companies are as follows:

(i) Affle Global
(ii) Affle UK

Group Companies

The details of our Group Companies are provided below.

(i) Affle Global Pte. Ltd. ("Affle Global")

Affle Global was incorporated on April 28, 2005 under laws of Singapore. Affle Global is currently engaged in the business of *inter alia*, product development for mobile software and technology and development of software for interactive digital media (except games). Our Promoter, Affle Holdings currently holds 100% of the shareholding of Affle Global.

Interest of the Promoters

Our corporate Promoter, Affle Holdings holds 1,672,067 shares amounting to 100% shareholding of Affle Global. Further, our individual Promoter, Anuj Khanna Sohum is a director on the board of directors of Affle Global. Except for this, none of our Promoters hold any shares or have any other interest in Affle Global.

Financial Information

The following information has been derived from the audited financial statements of Affle Global for the last three audited Fiscal Years, prepared in accordance with the Singapore Financial Reporting Standards.

(₹ in million, unless otherwise stated)

Particulars	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016
Equity Capital#	130.09	726.20	740.80
Reserves and surplus (excluding revaluation reserves)#	141.26	140.89	143.93
Sales and Other Income*	801.52	665.98	44.49

Particulars	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016
Profit/(Loss) after Tax*	120.41	296.12	(80.60)
Basic EPS (in ₹)	72.01	21.15	(5.76)
Diluted EPS (in ₹)	72.01	21.15	(5.76)
Net asset value per share (in ₹)	105.81	17.80	(2.70)

**For the purpose of translation, annual average rate of 1 USD for the Fiscal Years 2018, 2017 and 2016 = ₹ 64.49, ₹ 67.06 and ₹ 65.61, respectively.*

 # For the purpose of translation, closing rates of 1 USD for the Fiscal Years 2018, 2017 and 2016 = ₹ 65.04, ₹ 64.84 and₹ 66.14, respectively.

There are no significant matters reported by the auditors in relation to the aforementioned financial statements.

(ii) Affle Limited ("Affle UK")

Affle UK was incorporated in May 2005 under the Companies Act. Affle UK is currently not engaged in any business activity and it entered into liquidation in April 2017. Our Promoter, Affle Holdings currently holds 100% of the shareholding of Affle UK.

Interest of the Promoters

Our corporate Promoter, Affle Holdings holds 7,000,000 shares amounting to 100% shareholding of Affle UK.

Financial Information

There are no audited financial statements available for Affle UK for the last three fiscal years.

Interest of Group Companies in our Company

(a) ***Business interests***

Effective July 1, 2018, Affle International, one of the Subsidiaries of our Company, acquired Affle Global's platform business. For further details on this acquisition, see "*Our Business*", "*History and Certain Corporate Matters*" and the "*Proforma Financial Statements*" on pages 125, 152 and 194. Apart from this, none of our Group Companies hold any Equity Shares or have any interest in the promotion of our Company or any business interest or other interests in our Company.

(b) ***In the properties acquired or proposed to be acquired by our Company in the past two years preceding the filing of this Draft Red Herring Prospectus with SEBI***

Effective July 1, 2018, Affle International, one of the Subsidiaries of our Company, acquired all of Affle Global's business, intangible assets and all of the equity interests in PT Affle Indonesia. Apart from this, none of our Group Companies is interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Draft Red Herring Prospectus with SEBI. For further details, see "*Our Business*", "*History and Certain Corporate Matters*" and the "*Related Party Transactions*" on pages 125, 152 and 191.

(c) ***In transactions for acquisition of land, construction of building and supply of machinery***

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery by our Company.

Common Pursuits amongst the Group Companies and our Company

Except for Affle Global which is also engaged in product development for mobile technology, there are no common pursuits between any of our Group Companies and our Company. There is no conflict of interest between our Company and Affle Global as effective July 1, 2018, Affle International, one of the Subsidiaries of our Company, acquired all of Affle Global's business, intangible assets and all of the equity interests in PT Affle Indonesia.

Related business transactions within the Group Companies and significance on the financial performance of our Company

See "*Related Party Transactions*" on page 191.

Sale/ Purchase between Group Companies and our Company

None of our Group Companies is involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

Defunct Group Companies

Except for Affle UK, none of our Group Companies are defunct and no application has been made to the registrar of companies for striking off the name of any of our Group Companies during the five years preceding the date of filing of this Draft Red Herring Prospectus with SEBI.

Sick Group Companies

None of our Group Companies fell under the definition of sick industrial companies under erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, nor have they been declared insolvent or bankrupt under the Insolvency and Bankruptcy Code, 2016. Apart from Affle UK, which is currently in the process of being voluntarily liquidated under the laws of United Kingdom, none of our Group Companies are under winding up.

Loss making Group Companies

During the last three fiscal years, Affle Global incurred losses in Fiscal Year 2016. For further details, see "*Risk Factors –Our Group Companies have made losses in the last three years*" on page 38.

Other confirmations

None of our Group Companies is listed or have failed to list on any recognised stock exchange in India or abroad or have made any public or rights issue of securities in preceding three years.

None of our Group Companies have negative net worth.

None of our Group Companies have (a) been debarred from accessing the capital markets for any reasons by the SEBI or any other authorities; (b) been identified as wilful defaulters as defined in the SEBI ICDR Regulations; and (c) committed any violations of securities laws in the past and no proceeding pertaining to such penalties are pending against them.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the Fiscal Years ended March 31, 2018, 2017 and 2016, as per the requirements under Ind Accounting Standard 24 "*Related Party Disclosures*", see *"Financial Statements - Annexure XXXV – Notes to restated summary statements of assets and liabilities, profits and losses and cash flows - 3. Related party disclosures*" from pages 257 to 259.

For details of the related party transactions during the Fiscal Years ended March 31, 2015, and 2014, as per the requirements under the Indian GAAP, see *"Financial Statements - Annexure XXIV – Notes to the Restated Indian GAAP summary Statements – 2. Related party disclosures, as required by notified Accounting Standard 18 – "Related Party Disclosures'*" from pages 308 to 310.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of our Articles of Association and the Companies Act, 2013. The dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the fiscal year, capital requirements, and surpluses, contractual restrictions, liquidity and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

Our Company does not have a formal dividend policy. Further, our Company has not declared any dividends in the last five Fiscal Years.

SECTION V – FINANCIAL INFORMATION

Sr. No.	Particulars	Page
1.	Proforma Financial Statements	194
2.	Restated Ind AS Summary Statements	201
3.	Restated Indian GAAP Summary Statements	283

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PROFORMA FINANCIAL STATEMENTS

Independent Auditors' report on Agreed upon Procedures performed on Unaudited Proforma Combined Financial Information

Date: July 14, 2018

To

The Board of Directors
Affle (India) Limited [formerly known as Affle (India) Private Limited]
312, B-Wing,
Kanakia Wallstreet,
Andheri Kurla Road,
Andheri East Mumbai
Maharashtra-400093

Re: Proposed initial public offering of equity shares of ₹ 10 each ("Equity Shares" and such offer, the "Offer") of Affle (India) Limited [formerly known as Affle (India) Private Limited] (the "Company").

This report has been issued in accordance with the terms of our agreement dated July 12, 2018.

We, **Bansal & Co LLP, Chartered Accountants**, have been engaged to perform agreed upon procedures on unaudited Proforma Combined Financial Information of Affle (India) Limited [formerly known as Affle (India) Private Limited] (the "Company") and Affle Global Pte Ltd ("AGPL") [an undertaking whose platform based business has been acquired by Affle International Pte Limited, a wholly owned subsidiary of the Company] along with AGPL's wholly owned subsidiary in Indonesia, [PT. Affle Indonesia ("PAI")], for the year ended March 31, 2018, prepared by the Management of the Company as detailed in the **Annexure A** (**the** "**Statement**") which is initialed by us for identification only, and report on the exception noted.

Management's responsibility

The Management of the Company is solely responsible for the preparation of the statement in compliance with the applicable accounting requirements of the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act and as detailed in the note 'Basis of Preparation' to the Statement.

The Management of the Company is also responsible for the preparation of the Statement and completeness of information provided in the Statement in compliance with the relevant laws and regulations. This responsibility includes designing, implementing and maintaining the internal controls relevant to the preparation and presentation of the statement.

Our responsibility

Our responsibility is to perform the procedures agreed with you and as enumerated below with respect to unaudited Proforma Combined Financial Information prepared by the Management of the Company and compiled in the Statement and report on the exception noted, if any.

We have conducted our engagement in accordance with the Standard on Related Services (SRS) 4400, "Engagements to Perform Agreed-upon Procedures regarding Financial Information", issued by the Institute of Chartered Accountants of India.

We have performed the following procedures:

a. Read the Statement for the year ended March 31, 2018.

b. Inquired of Executive Director and Chief Finance and Operations Officer and the Compliance Officer of the Company who have responsibility for financial and accounting matters about:-

(i) The basis for their determination of the proforma adjustments; and

(ii) Whether the Statement complies in all material respects with the applicable accounting requirements of the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act.

c. Proved the arithmetic accuracy of the application of the proforma adjustments to the historical amounts in the Statement.

Because the above procedures do not constitute either an audit or a review made in accordance with the generally accepted auditing standards in India, we do not express any assurance on the statement.

Had we performed additional procedures or had we performed an audit or review of the statement in accordance with the generally accepted auditing standards in India, other matters might have come to our attention that would have been reported to you.

Opinion

Based on our aforementioned procedures, and according to the information, explanations & written representation provided to us we hereby report that no exceptions were noted in respect of the procedures performed as stated above.

Restriction on Use

Our report is intended solely for use of the Management for inclusion in the offer document to be filed with SEBI, BSE Limited, the National Stock Exchange of India Limited and Registrar of Companies, in connection with the proposed initial public offering of the Company and is not to be used, referred to or distributed for any other purpose except with our prior consent in writing.

This report relates only to the Unaudited Pro forma Combined Financial information specified above and does not extend to any other financial statements of the Company, taken as a whole.

Sincerely,

For **Bansal & Co LLP**
Chartered Accountants
Firm Registration Number 001113N/N500079

Nisha Aggarwal
Partner
Membership No. 515095

Place: New Delhi

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Unaudited Proforma Condensed Combined Balance Sheet as at March 31, 2018
(Amount in INR million, unless otherwise stated)

	Restated Balance sheet of Affle (India) Limited (Historical)	Affle Global Pte Ltd (Historical)	PT. Affle Indonesia (Historical)	Proforma adjustments: Acquisition adjustments [Note 3a]	Proforma adjustments: Intragroup elimination adjustments [Note 3b]	Proforma adjustments: Total adjustments	Unaudited Proforma Combined financial information as at March 31, 2018
	(A)	**(B)**	**(C)**	**(D)**	**(E)**	**(F=D+E)**	**(G=A+B+C+F)**
ASSETS							
I. Non-current assets							
(a) Property, plant and equipment	3.67	0.59	0.77	(0.59)	-	(0.59)	4.44
(b) Goodwill	59.24	-	-	-	-	-	59.24
(c) Intangible assets (refer Note 3(a)(i))	88.18	122.87	-	-	-	-	211.05
(d) Financial Assets							-
(i) Investments	0.26	48.07	-	(48.07)	-	(48.07)	0.26
(ii) Loans	5.83	-	-	-	-	-	5.83
(e) Deferred tax asset (net)	4.94	-	-	-	-	-	4.94
(f) Other non-current assets	0.05	-	-	-	-	-	0.05
	162.17	**171.53**	**0.77**	**(48.66)**	**-**	**(48.66)**	**285.81**
II. Current assets							
(a) Financial Assets							
(i) Trade receivables	158.23	182.51	16.69	(182.51)	-	(182.51)	174.92
(ii) Cash and cash equivalents	136.71	281.19	44.29	(281.19)	-	(281.19)	181.00
(iii) Other bank balance other than (ii) above	8.20	-	-	-	-	-	8.20
(iv) Loans	1.62	1.30	0.52	(1.30)	-	(1.30)	2.14
(v) Other financial assets	77.29	-	-	-	-	-	77.29
(b) Other current assets	24.35	0.20	0.33	(0.20)	-	(0.20)	24.68
(c) Current tax asset (net)	11.74	-	-	-	-	-	11.74
	418.14	**465.20**	**61.83**	**(465.20)**	**-**	**(465.20)**	**479.97**
Total Assets	**580.31**	**636.73**	**62.60**	**(513.86)**	**-**	**(513.86)**	**765.78**
EQUITY AND LIABILITIES							
EQUITY							
(a) Equity share capital	242.88	130.09	21.52	(151.61)	-	(151.61)	242.88
(b) Other equity							
Capital reserve (refer Note 3(a)(iii))	-	141.54	-	(132.90)	-	(132.90)	8.64
Retained earnings	50.59	(105.50)	(18.42)	105.50	-	105.50	32.17
Capital contribution from parent	8.18	-	-	-	-	-	8.18
Other reserves	-	10.80	-	(10.80)	-	(10.80)	-
	301.65	**176.93**	**3.10**	**(189.81)**	**-**	**(189.81)**	**291.87**
LIABILITIES							
I. Non-current liabilities							
(a) Provisions	11.42	-	-	-	-	-	11.42
	11.42	**-**	**-**	**-**	**-**	**-**	**11.42**
II. Current liabilities							
(a) Financial Liabilities				-			
(i) Trade payables	220.24	64.46	59.50	(64.46)	-	(64.46)	279.74
(ii) Other financial liabilities (refer Note 3(a)(ii))	24.89	395.34	-	(259.59)	-	(259.59)	160.64
(b) Other current liabilities	21.04	-	-	-	-	-	21.04
(c) Provisions	1.07	-	-	-	-	-	1.07
	267.24	**459.80**	**59.50**	**(324.05)**	**-**	**(324.05)**	**462.49**
Total Equity and Liabilities	**580.31**	**636.73**	**62.60**	**(513.86)**	**-**	**(513.86)**	**765.78**

Note: The above statement should be read with notes to unaudited proforma combined financial statements.

For Bansal & Co LLP
Firm's Registration No.: 001113N/N500079
Chartered Accountants

per Nisha Aggarwal
Partner
Membership No.: 515095
Place: Gurugram
Date:

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No. U65990MH1994PTC080451

Anuj Khanna Sohum
Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Gurugram
Date:

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date:

Kapil Mohan Bhutani
Director and Chief Financial Officer
[DIN: 00554760]
Place: Gurugram
Date:

Akanksha Gupta
Company Secretary
Membership No.: 29443
Place: Gurugram
Date:

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Unaudited Proforma Condensed Combined Statement of Profit and Loss for the year ended March 31, 2018
(Amount in INR million, unless otherwise stated)

					Proforma adjustments			
		Restated Statement of Profit and Loss of Affle (India) Limited (Historical)	Affle Global Pte Ltd (Historical)	PT. Affle Indonesia (Historical)	Acquisition adjustments [Note 3a]	Intragroup elimination adjustments [Note 3b]	Total adjustments	Unaudited Proforma Combined financial information for year ended March 31, 2018
		(A)	(B)	(C)	(D)	(E)	(F=D+E)	(G=A+B+C+F)
I	**REVENUE**							
	Revenue from operations	837.56	796.30	103.14	-	(64.52)	(64.52)	1,672.48
	Other income	11.22	5.22	0.37	-	(11.97)	(11.97)	4.84
	Total revenue (I)	**848.78**	**801.52**	**103.51**	**-**	**(76.49)**	**(76.49)**	**1,677.32**
II	**EXPENSES**							
	Inventory and data cost	424.27	410.69	56.58	-	(33.38)	(33.38)	858.16
	Employee benefits expense	159.52	31.73	25.79	-	(39.02)	(39.02)	178.02
	Finance costs	10.78	1.03	0.18	-	-	-	11.99
	Depreciation and amortization expense	32.13	52.63	0.46	-	-	-	85.22
	Other expenses	86.12	82.74	16.50	-	(4.09)	(4.09)	181.27
	Total expenses (II)	**712.82**	**578.82**	**99.51**	**-**	**(76.49)**	**(76.49)**	**1,314.66**
III	**Profit before tax (I-II)**	**135.96**	**222.70**	**4.00**	**-**	**-**	**-**	**362.66**
IV	**Tax expense:**							
	Current tax (refer Note 3(a)(v)	46.20	-	0.95	37.86	-	37.86	85.01
	Deferred tax (credit)/ charge (refer Note 3(a)(v)	1.45	102.29	-	(102.29)	-	(102.29)	1.45
		47.65	**102.29**	**0.95**	**(64.43)**	**-**	**(64.43)**	**86.46**
V	**Profit for the year (III-IV)**	**88.31**	**120.41**	**3.05**	**64.43**	**-**	**64.43**	**276.20**
VI	**Proforma earnings per equity share:**							
	(1) Basic/diluted	3.64						11.37

Note: The above statement should be read with notes to unaudited proforma combined financial statements.

For Bansal & Co LLP
Firm's Registration No.: 001113N/N500079
Chartered Accountants

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No. U65990MH1994PTC080451

per Nisha Aggarwal
Partner
Membership No.: 51509
Place: Gurugram
Date:

Anuj Khanna Sohum
Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Gurugram
Date:

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date:

Kapil Mohan Bhutani
Director and Chief Financial Officer
[DIN: 00554760]
Place: Gurugram
Date:

Akanksha Gupta
Company Secretary
Membership No.: 29443
Place: Gurugram
Date:

1. Background

Affle International Pte. Limited ("Affle International"), a wholly owned subsidiary of Affle (India) Limited (the "Company" or "Affle"), entered into an agreement with Affle Global Pte. Ltd. ("AGPL") on July 01, 2018, pursuant to which Affle International acquired the AGPL's Platform based business ("Platform Business Undertaking") from July 1, 2018 for a consideration of Rs. INR 135.75 million (equivalent to USD 2,087,096 at the exchange rate of USD1= Rs 65.04) (the "Transaction"). The transfer of the business included:

i) Intellectual Properties ("IP") Rights
ii) Business relationship
iii) Technical information including Tech and Data Assets including three US patents
iv) Employees
v) Non- compete
vi) AGPL's Investment in its 100% subsidiary PT Affle Indonesia

Affle and AGPL are subsidiaries of Affle Holdings Pte. Ltd ("AHPL"), a company incorporated in Singapore.

Although proforma financial information giving effect to the Transaction is not required under the Issue of Capital and Disclosure Requirements (ICDR) Regulations, 2009, as amended (the SEBI Regulations"), the Company has presented proforma financial information for illustrative purposes. The unaudited proforma combined balance sheet as at March 31, 2018 gives effect to the Transaction as if it occurred on March 31, 2018. The unaudited proforma combined statement of profit and loss for the year ended March 31, 2018 gives effect to the Transaction as if it occurred on April 1, 2017. Affle and the AGPL are entities under common control and the pooling of interest method as required under Ind AS 103 "Business Combinations" has been used in the preparation of the proforma financial information.

The unaudited proforma combined financial information, because of its nature, addresses a hypothetical situation and therefore does not represent the Company's actual financial position or results.

The assumptions underlying the unaudited adjustments to the proforma combined financial information are described in the accompanying notes.

2. Basis of preparation

Affle prepares its financial statements in accordance with Ind AS. Historical financial information for Affle has been derived without material adjustment from the audited restated financial statements of Affle as at and for the year ended March 31, 2018.

AGPL and PT Affle Indonesia prepare their financial statements in US dollars (USD) and Indonesian rupiah (IDR) respectively in accordance with Financial Reporting Standards in Singapore ("FRSs").

Historical financial information for these entities derived from the audited stand-alone financial statements of the respective entity, translated into Indian rupees as follows:

Balance sheet items:	1 USD = INR 65.04
	1 IDR = INR 0.004720
Statement of profit and loss items:	1 USD = INR 64.49
	1 IDR = INR 0.004775

There were no material differences between the historical financial information prepared in accordance with FRSs and Ind AS.

The historical financial information has been adjusted in the proforma combined financial information to give effect to proforma events that are:

(a) directly attributable to the Transaction and
(b) factually supportable

Affle, AGPL and PT Affle Indonesia are entities under common control and the proforma financial information has been prepared whereby:
(a) The assets and liabilities of AGPL are reflected at their carrying amounts
(b) No adjustments are made to reflect the fair values or recognise any new assets or liabilities. Also, no adjustments are required to harmonise the accounting policies.

The proforma financial information does not represent the Company's actual financial position or results. They also may not be useful in predicting the future financial condition and are results of operations of the combined company.

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(Amount in INR million, unless otherwise stated)

3. Proforma adjustments

The following adjustments have been made to present the unaudited proforma financial information:

a) Acquisition related adjustments:

(i) The assets transferred to Affle on account of acquisition of Platform Business Undertaking of AGPL are as follows:

Particulars	Amount as at March 31, 2018
Intangible assets of AGPL	122.87
Investment in PT Affle Indonesia subsidiary	0.09
Assets acquired	**122.96**

The remaining assets and liabilities of AGPL are not acquired by Affle and hence, have been eliminated as part of acquisition adjustments.

(ii) For Unaudited Proforma Combined Balance Sheet as at March 31, 2018, the purchase consideration amounting to INR 135.75 million which is payable to the shareholders of AGPL at later dates has been added under the head other current financial liabilities.

(iii) The movement in capital reserve

On account of acquisition of the Platform Business Undertaking of AGPL is as follows:

Particulars	Amount as at March 31, 2018
Purchase consideration	135.75
Less: Assets acquired	(122.96)
Sub Total (A)	**12.79**

On account of acquisition of the Investment in PT Affle Indonesia is as follows:

Particulars	Amount as at March 31, 2018
Purchase consideration	0.09
Less: Assets acquired	3.10
	(3.01)
Less: Retained earning (accumulated loss) taken at book value	(18.42)
Sub Total (A)	**(21.43)**
Total Capital Reserve	**(8.64)**

(iv) For Proforma Statement of Profit and Loss for the year ended March 31, 2018, the income and expenses which does not pertain to the Platform Business Undertaking of AGPL acquired by Affle has been netted off.

(v) For Proforma Statement of Profit and Loss for the year ended March 31, 2018, the deferred tax charge of INR 102.29 as per the audited financial statements of AGPL has been reversed, since the deferred tax asset has not been acquired by Affle and the applicable current tax liability of INR 37.86 at the rate of 17% (corporate tax rate in Singapore) has been added under the head current tax expenses.

b) Intragroup elimination adjustments:

For Proforma Statement of Profit and Loss for the year ended March 31, 2018, following inter-company eliminations have been done:

(i) service revenue charged for support and software services by Affle to AGPL has been eliminated.

(ii) service revenue charged for support and Inventory and data cost by AGPL to PT Affle Indonesia has been eliminated.

4. Other than as mentioned above, no additional adjustments have been made to the unaudited proforma balance sheet or the proforma statement of profit and loss to reflect any trading results or other transactions of the Company entered into subsequent to March 31, 2018.

For Bansal & Co LLP
Firm's Registration No.: 001113N/N500079
Chartered Accountants

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No. U65990MH1994PTC080451

per Nisha Aggarwal
Partner
Membership No.: 51509
Place: Gurugram
Date:

Anuj Khanna Sohum
Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Gurugram
Date:

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date:

Kapil Mohan Bhutani
Director and Chief Financial Officer
[DIN: 00554760]
Place: Gurugram
Date:

Akanksha Gupta
Company Secretary
Membership No.: 29443
Place: Gurugram
Date:

FINANCIAL STATEMENTS

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Auditors' Report on the restated summary statements of assets and liabilities as at March 31, 2018, 2017 & 2016, profits and losses, cash flows and changes in equity for each of the years ended March 31, 2018, 2017 and 2016 of Affle (India) Limited (formerly known as Affle (India) Private Limited) (collectively, the "Restated Ind AS Summary Statements")

To
The Board of Directors
Affle (India) Limited
P 601-612, 6th Floor, Tower C, JMD Megapolis,
Sector – 48, Sohna Road, Gurgaon – 122018

Dear Sirs,

1. We have examined the attached Restated Ind AS Summary Statements of Affle (India) Limited (the "Company") (formerly known as Affle (India) Private Limited) as at and for each of the years ended March 31, 2018, 2017 and 2016 annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with its proposed initial public offer ("IPO"). The Restated Ind AS Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

    a. Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act"); and

    b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

Management's Responsibility for the Restated Ind AS Summary Statements

2. The preparation of the Restated Ind AS Summary Statements, which are to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Ind AS Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the ICDR Regulations.

Auditors' Responsibilities

3. We have examined such Restated Ind AS Summary Statements taking into consideration:

    a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated June 8, 2018, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;

    b. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the "Guidance Note"); and

    c. the requirements of Section 26 of the Act and the ICDR Regulations.

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

4. The Company proposes to make an initial public offer which comprises of fresh issue of its equity shares, having a face value of Rs 10 each as well as offer for sale by certain shareholders' existing equity shares of Rs 10 each at such premium arrived at by the book building process (referred to as the 'Issue'), as may be decided by the Company's Board of Directors.

Restated Ind AS Summary Statements as per audited Financial Statements:

5. The Restated Ind AS Summary Statements have been compiled by the management of the Company from:

   a. the audited financial statements of the Company as at and for the year ended March 31, 2018, which were prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules 2015 read with Section 133 of the Act ("Ind AS") and which have been approved by the Board of Directors at their meeting held on June 16, 2018; and

   b. the audited financial statements of the Company as at and for the years ended March 31, 2017 and 2016 prepared in accordance with accounting principles generally accepted in India ("Indian GAAP") at the relevant time which have been approved by the Board of Directors at their meetings held on September 22, 2017 and September 27, 2016, respectively.

6. For the purpose of our examination, we have relied on:

   a. Auditors' Report issued by us dated June 16, 2018 on the Ind AS financial statements of the Company as at and for the year ended March 31, 2018 as referred in Para 5(a) above; and

   b. Auditors' Report issued by us dated September 22, 2017, and June 21, 2016 on the financial statements of the Company as at and for each of the years ended March 31, 2017 and 2016 respectively as referred in Para 5(b) above;

7. Based on our examination, in accordance with the requirements of Section 26 of Part I of Chapter III of the Act, ICDR Regulations and the Guidance Note, we report that we have examined the following summarised financial statements of the Company contained in Restated Ind AS Summary Statements, which as stated in the Annexure V to this report, have been arrived after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI – Statement of Restatement Adjustments to Audited Ind AS Financial Statements, read with paragraph 7(e) below:

   a. The Restated Ind AS Summary Statement of Assets and Liabilities of the Company as at March 31, 2018, 2017 and 2016, as set out in Annexure I to this report;

   b. The Restated Ind AS Summary Statement of Profit and Losses of the Company for each of the years ended March 31, 2018, 2017 and 2016 as set out in Annexure II to this report;

   c. The Restated Ind AS Summary Statement of Cash Flows of the Company for each of the years ended March 31, 2018, 2017 and 2016 as set out in Annexure III to this report;

   d. The Restated Ind AS Statement of Changes in Equity of the Company for each of the years ended March 31, 2018, 2017 and 2016 as set out in Annexure IV to this report; and

   e. Based on the above and according to the information and explanations given to us, we further report that the Restated IND AS Summary Statements of the Company, as attached to this report and as mentioned in paragraphs 7(a) to 7(d) above, read with basis of preparation and respective significant accounting policies given in Annexure V as described in paragraph 1 have been prepared in accordance with the ICDR Regulations and these Restated IND AS Summary Statements:

      i. do not require any adjustments for the changes in accounting policies, as the accounting policies as at and for the year ended March 31, 2018 are materially consistent with the policies adopted as at and for the years ended March 31, 2017 and 2016. Accordingly, no adjustments have been made to the audited financial statements of the respective years presented on account of changes in accounting policies;

ii. have been made after incorporating adjustments and regroupings for the material amounts in the respective financial year to which they relate;

iii. as per requirements of Ind AS, do not contain any extra-ordinary items that need to be disclosed separately in the Restated Ind AS Summary Statements;

iv. there are no qualifications in the auditors' reports on the audited financial statements of the Company as at March 31, 2018, 2017 and 2016 and for each of the years ended March 31, 2018, 2017 and 2016 which require any adjustments to the Restated Ind AS Summary Statements; and

v. Emphasis of Matter included in the auditor's report on the financial statements as at and for the year ended March 31, 2018 which do not require any corrective adjustment in the Restated Ind AS Summary Statements is as follows;

We draw attention to emphasis of matters reported, Note 12 of Annexure XXIX to the accompanying summary statements, which indicate that business combination under common control has been accounted for using purchase method in accordance with previous GAAP as prescribed under court scheme instead of using pooling interest method as prescribed under Ind AS 103 Business Combinations as the approved court scheme will prevail over applicable accounting standard.

Our opinion is not qualified in respect of this matter.

vi. other audit qualifications included in the Annexure to the auditors' report issued under Companies (Auditor's Report) Order, 2016, as applicable, on the financial statements for the years ended March 31, 2018, 2017 and 2016 which do not require any corrective adjustment in the Restated Ind AS Summary Statements, are as follows:

A. As at and for the year ended March 31, 2018

Clause (vii) (a)

Undisputed statutory dues including provident fund, income-tax, sales-tax, customs duty, excise duty, cess have been regularly deposited with the appropriate authorities though there have been significant delays in few cases of service tax and ESI

B. As at and for the year ended March 31, 2017

Clause (vii) (a)

Undisputed statutory dues including provident fund, income-tax, sales-tax, customs duty, excise duty, cess have been regularly deposited with the appropriate authorities though there have been significant delays in few cases of service tax and ESI.

C. As at and for the year ended March 31, 2016

Clause (vii) (a)

Undisputed statutory dues including provident fund, income-tax, service tax, cess and other material statutory dues have not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases.

Clause (ix)

In our opinion and according to the information and explanations given by the management, term loans were applied for the purpose for which loans were obtained, though idle/surplus fund which are not required for immediate utilisation have been gainfully invested in fixed deposit. The Maximum amount of idle/surplus fund invested during the year was Rs 67 Mn of which Rs 27 Mn was outstanding at the end of the year.

8. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2018. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Company as of any date or for any period subsequent to March 31, 2018.

Other Financial Information:

9. At the Company's request, we have also examined the following restated Ind AS financial information proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the years ended March 31, 2018, 2017 and 2016:

    i. Restated Statement of Property, plant and equipment, enclosed as Annexure VII;
    ii. Restated Statement of Other intangible assets, enclosed as Annexure VIII;
    iii. Restated Statement of financial assets, enclosed as Annexure IX;
    iv. Restated Statement of income tax, enclosed as Annexure X;
    v. Restated Statement of Tax Assets (net), enclosed as Annexure XI;
    vi. Restated Statement of Other Assets, enclosed as Annexure XII;
    vii. Restated Statement of Trade Receivables, enclosed as Annexure XIII;
    viii. Restated Statement of Cash and Bank balances, enclosed as Annexure XIV;
    ix. Restated Statement of Share Capital, enclosed as Annexure XV;
    x. Restated Statement of Borrowings, enclosed as Annexure XVI;
    xi. Restated Statement of Provisions, enclosed as Annexure XVII;
    xii. Restated Statement of Financial Liabilities, enclosed as Annexure XVIII;
    xiii. Restated Statement of Other Current Liabilities, enclosed as Annexure XIX;
    xiv. Restated Statement of Revenue from operations, enclosed as Annexure XX;
    xv. Restated Statement of Other Income, enclosed as Annexure XXI;
    xvi. Restated Statement of Employee Benefits Expense, enclosed as Annexure XXII;
    xvii. Restated Statement of Finance Costs, enclosed as Annexure XXIII;
    xviii. Restated Summary of Depreciation and amortization expense, enclosed as Annexure XXIV;
    xix. Restated Statement of Other Expenses, enclosed as Annexure XXV;
    xx. Restated Statement of Components of Other Comprehensive Income, enclosed as Annexure XXVI;
    xxi. Restated Statement of Accounting Ratios, enclosed as Annexure XXVII;
    xxii. Restated Statement of Tax Shelter, enclosed as Annexure XXVIII;
    xxiii. Notes to the Restated Ind AS Summary Statements, enclosed as Annexure XXIX;

10. According to the information and explanations given to us, in our opinion, the Restated Ind AS Summary Statements and the above mentioned restated Ind AS financial information contained in Annexures I to XXIX accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure V, are prepared after making adjustments and regroupings as considered appropriate and disclosed in Annexure VI and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, the ICDR Regulations and the Guidance Note.

11. According to information and explanation given to us in our opinion, the Proforma Ind AS Restated Summary Statements of the Company as at March 31, 2016 and for the year ended March 31, 2016 read with Summary of Significant Accounting Policies disclosed in Annexure V, are prepared after making proforma adjustments as mentioned in Note 1 of Annexure V and have been prepared in accordance with the ICDR Regulations and the Guidance Note.

12. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us nor should this report be construed as a new opinion on any of the financial statements referred to herein.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

14. Our report is intended solely for use of the management for inclusion in the offer document to be filed with SEBI, National Stock Exchange of India Limited and BSE Limited in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Yogesh Midha**
Partner
Membership No: 94941
Place: Gurugram
Date: July 14, 2018

(Amount in INR million, unless otherwise stated)

Annexure I
Restated Ind AS Summary Statement of Assets and Liabilities

Particulars	Annexures	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016 (Proforma)
ASSETS				
I. Non-current assets				
(a) Property, plant and equipment	VII	3.67	3.63	5.48
(b) Capital work-in-progress	VII	-	-	1.26
(c) Goodwill		59.24	59.24	59.24
(c) Other intangible assets	VIII	88.18	80.14	33.06
(d) Intangible assets under development	VIII	-	3.06	39.75
(e) Financial Assets				
(i) Investments	IX(a)	0.26	0.20	-
(ii) Loans	IX(b)	5.83	6.31	6.28
(f) Deferred tax asset (net)	X	4.94	18.96	19.48
(g) Non current tax asset (net)	XI	-	-	3.16
(h) Other non-current assets	XII	0.05	0.32	0.86
Total Non-current assets		**162.17**	**171.86**	**168.57**
II. Current assets				
(a) Financial Assets				
(i) Trade receivables	XIII	158.23	135.30	162.99
(ii) Cash and cash equivalents	XIV	136.71	57.89	78.69
(iii) Other bank balance other than (ii) above	XIV	8.20	29.58	-
(iv) Loans	IX(b)	1.62	0.39	5.34
(v) Other financial assets	IX(c)	77.29	38.93	67.88
(b) Current tax asset (net)	XI	24.35	28.48	25.53
(c) Other current assets	XII	11.74	24.46	30.05
Total Current assets		**418.14**	**315.03**	**370.48**
Total Assets (I+II)		**580.31**	**486.89**	**539.05**
EQUITY AND LIABILITIES				
III. EQUITY				
(a) Equity share capital	XV	242.88	242.88	242.88
(b) Other equity		58.77	(32.57)	(42.43)
		301.65	**210.31**	**200.45**
LIABILITIES				
IV. Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	XVI	-	5.26	40.40
(b) Provisions	XVII	11.42	9.12	9.98
Total Non-current liabilities		**11.42**	**14.38**	**50.38**
V. Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	XVI	-	28.34	-
(ii) Trade payables	XVIII(a)	220.24	160.08	225.76
(iii) Other financial liabilities	XVIII(b)	24.89	59.66	38.27
(b) Provisions	XVII	1.07	1.47	5.19
(c) Other current liabilities	XIX	21.04	12.65	19.00
Total Current liabilities		**267.24**	**262.20**	**288.22**
Total Equity and Liabilities (III+IV+V)		**580.31**	**486.89**	**539.05**

Note:
The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm's Registration No.: 101049W/E300004
Chartered Accountants

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No. U65990MH1994PTC080451

per Yogesh Midha
Partner
Membership No.: 94941
Place: Gurugram
Date:

Anuj Khanna Sohum
Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Gurugram
Date:

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date:

Kapil Mohan Bhutani
Director and Chief Financial Officer
[DIN: 00554760]
Place: Gurugram
Date:

Akanksha Gupta
Company Secretary
Membership No.: 29443
Place: Gurugram
Date:

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure II
Restated Ind AS Summary Statement of Profits and Losses

	Particulars	Annexures	For the years ended March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
I	**REVENUE**				
	Revenue from operations	XX	837.56	656.29	879.71
	Other income	XXI	11.22	11.71	8.80
	Total revenue (I)		**848.78**	**668.00**	**888.51**
II	**EXPENSES**				
	Inventory and data costs		424.27	323.78	517.69
	Employee benefits expense	XXII	159.52	176.23	166.87
	Finance costs	XXIII	10.78	15.86	10.54
	Depreciation and amortization expense	XXIV	32.13	23.07	13.40
	Other expenses	XXV	86.12	121.06	141.42
	Total expenses (II)		**712.82**	**660.00**	**849.92**
III	**Restated profit before tax (I-II)**		**135.96**	**8.00**	**38.59**
IV	**Tax expense:**	X			
	Current tax		46.20	1.82	8.61
	Deferred tax charge [includes adjustment of MAT credit entitlement amounting to INR Nil (March 31, 2017: INR 1.82 million and March 31, 2016: INR 6.73 million)]		1.45	2.88	6.04
V	**Profit for the year (III-IV)**		**88.31**	**3.30**	**23.94**
VI	**Other Comprehensive Income**				
	Items that will not be reclassified to profit or loss in subsequent period				
	Re-measurement gains /(losses) on defined benefit plans	XXVI	(0.12)	4.53	2.40
	Income tax effect		0.04	(1.40)	(0.78)
	Other Comprehensive Income net of tax		**(0.08)**	**3.13**	**1.62**
VII	**Total Comprehensive Income for the year (V + VI)**		**88.23**	**6.43**	**25.56**
VIII	Earnings per equity share:				
	(1) Basic	XXVII	3.64	0.14	0.99
	(2) Diluted	XXVII	3.64	0.14	0.99

Note:
The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm's Registration No.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 94941
Place: Gurugram
Date:

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No. U65990MH1994PTC080451

Anuj Khanna Sohum
Managing Director & Chief Executive Offic
[DIN: 01363666]
Place: Gurugram
Date:

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date:

Kapil Mohan Bhutani
Director and Chief Financial Officer
[DIN: 00554760]
Place: Gurugram
Date:

Akanksha Gupta
Company Secretary
Membership No.: 29443
Place: Gurugram
Date:

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure III
Restated Ind AS Summary Statement of Cash Flows

	Particulars	For the year ended March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
A	**Cash Flow from Operating Activities**			
	Profit Before Tax (as restated)	135.96	8.00	38.59
	Adjustments for :			
	Depreciation and amortization	32.13	23.07	13.40
	Allowance for impairment of trade receivables and unbilled revenue	11.22	11.21	23.27
	Employee stock option compensation cost	3.11	3.43	1.64
	Loss/ (Gain) on Property, plant and equipment and intangible assets (net)	0.06	(0.05)	0.51
	Interest income	(2.10)	(3.90)	(1.89)
	Interest expense	10.24	14.85	10.13
	Unrealised foreign exchange (gain)/ loss	(0.30)	(1.13)	(0.18)
	Advances given written off	0.04	2.10	0.42
	Operating profit before working capital changes	**190.36**	**57.58**	**85.89**
	Change in working capital:			
	Decrease/ (increase) in trade receivables	(32.21)	14.60	50.74
	Decrease/ (increase) in financial assets	(40.84)	35.33	(59.45)
	Decrease/ (increase) in other assets	12.95	4.03	(12.12)
	Increase/ (decrease) in trade payables	60.47	(63.77)	(10.12)
	Increase in other financial liabilities	2.59	22.30	-
	Increase/ (decrease) in other liabilities	8.38	(6.35)	(29.19)
	Increase/ (decrease) in provisions	1.78	(0.05)	5.05
	Cash generated from operations	**203.48**	**63.67**	**30.80**
	Direct taxes paid (net of refunds)	(29.46)	(5.37)	(11.37)
	Net cash generated from operating activities (A)	**174.02**	**58.30**	**19.43**
B	**Cash Flow from Investing Activities:**			
	Purchase of property, plant & equipment, intangible assets including Capital work in progress	(37.25)	(32.30)	(52.84)
	Proceeds from sale of property, plant and equipment and intangible assets	0.04	1.53	0.02
	Purchase of non-current investments	(0.06)	(0.20)	-
	Investments in bank deposits (having original maturity of more than three months)	-	(36.61)	-
	Redemption in bank deposits (having original maturity of more than three months)	21.38	7.03	8.23
	Interest received	1.89	3.54	1.71
	Net cash used in investing activities:	**(14.00)**	**(57.01)**	**(42.88)**

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure III
Restated Ind AS Summary Statement of Cash Flows

	Particulars	For the year ended March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
C	**Cash flow from Financing Activities:**			
	Interest paid	(10.03)	(13.60)	(11.59)
	Proceeds from borrowings	-	28.34	90.00
	Repayment of borrowings	(71.17)	(36.83)	(10.34)
	Net cash generated/(used) from financing activities:	**(81.20)**	**(22.09)**	**68.07**
	Net change in cash and cash equivalents (A+B+C)	78.82	(20.80)	44.62
	Cash and cash equivalents as at the beginning of year	57.89	78.69	34.07
	Cash and cash equivalents as at the end of year	**136.71**	**57.89**	**78.69**
	Components of cash and cash equivalents:			
	Balance with banks			
	On current account	116.36	57.66	50.37
	Deposits with original maturity for less than three months	20.00	-	27.00
	Cash in hand	0.35	0.23	1.32
	Total cash and cash equivalents (Refer Annexure XIV)	**136.71**	**57.89**	**78.69**

The reconciliation between the opening and the closing balances in the balance sheet for liabilities arising from financing activities is as follows:

Particulars	March 31, 2017	Cash flows	Fair value changes	March 31, 2018
Long-term borrowings	42.09	(42.83)	0.74	-
Short-term borrowings	28.34	(28.34)	-	-
Total liabilities from financing activities	**70.43**	**(71.17)**	**0.74**	**-**

Note:
The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm's Registration No.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No.: 94941
Place: Gurugram
Date:

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No. U65990MH1994PTC080451

Anuj Khanna Sohum
Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Gurugram
Date:

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
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Director and Chief Financial Officer
[DIN: 00554760]
Place: Gurugram
Date:

Akanksha Gupta
Company Secretary
Membership No.: 29443
Place: Gurugram
Date:

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure IV
Restated Ind AS Statement of Changes in Equity

Equity Share Capital

Particulars	Number of shares	Amount (Rs.)
Balance as at April 01, 2015 (Proforma)	**24,288,314**	**242.88**
Issued during the year	-	-
Balance as at March 31, 2016 (Proforma)	**24,288,314**	**242.88**
Issued during the year	-	-
Balance as at March 31, 2017	**24,288,314**	**242.88**
Issued during the year	-	-
Balance as at March 31, 2018	**24,288,314**	**242.88**

Other Equity

Particulars	Retained earnings	Share application money pending allotment (Annexure XXIX)	Capital contribution from Parent-Employee Share Based Payment (Annexure XXIX)	Total
As at April 01, 2015 (Proforma)	**(69.63)**	**0.00**	**-**	**(69.63)**
Profit for the year	23.94	-	-	**23.94**
Other comprehensive income	1.62	-	-	**1.62**
Total comprehensive income	**25.56**	-	-	**25.56**
Share based payments (Annexure XXIX)	-	-	1.64	**1.64**
As at March 31, 2016 (Proforma)	**(44.07)**	**0.00**	**1.64**	**(42.43)**
As at April 01, 2016 (Proforma)	**(44.07)**	**0.00**	**1.64**	**(42.43)**
Profit for the year	3.30	-	-	**3.30**
Other comprehensive income	3.13	-	-	**3.13**
Total comprehensive income	**6.43**	**-**	**-**	**6.43**
Written off during the year	-	(0.00)	-	**(0.00)**
Share based payments (Annexure XXIX)	**-**	**-**	3.43	**3.43**
As at March 31, 2017	**(37.64)**	**-**	**5.07**	**(32.57)**
As at April 01, 2017	**(37.64)**	**-**	**5.07**	**(32.57)**
Profit for the year	88.31	-	**-**	**88.31**
Other comprehensive income	(0.08)	-	-	**(0.08)**
	88.23	-	-	**88.23**
Share based payments (Annexure XXIX)	-	-	3.11	**3.11**
As at March 31, 2018	**50.59**	**-**	**8.18**	**58.77**

Notes:

1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm's Registration No.: 101049W/E300004
Chartered Accountants

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No. U65990MH1994PTC080451

per Yogesh Midha
Partner
Membership No.: 94941
Place: Gurugram
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Anuj Khanna Sohum
Managing Director & Chief Executive Officer
[DIN: 01363666]
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Anuj Kumar
Director
[DIN: 01400273]
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Kapil Mohan Bhutani
Director and Chief Financial Officer
[DIN: 00554760]
Place: Gurugram
Date:

Akanksha Gupta
Company Secretary
Membership No.: 29443
Place: Gurugram
Date:

Annexure V
Notes to the Restated IND AS Summary Statements – Accounting Policies

1. CORPORATE INFORMATION

Affle (India) Limited ("the Company"), is a limited Company, domiciled in India, incorporated under the provisions of the Companies Act, 1956, and is a subsidiary of Affle Holdings Pte Ltd. The Company was incorporated on 18 August 1994. The Company is engaged in providing mobile advertisement services through information technology and software development services for mobiles.

The registered office of the Company is situated at 402, 4th Floor, Akruti Orion, Shraddhanand Road, Vile Parle (East), Mumbai, India – 400057. The principal place of business is in Haryana, India.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation of financial statements

The Restated Ind AS Summary Statement of Assets and Liabilities of the Company as at March 31, 2018; 2017 and 2016 and the related Restated Ind AS Summary Statement of Profit and Loss, Restated Ind AS Summary Statement of Changes in Equity and Restated Ind AS Summary Statement of Cash Flows for the years ended March 31, 2018; 2017 and 2016 and accompanying annexures to financial information (hereinafter collectively referred to as "Restated Ind AS Financial Information") have been prepared specifically for inclusion in the draft red herring prospectus to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering ("IPO") through Offer for Sale of its equity shares.

These Restated Ind AS Financial Information have been prepared to comply in all material respects with the requirements of Part I of Chapter III to the Companies Act, 2013 and requirement of Subsection (1) of Section 26 of Chapter III of the Companies Act, 2013, as amended read with rules 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014

These Restated Ind AS Financial Information have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI regulations") as amended from time to time.

The Restated Ind AS Summary Statements have been compiled from:

a) Audited financial statements of the Company as at and for the year ended March 31, 2018 which include the comparative Ind AS financial statements as at and for the year ended March 31, 2017 prepared in accordance with Ind AS notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs ('MCA'); and

b) Proforma Ind AS financial statements ("FS Proforma 2016") as at and for the year ended March 31, 2016. These FS Proforma 2016 have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2016 in accordance with the provisions of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 ("SEBI Circular") and Guidance Note on Reports in Company Prospectuses (Revised 2016) ("Guidance Note").

Annexure V
Notes to the Restated IND AS Summary Statements – Accounting Policies

c) The financial statements as at and for the year ended March 31, 2018 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereof. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements prepared in accordance with Accounting Standards notified under the section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP" or "Indian GAAP") to Ind AS for Shareholders' Fund as at March 31, 2017 and April 01, 2016 and of the profit for the year ended March 31, 2017. Further the Company has also presented a reconciliation of profoma adjustment from previous GAAP to Ind AS for shareholders fund as at April 01, 2015 and of profit for the year ended March 31, 2016.

These financial statements for the year ended March 31, 2018 are Company's first Ind AS financial statements. Refer note 37 'First time adoption of Ind AS' below for the details of first-time adoption exemptions availed by the Company.

For the purpose of Proforma FS 2016 the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e. April 01, 2016) while preparing Proforma Financial Information for the year ended March 31, 2016 and accordingly suitable restatement adjustments in the accounting heads has been made in the Proforma Financial Information. This Proforma Financial Information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2016.

The Financial Information for the year ended 31 March 2018, 2017 and FS Proforma 2016 have been prepared on a historical cost convention, except for certain financial assets and liabilities that have been measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian rupees (INR) and all values are rounded to the nearest millions upto two decimals, except when otherwise stated. Amounts less than INR 1 million has been shown as "0".

The Restated Ind AS Financial information were authorized for issue in accordance with a resolution of the directors on July 14, 2018.

ii) **Business combinations and goodwill**

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment (please refer note 37).

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.
At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Annexure V
Notes to the Restated IND AS Summary Statements – Accounting Policies

a) Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

b) Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

c) Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

d) Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS.

Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any

Annexure V
Notes to the Restated IND AS Summary Statements – Accounting Policies

goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

iii) **Business combinations under common control**

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party both before and after the business combination, and that control is not transitory.

The Company accounts for its business combination under common control using pooling of interest method of accounting as per Appendix C of Ind AS 103. Acquisition related costs are recognized in the statement of profit and loss as incurred. The acquiree’s identifiable assets, liabilities and contingent liabilities that meet the definition for recognition are recognized at their carrying amount at the acquisition date.

Transferor’s reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appear in the financial statements of the transferor.

Acquisition date shall be the beginning of the preceding period in case the common control is established prior to such date. However, if business combination had occurred after such date, the acquisition date shall be considered only from that date.

iv) **Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

v) **Property, plant and equipment**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are capitalized on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss on the date of disposal or retirement.

vi) **Depreciation on property, plant and equipment**

Depreciation on property, plant and equipment is calculated on a pro-rata basis from the date on which the asset is ready to use, using written down value method ("WDV") over the useful lives of the assets estimated by the management, which are in line with the useful lives prescribed under Schedule II to the Companies Act, 2013.

The Company has used the following rates to provide depreciation on its property, plant and equipment:

Asset Category	Useful lives estimated by management
Computers	3 years
Office equipments	5 years
Furniture and fixtures	10 years
Motor vehicles	8 years

The residual value of these assets has been considered at 5% of original cost to the Company.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

vii) **Intangible assets**

On transition to Ind AS, the Company has elected to continue with the carrying value of its intangible asset recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible asset.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each

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of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

A summary of amortization periods applied to the Company's intangible assets is as below:

Asset Category	Useful lives estimated by management
Computer software	5 years
Mobile application	4 years

viii) **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

ix) **Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Where the Company is the lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

x) **Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

xi) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A ‘debt instrument’ is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most applicable to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (“EIR”) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A ‘debt instrument’ is classified as at the FVTOCI if both of the following criteria are met:

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a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss (P&L). Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value. All changes in fair value including dividend are recognized in the statement of profit and loss.

Derecognition

A financial asset is de-recognised only when

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of

the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head other expenses in the statement of profit and loss. For the financial assets measured as at amortized cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

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Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include borrowings, trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 14.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

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xii) **Fair value measurement**

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management or its expert verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

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xiii) **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria discussed below must also be met before revenue is recognised:

Advertisement

Revenue from rendering of advertisement services is recognized on accrual basis as and when services are rendered. The Company collects taxes on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Software development

Revenue from software development comprises income from time & material and fixed price contracts. Revenue with respect to time & material contracts is recognized when the related services are performed. Revenue from fixed price contracts is recognised over the life of the contract using the percentage-of-completion method, with contract costs determining the degree of completion. Losses on such contracts are recognised when probable. Revenue in excess of billings is recognised as unbilled revenue in the balance sheet; to the extent billings are in excess of revenue recognised, the excess is reported as unearned and deferred revenue in the balance sheet.

The Company collects taxes on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Interest

For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

xiv) **Foreign currencies**

Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

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Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

xv) **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure in the statement of profit and loss, when an employee renders the related service.

The Company operates an unfunded defined benefit gratuity plan for its employees. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end, using the projected unit credit method and charged to statement of profit and loss. Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

xvi) **Taxes**

Income tax expense comprises current and deferred tax.

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Current tax

Current income-tax assets and liabilities is measured at the amount expected to be recovered from or paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets 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 utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Moreover, deferred tax is recognised on temporary differences arising on investments in branches unless the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) credit is recognized as deferred asset only when it is probable that taxable profit will be available against which the credit can be utilized. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss account. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer probable that the Company will pay normal income tax during the specified period.

xvii) **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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.

xviii) **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 resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

xix) **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

xx) **Share based payments**

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

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Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest.

No expense is recognised for awards that do not ultimately vest because service conditions have not been met.

xxi) **Earnings per share**

Basic earnings per share (EPS) are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit or loss attributable to equity holders of the Company (after adjusting the corresponding income/charge for dilutive potential equity shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

xxii) **Segment reporting**

Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

Inter-segment transfers

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

xxiii) **Recent accounting pronouncements issued but not yet effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Ind AS 115 *Revenue from Contracts with Customers*

Revenue from contracts with customers outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most current revenue recognition guidance. The core principle for the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the company expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively including service revenues and contract modifications and improve guidance for multiple-element arrangements. The new standard will come into effect for the annual reporting periods beginning on or after April 1, 2018.

The Company is evaluating the requirements of the new standard and the effect on the financial statements is expected to be insignificant.

Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealized Losses

The amendments clarify that an entity needs to consider whether the tax laws restrict the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery for some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose the fact.

These amendments are effective for annual periods beginning on or after April 1, 2018. These amendments are not expected to have any impact on the Company as the Company has no deductible temporary differences or assets that are in the scope of the amendments.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset,

Annexure V
Notes to the Restated IND AS Summary Statements – Accounting Policies

expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the entity first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Company's current practice is in line with the interpretation, the Company does not expect any effect on its financial statements.

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure VI
Part A: Statement of Restated Adjustments to Audited Ind AS Financial statements

The summary of results of restatement made in the audited Previous GAAP financials statements for the respective years and its impact on the profit of the Company is as follows:

Particulars	Notes	For the year ended		
		March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Net profit as per audited financial statements*		88.31	6.12	23.92
Restatement adjustments				
a. Material items relating to previous years				
Liabilities written back	1	-	(4.08)	(0.43)
Tax pertaining to previous years	2	-	-	0.48
Tax impact of restatement adjustments		-	1.26	(0.02)
Restated profit after tax		**88.31**	**3.30**	**23.94**

*Net profit for the year has been arrived after making Ind AS adjustments to the audited previous GAAP financials

Notes:

1 For the year ended March 31, 2018, March 31, 2017 and March 31, 2016 (Proforma), the Company reversed certain liabilities which were considered as no longer payable and recognized as "Other Income". Since these were relating to earlier years, the reversal has now been reflected in the respective years in which the liability has been created.

2 For the year ended March 31, 2016 (Proforma), the Company recognised the additional tax amount which was pertaining to previous year. As these were relating to the earlier years, the same has been accounted for in the financial year for which the amount relates to.

Part B: Non Adjusting Events

Audit qualifications for the respective years, which do not require any adjustments in the restated financial information are as follows:

1 Annexure to auditor's report for the financial year ended March 31, 2018
Clause (vii) (a)
Undisputed statutory dues including provident fund, income-tax, sales-tax, customs duty, excise duty, cess have been regularly deposited with the appropriate authorities though there have been significant delays in few cases of service tax and ESI.

2 Annexure to auditor's report for the financial year ended March 31, 2017
Clause (vii) (a)
Undisputed statutory dues including provident fund, income-tax, sales-tax, customs duty, excise duty, cess have been regularly deposited with the appropriate authorities though there have been significant delays in few cases of service tax and ESI.

3 Annexure to auditor's report for the financial year ended March 31, 2016
(i) Clause (vii) (a)
Undisputed statutory dues including provident fund, income-tax, sales-tax, customs duty, excise duty, cess have been regularly deposited with the appropriate authorities though there have been significant delays in few cases of service tax and ESI.

(ii) Clause (ix)
In our opinion and according to the information and explanations given by the management, term loans were applied for the purpose for which loans were obtained, though idle/surplus fund which are not required for immediate utilisation have been gainfully invested in fixed deposit. The Maximum amount of idle/surplus fund invested during the year was Rs 67 million of which Rs 27 million was outstanding at the end of the year.

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure VII
Restated Ind AS Statement of Property, plant and equipment

Particulars	Computers	Furniture & fixtures	Office equipments	Motor Vehicles	Total	Capital Work in Progress
Cost						
As at April 1, 2015 (Proforma)	**4.75**	**-**	**1.18**	**1.14**	**7.07**	-
Additions	2.63	-	0.84	-	**3.47**	1.26
Disposals	-	-	-	0.53	**0.53**	-
As at March 31, 2016 (Proforma)	**7.38**	**-**	**2.02**	**0.61**	**10.01**	**1.26**
As at April 1, 2016 (Proforma)	**3.69**	**-**	**1.44**	**0.35**	**5.48**	**1.26**
Additions	0.21	1.53	0.13	-	**1.87**	-
Disposals	0.20	-	0.02	-	**0.22**	-
Capitalised	-	-	-	-	**-**	**1.26**
As at March 31, 2017	**3.70**	**1.53**	**1.55**	**0.35**	**7.13**	**-**
Additions	0.37	-	-	1.60	**1.97**	-
Disposals	2.14	-	-	-	**2.14**	-
As at March 31, 2018	**1.93**	**1.53**	**1.55**	**1.95**	**6.96**	**-**
Accumulated Depreciation						
As at April 1, 2015 (Proforma)	-	-	-	-	**-**	-
Charge for the year	3.69	-	0.58	0.26	**4.53**	
Deductions					**-**	
As at March 31, 2016 (Proforma)	**3.69**	**-**	**0.58**	**0.26**	**4.53**	**-**
As at April 1, 2016 (Proforma)	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	2.21	0.48	0.69	0.12	**3.50**	-
Deductions	-	-	-	-	**-**	-
As at March 31, 2017	**2.21**	**0.48**	**0.69**	**0.12**	**3.50**	**-**
Charge for the year	0.71	0.34	0.38	0.40	**1.83**	-
Deductions	2.04	-	-	-	**2.04**	-
As at March 31, 2018	**0.88**	**0.82**	**1.07**	**0.52**	**3.29**	**-**
					-	
Net block					**-**	
As at March 31, 2018	**1.05**	**0.71**	**0.48**	**1.43**	**3.67**	**-**
As at March 31, 2017	**1.49**	**1.05**	**0.86**	**0.23**	**3.63**	**-**
As at March 31, 2016 (Proforma)	**3.69**	**-**	**1.44**	**0.35**	**5.48**	**1.26**

Notes:
1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure VIII
Restated Ind AS Statement of Other Intangible Assets

Particulars	Computer Software	Software application development	Total	Intangible assets under development
Gross block				
As at April 1, 2015 (Proforma)	**22.84**	**28.74**	**51.58**	**7.98**
Additions	1.12	15.43	**16.55**	39.75
Disposals	-	-	-	-
Capitalised	-	-	-	7.98
As at March 31, 2016 (Proforma)	**23.96**	**44.17**	**68.13**	**39.75**
Additions	0.34	66.31	**66.65**	-
Disposals	-	-	-	-
Capitalised	-	-	-	36.69
As at March 31, 2017	**24.30**	**110.48**	**134.78**	**3.06**
Additions	0.42	37.92	**38.34**	-
Disposals	-	-	-	-
				3.06
As at March 31, 2018	**24.72**	**148.40**	**173.12**	-
Accumulated Amortisation				
As at April 1, 2015 (Proforma)	21.94	4.26	26.20	-
Charge for the year	0.27	8.60	**8.87**	-
Disposals	-	-	-	-
As at March 31, 2016 (Proforma)	**22.21**	**12.86**	**35.07**	-
Charge for the year	0.45	19.12	**19.57**	-
Disposals	-	-	-	-
As at March 31, 2017	**22.66**	**31.98**	**54.64**	-
Charge for the year	0.70	29.60	**30.30**	-
Disposals	-	-	-	-
As at March 31, 2018	**23.36**	**61.58**	**84.94**	-
Net block				
As at March 31, 2018	**1.36**	**86.82**	**88.18**	-
As at March 31, 2017	**1.64**	**78.50**	**80.14**	**3.06**
As at March 31, 2016 (Proforma)	**1.75**	**31.31**	**33.06**	**39.75**

Notes:
1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

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(Amount in INR million, unless otherwise stated)

Annexure IX
Restated Ind AS Statement of Financial assets

IX(a) Non-current investments

	As at		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Investment at fair value through profit or loss (FVTPL)			
101 (March 31, 2017: 101 and March 31, 2016: Nil) preference shares with face value of Rs. 10 each and with premium of Rs. 1,972 each in OOO Marketplaces Private Limited	0.20	0.20	-
50 (March 31, 2017: Nil and March 31, 2016: Nil) equity shares with face value of Rs. 10 each and with premium of Rs. 1,219 each in OOO Marketplaces Private Limited	0.06	-	-
	0.26	**0.20**	**-**
Aggregate amount of unquoted investments	0.26	0.20	-
Aggregate amount of impairment in the value of investments	-	-	-

IX(b) Loans

	Non-current			Current		
	As at			As at		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016 (Proforma)**
At amortised cost						
Security deposits						
Secured, considered good	5.83	6.31	6.28	0.98	-	5.08
Loans to employees						
Unsecured, considered good	-	-	-	0.64	0.39	0.26
Total	**5.83**	**6.31**	**6.28**	**1.62**	**0.39**	**5.34**

IX(c) Other current financial assets

	As at		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
At amortised cost			
Unsecured, considered good unless otherwise stated			
Interest accrued but not due on deposit	0.10	0.07	0.66
Unbilled revenue [net of allowance for impairment amounting to Rs. 3.91 million (March 31, 2017: Rs. 1.97 million and March 31, 2016: Rs. 3.06 million)]	77.19	38.85	60.51
Advances to related parties (Refer Annexure XXIX)	-	-	6.71
Other financial assets	-	0.01	-
Total	**77.29**	**38.93**	**67.88**

Notes:

1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.
3. There are no loans and advances to Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors.
4. List of persons /entities classified as 'promotors' and 'promotor group companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether the list is accurate and complete.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure X
Restated Ind AS Statement of Income Tax

The major component of income tax expense are as follows:

Restated Ind AS Statement of Profit and Loss:

(i) Profit or loss section

	For the year ended		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Current income tax:			
Current income tax charge	46.20	1.82	8.61
Deferred tax:			
Relating to origination and reversal of temporary differences	1.45	2.88	6.04
	47.65	**4.70**	**14.65**

(ii) Other Comprehensive Income (OCI) section:

Deferred tax relating to items in OCI in the year:

	For the year ended		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Net (loss) /gain on measurement of defined benefit plans	(0.04)	1.40	0.78
	(0.04)	**1.40**	**0.78**

Reconciliation of tax expense and the accounting profit multiplied by the applicable tax rate(s):

	For the year ended		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Accounting profit before income tax	135.96	8.00	38.59
At India's statutory income tax rate of 34.61% (March 31, 2017: 30.90% and March 31, 2016: 32.45%)	47.05	2.47	12.54
Share based payment	1.08	1.06	0.53
Non-deductible expenses for tax purposes	0.44	0.39	1.58
Rate difference	(0.92)	0.78	-
At the effective income tax rate of 35.05% (March 31, 2017: 58.75% and March 31, 2016: 37.96%)	**47.65**	**4.70**	**14.65**
Income tax expense reported in the restated Ind AS statement of profit and loss	**47.65**	**4.70**	**14.65**

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(Amount in INR million, unless otherwise stated)

Annexure X
Restated Ind AS Statement of Income Tax

Deferred tax:

Deferred tax relates to the following:

	Balance sheet		
	As at		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Fixed assets: impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	2.40	0.49	1.66
Impact of fair valuation of financial instruments	0.01	(0.21)	(0.77)
Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	4.27	3.05	3.32
Allowance for impairment of trade receivables and unbilled revenue	10.11	8.05	8.22
Losses available for offsetting against future taxable income	-	2.98	4.82
Tax deductible goodwill	(11.85)	(8.01)	(4.81)
MAT credit entitlement	-	12.61	7.04
Deferred tax asset (net)	**4.94**	**18.96**	**19.48**

Reconciliation of deferred tax asset (net):

	As at		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Opening balance	18.96	19.48	30.20
Tax income/(expense) during the period recognised in profit or loss	(1.45)	(2.88)	(6.04)
Tax income/(expense) during the period recognised in OCI	0.04	(1.40)	(0.78)
MAT credit entitlement	(12.61)	3.76	(3.89)
Closing balance of deferred tax asset (net)	**4.94**	**18.96**	**19.49**

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

In assessing the realisibility of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that the Company will be able to realise the benefits of those deductible differences in future.

Notes:

1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XI
Restated Ind AS Statement of Tax Assets (net)

	Non-current			Current		
	As at			As at		
	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Advance tax [net of provision for tax amounting to Rs. 43.83 million (March 31, 2017: Rs. 9.88 million and March 31, 2016: Rs. 8.71 million)	-	-	3.16	24.35	28.48	24.31
TDS Refundable	-	-	-	-	-	1.22
Total	**-**	**-**	**3.16**	**24.35**	**28.48**	**25.53**

Notes:
1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XII
Restated Ind AS Statement of Other Assets

	Non-current			Current		
	As at			As at		
	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Unsecured, considered good						
Prepaid expenses	-	-	-	0.11	1.16	1.80
Deferred lease expense on security deposits paid	0.05	0.32	0.86	0.38	0.49	0.89
Balance with statutory/government authorities	-	-	-	6.62	16.16	23.10
Advances other than capital advances						
Unsecured, considered good	-	-	-	4.63	6.65	4.26
Total	**0.05**	**0.32**	**0.86**	**11.74**	**24.46**	**30.05**

Notes:
1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

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(Amount in INR million, unless otherwise stated)

Annexure XIII
Restated Ind AS Statement of Trade Receivables

	As at		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Unsecured, considered good			
Trade receivables from related parties (Refer Annexure XXIX)	4.26	46.23	23.30
Trade receivables from other than related parties	153.97	89.07	139.69
	158.23	**135.30**	**162.99**
Unsecured, considered doubtful			
Trade receivables from other than related parties	25.30	24.09	22.27
	25.30	**24.09**	**22.27**
Allowance for impairment of trade receivables	(25.30)	(24.09)	(22.27)
	158.23	**135.30**	**162.99**

The movement in allowance for impairment of trade receivables is as follows:

	For the year ended		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Opening balance	24.09	22.27	18.99
Additions	11.22	11.21	23.27
Bad debts written off (net of recovery)	(10.01)	(9.39)	(19.99)
Closing balance	**25.30**	**24.09**	**22.27**

Notes:

1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.
3. Trade receivables are non-interest bearing and are generally on credit terms of 30 to 90 days. For terms and conditions relating to related party receivables, refer Annexure XXIX.
4. Following are the amounts due from directors/promotors/promotor group companies/relatives of promotors/relatives of directors:

	As at		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
NewU Health and Fitness Platform Pvt Ltd	0.35	0.35	0.81
Total	**0.35**	**0.35**	**0.81**

5. List of persons /entities classified as 'promotors' and 'promotor group companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether the list is accurate and complete.

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XIV
Restated Ind AS Statement of Cash and Bank Balances

	As at		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
(i) Cash and Cash Equivalents			
Balances with banks:			
On current accounts (including in-transit amount of Rs. 41.66 million)	116.36	57.66	50.37
Deposits with original maturity for less than three months	20.00	-	27.00
Cash on hand	0.35	0.23	1.32
Total	**136.71**	**57.89**	**78.69**
(ii) Other bank balances			
Deposits with original maturity for more than three months but less than twelve months	8.20	29.58	-
	8.20	**29.58**	**-**

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

	As at		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Balances with banks:			
On current accounts (including in-transit amount of Rs. 41.66 million)	116.36	57.66	50.37
Deposits with original maturity for less than three months	20.00	-	27.00
Cash on hand	0.35	0.23	1.32
Total	**136.71**	**57.89**	**78.69**

The details of specified bank notes held and transacted during the period November 8, 2016 to December 30, 2016 are provided below:-

Particulars	**Specified bank notes**	**Other denomination notes**	**Total**
Closing cash in hand as at November 8, 2016	0.92	0.15	**1.07**
(+) Permitted receipts	-	0.20	0.20
(-) Permitted payments	-	0.20	0.20
(-) Amount deposited in banks	0.92	-	0.92
Closing cash in hand as at December 30, 2016	**-**	**0.15**	**0.15**

Notes:

1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XV
Restated Ind AS Statement of Share Capital

Particulars	**As at March 31, 2018**	**March 31, 2017**	**March 31, 2016 (Proforma)**
Authorised share capital			
25,000,000 (March 31, 2017: 25,000,000 and March 31, 2016: 25,000,000) equity shares of Rs. 10 each	250.00	250.00	250.00
Issued share capital			
24,288,314 (March 31, 2017: 24,288,314 and March 31, 2016: 24,288,314) equity shares of Rs. 10 each fully paid up	242.88	242.88	242.88
	242.88	**242.88**	**242.88**
Subscribed and fully paid-up share capital			
24,288,314 (March 31, 2017: 24,288,314 and March 31, 2016: 24,288,314) equity shares of Rs. 10 each fully paid up	242.88	242.88	242.88
	242.88	**242.88**	**242.88**

A. Reconciliation of the number of equity shares outstanding at the beginning and end of the year

Particulars	**As at March 31, 2018**		**March 31, 2017**		**March 31, 2016 (Proforma)**	
	No. of shares	**Amt**	**No. of shares**	**Amt**	**No. of shares**	**Amt**
Opening balance	24,288,314	242.88	24,288,314	242.88	24,288,314	242.88
Shares issued	-	-	-	-	-	-
Shares bought back	-	-	-	-	-	-
Closing Balance	**24,288,314**	**242.88**	**24,288,314**	**242.88**	**24,288,314**	**242.88**

B. Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. The holders of equity shares are entitled to receive dividends and are entitled to one vote per share. In the event of liquidation, equity shareholders will be entitled to receive assets of the Company in proportion to the number of shares held to the total equity shares outstanding as on that date.

C. Shares held by Holding Company and/or their subsidiaries

Out of the equity shares issued by the Company, shares held by its Holding Company and its subsidiaries are as below:

	As at March 31, 2018	**March 31, 2017**	**March 31, 2016**
Affle Holdings Pte Limited, Singapore, ultimate holding Company			
20,270,367 (March 31, 2017: 20,270,367 and March 31, 2016: 20,270,367) equity shares of Rs. 10 each fully paid up	202.70	202.70	202.70
Affle Limited, United Kingdom, subsidiary of Affle Holdings Pte Limited			
Nil (March 31, 2017: 3,474,480 and March 31, 2016: 3,474,480) equity shares of Rs. 10 each fully paid up	-	34.74	34.74
Affle Global Pte Limited (earlier known as Affle Appstudioz Pte Ltd) , Singapore, subsidiary of Affle Holdings Pte Limited			
4,017,913 (March 31, 2017: 543,433 and March 31, 2016: 543,433) equity shares of Rs. 10 each fully paid up	40.18	5.43	5.43

D. Details of shareholders holdings more than 5% shares

Name of Shareholder	**As at March 31, 2018**		**As at March 31, 2017**		**As at March 31, 2016**	
	Number of shares held	**Percentage of Holding**	**Number of shares held**	**Percentage of Holding**	**Number of shares held**	**Percentage of Holding**
Equity shares of Rs. 10 each fully paid						
Affle Holdings Pte Limited, Singapore	20,270,367	83.46%	20,270,367	83.46%	20,270,367	83.46%
Affle Limited, United Kingdom	-	-	3,474,480	14.31%	3,474,480	14.31%
Affle Global Pte Limited, Singapore	4,017,913	16.54%	-		-	-

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes:
1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XVI
Restated Ind AS Statement of Borrowings

	Non-Current			Current		
	As at			As at		
	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Term loan from financial institution (Secured)*	-	5.26	40.40	-	36.83	36.83
Less: Amount disclosed under the head 'Other current financial liabilities'	-	-	-	-	(36.83)	(36.83)
Cash credit facility from bank (Secured)	-	-	-	-	28.34	-
Total	**-**	**5.26**	**40.40**	**-**	**28.34**	**-**

*Details on analysis of borrowings i.e. interest rate, currency and terms of repayments of borrowings:

Particulars	Currency	Effective interest rate	Terms of repayment
Term loan from Innoven Capital India Pvt Ltd.	INR	19.39%	Fixed equal principal amount of INR 2.07 million is payable along with the interest on a monthly basis, for a period of 30 months starting from October 1, 2015
Term loan from Innoven Capital India Pvt Ltd.	INR	19.51%	Fixed equal principal amount of INR 1 million is payable along with the interest on a monthly basis, for a period of 30 months starting from April 1, 2016
Cash credit facility from HDFC Bank	INR	11.25%	Interest is payable on monthly basis

Notes:
1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.
3. Term loan is secured by hypothecation of trade receivables. Cash credit facility has a pari pasu charge on receivables and book debts of present and future.
4. There are no unsecured loans taken from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors.
5. List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the auditors. The auditors have not performed any procedures to determine whether the list is accurate and complete.

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Affle (India) Limited (Formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XVII
Restated Ind AS Statement of Provisions

	Non-Current			Current		
	As at			As at		
	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Provision for employee benefits						
Provision for gratuity (Refer Annexure XXIX)	8.83	6.98	9.98	0.62	0.50	0.39
Provision for leave benefits	2.59	2.14	-	0.30	0.25	3.75
Total (A)	**11.42**	**9.12**	**9.98**	**0.92**	**0.75**	**4.14**
Other provisions						
Provision for contingency (Refer Annexure XXIX)	-	-	-	0.15	0.72	1.05
Total (B)	**-**	**-**	**-**	**0.15**	**0.72**	**1.05**
Total (A+ B)	**11.42**	**9.12**	**9.98**	**1.07**	**1.47**	**5.19**

Movement in provision for contingency

	For the year ended		
	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
At the beginning of the year	0.72	1.05	2.44
Write off/utilized during the year	(0.57)	(0.33)	(1.39)
At the end of the year	**0.15**	**0.72**	**1.05**

Notes:
1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XVIII
Restated Ind AS Statement of Financial Liabilities

XVIII(a) Trade Payables

	As at		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Current			
Trade payables - dues of micro small and small enterprises	-	-	-
Trade payables - others*	220.24	160.08	225.76
TOTAL	**220.24**	**160.08**	**225.76**

*There is no amount due to related parties as at March 31, 2018 (March 31, 2017 : Nil and March 31, 2016: Nil).

XVIII(b) Other current financial liabilities

	As at		
Current	**March 31, 2018**	**March 31, 2017**	**March 31, 2016 (Proforma)**
At amortised cost			
Current maturities of long term borrowings	-	36.83	36.83
Interest accrued but not due on borrowings	-	0.53	0.97
Salary payable	24.89	19.57	-
Capital creditors	-	-	0.47
Others	-	2.73	-
Total	**24.89**	**59.66**	**38.27**

Terms and conditions of the above financial liabilities:

-Trade payables are non-interest bearing and are normally settled on 60-day terms

-For terms and conditions with related parties, refer annexure XXIX

Notes:

1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.
3. There are no amounts due to Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors.
4. List of persons /entities classified as 'promotors' and 'promotor group companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether the list is accurate and complete.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XIX
Restated Ind AS Statement of Other Current Liabilities

	As at		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Statutory dues payable	17.62	11.61	14.66
Advance from customers	3.42	-	4.34
Deferred revenue	-	1.04	-
Total	**21.04**	**12.65**	**19.00**

Notes:

1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XX
Restated Ind AS Statement of Revenue from Operations

	For the year ended		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Sale of services			
Consumer platform	769.40	529.81	742.24
Enterprise platform	68.16	126.48	137.47
Total	**837.56**	**656.29**	**879.71**

Notes:

1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Profits and Losses of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXI
Restated Ind AS Statement of Other Income

	For the year ended		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Recurring other income:			
Interest income on financial assets measured at amortised cost:			
Bank deposits	1.92	1.84	0.98
Security deposits	0.18	0.95	0.41
Interest income on income-tax refunds	-	1.11	0.50
Bad debts recovered	0.30	1.23	2.31
Infrastructure support services	7.62	5.66	4.39
Non-recurring other income:			
Gain on disposal of property, plants and equipment and intangible assets (net)	-	0.05	-
Miscellaneous income	1.20	0.87	0.21
	11.22	**11.71**	**8.80**

Notes:

1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Profits and Losses of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

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(Amount in INR million, unless otherwise stated)

Annexure XXII
Restated Ind AS Statement of Employee Benefits Expense

	For the year ended		
	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Salaries, wages and bonus	170.26	185.46	192.14
Contribution to provident and other funds	5.29	5.94	6.09
Gratuity expense (Refer Annexure XXIX(2))	2.51	2.56	4.63
Employee share based payment expense	3.11	3.43	1.64
Staff welfare expenses	2.88	2.91	5.51
	184.05	**200.30**	**210.01**
Less: Cost capitalised as intangible assets or intangible assets under development (Refer Annexure XXIX)	(24.53)	(24.07)	(43.14)
			-
	159.52	**176.23**	**166.87**

Annexure XXIII
Restated Ind AS Statement of Finance Costs

	For the year ended		
	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Interest on borrowings	8.84	13.34	3.97
Interest on income tax	1.40	1.51	6.16
Bank charges	0.41	0.37	0.41
Others	0.13	0.64	-
	10.78	**15.86**	**10.54**

Annexure XXIV
Restated Ind AS Statement of Depreciation and Amortization Expense

	For the year ended		
	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Depreciation of property, plant and equipments (Annexure VII)	1.83	3.50	4.53
Amortisation of intangible assets (Annexure VIII)	30.30	19.57	8.87
	32.13	**23.07**	**13.40**

Notes:
1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Profits and Losses of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXV
Restated Ind AS Statement of Other Expenses

	For the year ended		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Power and fuel	0.59	1.37	4.61
Rent	13.34	19.29	20.14
Rates and taxes	1.02	4.37	2.43
Insurance	0.83	1.52	0.37
Repair and maintenance - Others	4.58	6.96	2.64
Legal and professional fees (including payment to statutory auditor, refer detail below)*	7.12	14.75	17.66
Travelling and conveyance	9.33	11.37	10.90
Communication costs	1.36	2.74	4.70
Infrastructure support services	-	-	4.39
Printing and stationery	0.40	0.59	0.92
Recruitment expenses	0.25	0.54	1.02
Business promotion	32.15	36.63	31.48
Impairment allowance of trade receivables and unbilled revenue	11.22	11.21	23.27
Advances given written off	0.04	2.10	0.42
Loss on disposal of property, plants and equipment and intangible assets (net)	0.06	-	0.51
Exchange differences (net)	0.45	2.03	4.00
Software license fee	8.89	3.78	-
Project development expenses	0.55	2.95	9.98
Office expenses	-	-	2.44
Security charges	-	-	1.57
Miscellaneous expenses	4.27	4.43	2.00
Less: Cost capitalised as intangible assets or intangible assets under development (Refer Annexure XXIX)	(10.33)	(5.57)	(4.03)
	86.12	**121.06**	**141.42**

	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
***Payment to statutory auditor:**			
As auditors:			
Audit fee	2.25	1.20	2.90
In other capacity			
Reimbursement of expenses	0.20	0.27	0.26
	2.45	**1.47**	**3.16**

Notes:
1. The figures disclosed above are based on the Restated Ind AS Summary Statement of Profits and Losses of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXVI
Restated Ind AS Statement of Components of Other Comprehensive Income

The disaggregation of changes to other comprehensive income by each type of reserve in equity is shown below:

	As at		
	March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
Re-measurement gains/ (losses) on defined benefit plans	(0.12)	4.53	2.40
Income tax effect	0.04	(1.40)	(0.78)
	(0.08)	**3.13**	**1.62**

Notes:
1. The figures disclosed above are based on the Restated Ind AS Summary Statements of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXVII
Restated Ind AS Statement of Accounting Ratios

		As at		
		March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
A	Restated Net Worth (Rs. in million)	301.65	210.31	200.45
B	Restated Net profit after tax attributable to equity shareholders (Rs. in million)	88.31	3.30	23.94
	Weighted average number of equity shares outstanding during the year			
C	For basic earnings per share	24.29	24.29	24.29
D	For diluted earnings per share	24.29	24.29	24.29
E	Number of shares outstanding at the end of the year	24.29	24.29	24.29
F	Restated basic earnings per share (B/C)	3.64	0.14	0.99
G	Restated diluted earnings per share (B/D)	3.64	0.14	0.99
H	Return on net worth (%) (B/A)	29.28%	1.57%	11.94%
I	Net assets value per equity share (A/E)	12.42	8.66	8.25

Notes:

1. The figures disclosed above are based on the Restated Ind AS Summary Statements of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

3. The ratio has been computed as below:

$$\text{Basic earnings per share} = \frac{\text{Restated Net profit after tax}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Diluted earnings per share} = \frac{\text{Restated Net profit after tax}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Return on net worth (\%)} = \frac{\text{Restated Net profit after tax}}{\text{Restated Net Worth}}$$

$$\text{Net assets value per share (Rs.)} = \frac{\text{Restated Net Worth}}{\text{Number of equity shares as at the year end}}$$

4. Earnings per share (EPS) calculation is in accordance with Ind-AS 33 - Earning per share.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXVIII
Restated Ind AS Statement of Tax Shelter

		As at		
		March 31, 2018	**March 31, 2017**	**March 31, 2016 (Proforma)**
A	Restated Profit before tax	135.96	8.00	38.59
B	Tax rate - statutory rate	34.61%	30.90%	30.90%
	Tax as per actual rate on profits (C = A*B)	47.06	2.47	11.92
	Permanent differences			
	Share based payment	3.11	3.43	1.64
	Interest on late deposit of taxes	1.26	0.40	1.11
	Stamp duty and ROC fee increase in authorised share capital	-	0.86	-
	Other expenses disallowed as per Income Tax Act, 1961	-	-	(2.07)
	Total Permanent differences (D)	**4.37**	**4.69**	**0.68**
	Timing difference			
	Difference between book depreciation (restated) and tax depreciation	(3.46)	(18.14)	(14.57)
	Provision for employee benefit expenses - Disallowance of Gratuity under Section 40A(7) and leave encashment, bonus and other disallowed under section 43B of Income-tax Act, 1961 (net)	2.35	0.75	4.18
	Impairment allowance of trade receivables and unbilled revenue	3.16	2.66	10.34
	Unabsorbed depreciation and carried forward losses	(9.64)	(3.65)	(36.72)
	Restatement adjustments	-	4.08	0.43
	Other deductions	0.72	1.63	(2.93)
	Total Timing difference (E)	**(6.87)**	**(12.67)**	**(39.27)**
	Total adjustments (F = D+E)	(2.50)	(7.98)	(38.59)
	Tax expense/ (saving) on adjustments (G=F*B)	(0.86)	(2.47)	(11.92)
	Current Tax (H)	46.20	-	-
	Calculation of MAT			
	Taxable income (Book Profits) as per MAT (I)	174.90	9.57	42.21
	MAT rate % (J)	21.34%	19.06%	20.39%
	Tax liability as per MAT (K=I*J)	37.33	1.82	8.61
	Current tax (higher of H or K)	46.20	1.82	8.61
	Deferred tax charge for the year	1.45	2.88	6.04
	Total tax expenses	**47.65**	**4.70**	**14.65**
	As per restated financial statement			
	Current tax	46.20	1.82	8.61
	Deferred tax	1.45	2.88	6.04
	Total tax expense as per the restated financials	**47.65**	**4.70**	**14.65**

Notes:

1. The aforesaid statement of Tax Shelter has been prepared as per the Restated Ind AS Summary Statement of Profits and Losses of the Company.

2. The aforesaid statement of Tax Shelter should be read with the Notes to the Restated Ind AS Summary Statements - Accounting Policies- Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements- Annexure VI.

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Annexure XXIX
Notes to Restated Ind AS Summary Statement

1. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements
In the process of applying the Company's accounting policies, management has not made any significant judgement, which have the most significant effect on the amounts recognised in the financial statements.

Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Impairment of non-financial assets
Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash flow ("DCF") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company has not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Company. Refer Note 12 of Annexure XXIX for further disclosures.

(b) Allowance for impairment of trade receivables
Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience adjusted for forward-looking estimates. Individual trade receivables are written off when management deems them not to be collectible. For details of allowance for doubtful debts please refer Annexure XIII.

(c) Income taxes
Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised based on the timing, likely and the level of future taxable profits together with future tax planning strategies. Refer Annexure X for further disclosures.

(d) Defined benefit plans (gratuity benefits)
The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India. Further details about gratuity obligations are given in Note 2 of Annexure XXIX.

(e) Share-based payments
The grant date fair value of employee stock options granted is recognised as an employee expense over the period that the employee becomes unconditionally entitled to the options. Estimating fair value for the share-based transactions require determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based transactions are disclosed in Note 10 of Annexure XXIX.

(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

2. Employee Benefits

A. Defined Contribution Plans

Provident Fund:
The Company makes contribution towards employees' provident fund. The Company has recognised Rs. 5.29 million (March 31, 2017: Rs. 5.94 million and March 31, 2016: Rs. 6.09 million) as an expense towards contribution to this plan.

B. Defined Benefit Plans

Gratuity:
The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

This is a unfunded benefit plan for qualifying employees.The scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and other comprehensive income and amounts recognised in the balance sheet for the gratuity plan:

Changes in the present value of the defined benefit obligation are, as follows:

Particulars	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Balance as at the beginning of the year	7.48	9.89	8.78
Current service cost	1.95	1.82	3.44
Interest cost	0.56	0.74	0.70
Benefits paid	(0.66)	(0.44)	(0.63)
Re-measurement (gains)/losses on obligation	0.12	(4.53)	(2.40)
Balance as at the end of the year	**9.45**	**7.48**	**9.89**

Amount recognised in the restated Ind AS summary statement of profit and loss:

Particulars	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Current service cost	1.95	1.82	3.44
Interest cost	0.56	0.74	0.70
Net expense recognised in the restated Ind AS summary statement of profit and loss	**2.51**	**2.56**	**4.14**

Amount recognised in other comprehensive income:

Particulars	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Re-measurement (gains)/losses on arising from change in demographic assumption	-	-	-
Re-measurement (gains)/losses on arising from change in financial assumption	-	-	-
Re-measurement (gains)/losses on on arising from experience adjustment	0.12	(4.53)	(2.40)
Net expense recognised in other comprehensive income	**0.12**	**(4.53)**	**(2.40)**

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Notes to Restated Ind AS Summary Statement

2. Employee Benefits

The principal actuarial assumptions used in determining gratuity liability for the Company's plan is shown below:

Particulars	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Discount rate	7.50%	7.50%	8.00%
Future salary increase	8.00%	8.00%	10.00%
Withdrawal rate (per annum)			
- Up to 30 years	20.00%	20.00%	20.00%
- From 31 years to 44 years	10.00%	10.00%	10.00%
- From 44 years to 58 years	0.00%	0.00%	0.00%
Retirement age (years)	58	58	58
Mortality rates inclusive of provision for disability	100% of IALM (2006 - 08)	100% of IALM (2006 - 08)	100% of IALM (2006 - 08)

The discount rate is based on the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligations. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Present Value of Obligation at the end of the period	9.45	7.48	9.89
Impact of the change in discount rate			
Impact due to increase of 0.50 %	(0.50)	(0.40)	(2.40)
Impact due to decrease of 0.50 %	0.55	0.44	(1.29)
Impact of the change in salary rate			
Impact due to increase of 0.50 %	0.55	0.43	(1.30)
Impact due to decrease of 0.50 %	(0.50)	(0.40)	(2.39)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on define benefit obligation as a result of reasonable changes in key assumptions occurring at the end of reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Within the next 12 months (next annual reporting period)	0.62	0.50	0.39
Between 2 and 5 years	2.75	1.98	0.60
Between 5 and 10 years	6.08	5.00	8.90
Total expected payments	**9.45**	**7.48**	**9.89**

The average duration of the defined benefit plan obligation at the end of the reporting period is 8.22 years (March 31, 2017: 7.89 years and March 31, 2016: 17.97 years).

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Notes to Restated Ind AS Summary Statement

3. Commitments

a. Leases

Operating lease : Company as lessee
The Company has taken office premises on lease. The lease has been entered for a period of five/nine years with renewal option after the initial three years of the lease. The Company has the option, under some of its leases, to renew the lease for an additional period of 3 years on a mutual consent basis. The lease payments amounting to INR 13.34 million (March 31, 2017: Rs. 19.29 million and March 31, 2016: Rs. 20.14 million) has been charged to the statement of profit and loss.

Future minimum rentals payable under the operating lease is as follows:

Particulars	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Within one year	10.80	11.33	12.52
After one year but not more than five years	1.36	9.44	9.84

b. Capital commitments

As at March 31, 2018, the Company has commitments on capital account and not provided for (net of advances) is Rs. 6.63 million (March 31, 2017: Rs. 6.30 million and March 31, 2016: Rs. 14.00 million).

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
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Notes to Restated Ind AS Summary Statement

4. Related Party Disclosures

(i) Names of related parties and related party relationship

S.No.	Relationship	Name of the related party
(i)	Holding company	Affle Holdings Pte Ltd. Singapore
(ii)	Fellow subsidiaries	Affle Limited, United Kingdom Affle Global Pte Limited (earlier known as Affle Appstudioz Pte. Ltd., Singapore
(iii)	Enterprises owned or significantly influenced by key management personnel or their relatives	NewU Health and Fitness Platform Private Limited
(iv)	Key management personnel	Anuj Kumar (Managing director) Anuj Khanna Sohum (Director) Madan Balasaheb Sanglikar (Director) [till February 07, 2017] Kapil Mohan Bhutani (Director) [w.e.f. September 30, 2017] Hoshuyama Takayuki (Director) [till February 07, 2017] Anurag Singh (Director) [till October 31, 2015] Amit Sharma (Director) [till September 30, 2015] Khushboo Sachdeva (Company Secretary) [till September 18, 2017] Akanksha Gupta (Company Secretary) [w.e.f. January 8, 2018]

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
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Annexure XXIX
Notes to Restated Ind AS Summary Statement

4. Related Party Disclosures

(ii) The following table provides the total value of transactions that have been entered into with related parties for the relevant financial year:

Particulars	Holding company			Fellow subsidiaries			Enterprises owned or significantly influenced by key management personnel or their relatives		
	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Rendering of service									
Affle Global Pte Ltd	-	-	-	38.76	62.39	56.61	-	-	-
NewU Health and Fitness Platform Pvt Ltd	-	-	-	-	-	-	-	0.18	1.87
Reimbursement of expenses to the Company									
Affle Holdings Pte Ltd	-	6.86	6.15	-	-	-	-	-	-
Affle Global Pte Ltd	-	-	-	30.88	20.30	-	-	-	-
Reimbursement of expenses by the Company	-	-	-	-	-	-	-	-	-
Affle Global Pte Ltd	-	-	-	9.64	2.88	-	-	-	-
Indemnification asset derecognised									
Affle Holdings Pte Ltd	-	-	1.70	-	-	-	-	-	-

Transaction with Key Management Personnel

Particulars	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Expenses incurred by related party on behalf of the Company			
Amit Sharma	-	-	2.40
Compensation paid*:			
Anuj Kumar			
Short-term employee benefits	10.50	8.92	7.78
Kapil Mohan Bhutani (w.e.f. September 30, 2017)			
Short-term employee benefits	2.86	-	-
Share based payments	0.08	-	-
Khushboo Sachdeva (till September 14, 2017)			
Short-term employee benefits	0.28	0.49	0.36
Akanksha Gupta (w.e.f. January 8, 2018)			
Short-term employee benefits	0.18	-	-
Amit Sharma			
Short-term employee benefits	-	-	2.37
Share based payments	-	-	0.06
Anurag Singh			
Short-term employee benefits	-	-	3.67

* The remuneration to the key management personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

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Notes to Restated Ind AS Summary Statement

4. Related Party Disclosures

(iii) Balances as at the year end

Particulars	Holding company			Fellow subsidiaries			Enterprises owned or significantly influenced by key management personnel or their relatives		
	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Trade receivables									
Affle Global Pte Ltd	-	-	-	3.91	45.39	22.48	-	-	-
Affle Holdings Pte Ltd	-	0.49	-	-	-	-	-	-	-
NewU Health and Fitness Platform Pvt Ltd	-	-	-	-	-	-	0.35	0.35	0.81
Other current assets									
Affle Holdings Pte Ltd	-	-	6.71	-	-	-	-	-	-
Share application money pending allotment									
Affle Holdings Pte Ltd	-	-	0.00	-	-	-	-	-	-
Affle Global Pte Ltd	-	-	-	-	-	0.00	-	-	-

Particulars	Key management personnel		
	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
Payable to key management personnel			
Amit Sharma	-	-	2.84
Anuj Kumar	-	0.01	0.04
Anurag Singh	-	-	0.01
Madan Balasaheb Sanglikar	-	-	-
Akanksha Gupta	0.00	-	-

(i) No amount has been written off or written back in the year in respect of debts due from/to above related parties.

Terms and conditions of transactions with related parties
The sale and purchase from related parties are made on terms equivalent to those that prevail in arm's length transaction. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2017: Nil and March 31, 2016: Nil). This assessment in undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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Notes to Restated Ind AS Summary Statement

5. Segment Information

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services, geographic areas, and major customers.

The Chief Operating Decision Maker (CODM) being the Board of Directors (Board) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to advertisement and software development segment.

The "Consumer platform" segment provides mobile advertisement services to its customers and is a reseller of advertisement space for online publishing companies.

The "Enterprise platform" segment provides customized mobile app development services.

Transfer prices between the operating segments are set at cost plus appropriate margins. Segment revenue, segment expenses and segment result include transfers between operating segments. Those transfers are eliminated in total revenue/expense/result.

The accounting principles used in preparation of the financial statements are consistently applied to record revenue and expenditure in segment information, and are as set out in the significant accounting policies.

The summary of the segmental information for the year ended and as at March 31, 2018 is as follows:

Particulars	Consumer platform	Enterprise platform	Elimination	Total
Income				
Revenue from external customers	769.40	68.16	-	837.56
Inter segment revenue	-	-	-	-
Other income	7.62	-	-	7.62
Total income (A)	**777.02**	**68.16**	**-**	**845.18**
Expenses				
Inventory and data costs	424.27	-	-	424.27
Employee benefits expenses	108.12	51.40	-	159.52
Depreciation and amortisation expenses	32.13	-	-	32.13
Finance cost	10.78	-	-	10.78
Other expenses	75.15	10.97	-	86.12
Total expenses (B)	**650.45**	**62.37**	**-**	**712.82**
Segment profit (A-B)				**132.36**

Particulars	Consumer platform	Enterprise platform	Total
Segment assets	225.63	9.79	235.42
Total assets	**225.63**	**9.79**	**235.42**
Segment liabilities	21.98	15.40	37.38
Total liabilities	**21.98**	**15.40**	**37.38**
Capital expenditure:			
Property, plant and equipment	1.97	-	1.97
Intangible assets	38.34	-	38.34
Depreciation and amortisation expenses	32.13	-	32.13
Other non-cash expenses	4.52	0.21	4.73

The summary of the segmental information for the year ended and as at March 31, 2017 is as follows:

Particulars	Consumer platform	Enterprise platform	Elimination	Total
Income				
Revenue from external customers	529.81	126.48	-	656.29
Inter segment revenue	-	2.47	(2.47)	-
Other income	5.66	-	-	5.66
Total income (A)	**535.47**	**128.95**	**(2.47)**	**661.95**
Expenses				
Inventory and data costs	323.78	-	-	323.78
Employee benefits expenses	98.24	79.42	(1.43)	176.23
Depreciation and amortisation expenses	20.83	2.24	-	23.07
Finance cost	15.06	0.80	-	15.86
Other expenses	88.01	33.70	(0.65)	121.06
Total expenses (B)	**545.92**	**116.16**	**(2.08)**	**660.00**
Segment profit (A-B)				**1.95**

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Notes to Restated Ind AS Summary Statement

5. Segment Information

Particulars	Consumer platform	Enterprise platform	Total
Segment assets	142.03	32.11	174.15
Total assets	**142.03**	**32.11**	**174.15**
Segment liabilities	89.13	14.72	103.85
Total liabilities	**89.13**	**14.72**	**103.85**
Capital expenditure:			
Property, plant and equipment	1.77	0.10	1.87
Intangible assets	66.65	-	66.65
Depreciation and amortisation expenses	20.83	2.24	23.07
Other non-cash expenses	0.85	3.95	4.80

The summary of the segmental information for the year ended and as at March 31, 2016 is as follows:

Particulars	Consumer platform	Enterprise platform	Elimination	Total
Income				
Revenue from external customers	742.24	137.47	-	879.71
Inter segment revenue	-	9.88	(9.88)	-
Other income	4.39	-	-	4.39
Total income (A)	**746.63**	**147.35**	**(9.88)**	**884.10**
Expenses				
Inventory and data costs	517.69	-	-	517.69
Employee benefits expenses	72.79	102.41	(8.33)	166.87
Depreciation and amortisation expenses	10.65	2.75	-	13.40
Finance cost	8.67	1.87	-	10.54
Other expenses	89.25	52.17	-	141.42
Total expenses (B)	**699.05**	**159.20**	**(8.33)**	**849.92**
Segment profit (A-B)				34.18

Particulars	Consumer platform	Enterprise platform	Total
Segment assets	187.45	37.31	224.76
Total assets	**187.45**	**37.31**	**224.76**
Segment liabilities	86.79	7.05	93.84
Total liabilities	**86.79**	**7.05**	**93.84**
Capital expenditure:			
Property, plant and equipment	1.61	1.86	3.47
Intangible assets	57.36	0.20	57.56
Depreciation and amortisation expenses	10.65	2.75	13.40
Other non-cash expenses	16.76	4.68	21.44

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Notes to Restated Ind AS Summary Statement

5. Segment Information

Reconciliation to amounts relected in the financial statements

a. Reconciliation of profit

Particulars	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**
Segment profit	132.36	1.95	34.18
Interest income on financial assets measured at amortised cost:			
Bank deposits	1.92	1.84	0.98
Security deposits	0.18	0.95	0.41
Interest income on income-tax refunds	-	1.11	0.50
Bad debts recovered	0.30	1.23	2.31
Gain on disposal of property, plants and equipment and intangible assets (net)	-	0.05	-
Miscellaneous income	1.20	0.87	0.21
Profit before tax	**135.96**	**8.00**	**38.59**

b. Reconciliation of assets

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2016**
Segment assets	235.42	174.15	224.76
Property, plant and equipment	3.67	3.63	5.48
Goodwill	59.24	59.24	59.24
Other intangible assets	88.18	80.14	33.06
Intangible assets under development	-	3.06	39.75
Loans	7.45	6.70	11.62
Other assets	5.17	8.62	7.81
Cash and cash equivalents	136.71	57.89	78.69
Other bank balances	8.20	29.58	-
Interest accrued but not due on deposits	0.10	0.07	0.66
Advances to related parties	-	-	6.71
Other financial assets	-	0.01	-
Non-current investments	0.26	0.20	-
Deferred tax assets	4.94	18.96	19.48
Tax assets	24.35	28.48	28.69
Balance with statutory/government authorities	6.62	16.16	23.10
Total assets	**580.31**	**486.89**	**539.05**

c. Reconciliation of liabilities

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2016**
Segment liabilities	37.38	103.85	93.84
Trade payables	220.24	160.08	225.76
Other current liabilities	21.04	12.65	19.00
Total liabilities	**278.66**	**276.58**	**338.60**

(Amount in INR million, unless otherwise stated)

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Notes to Restated Ind AS Summary Statement

5. Segment Information

Geographical information

Year ended and as at March 31, 2018

Particulars	India	Singapore	Others	Total
Revenue from operations				
Sales to external customers	770.22	31.14	36.20	**837.56**
Other segment information				
Non-current assets (other than financial assets and deferred tax asset)	151.14	-	-	**151.14**
Capital expenditure:				
Property, plant and equipment	1.97	-	-	**1.97**
Intangible assets	38.34	-	-	**38.34**

Year ended and as at March 31, 2017

Particulars	India	Singapore	Others	Total
Revenue from operations				
Sales to external customers	534.68	62.39	59.22	**656.29**
Other segment information				
Non-current assets (other than financial assets and deferred tax asset)	146.39	-	-	**146.39**
Capital expenditure:				
Property, plant and equipment	1.87	-	-	**1.87**
Intangible assets	66.65	-	-	**66.65**

Year ended and as at March 31, 2016

Particulars	India	Singapore	Others	Total
Revenue from operations				
Sales to external customers	621.97	56.61	201.13	879.71
Other segment information				
Non-current assets (other than financial assets and deferred tax asset)	142.82	-	-	142.82
Capital expenditure:				
Property, plant and equipment	3.47	-	-	3.47
Intangible assets	57.56	-	-	57.56

Information about major customers

The Company derives revenue in excess of 10% from one (March 31, 2017: one and March 31, 2016: one) major customer amounting to Rs. 503.10 million (March 31, 2017: Rs. 203.68 million and March 31, 2016: Rs. 138.56 million).

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6. Statement of Fair Values
Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Particulars	Carrying value			Fair value		
	As at			As at		
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2018	March 31, 2017	March 31, 2016
Financial assets						
A. FVTPL financial instruments:						
Investments	0.26	0.20	-	0.26	0.20	-
B. Amortised Cost:						
Security deposit paid	6.81	6.31	11.36	6.81	6.31	11.36
Loan to employees	0.64	0.39	0.26	0.64	0.39	0.26
Trade receivables	158.23	135.30	162.99	158.23	135.30	162.99
Cash and cash equivalents	136.71	57.89	78.69	136.71	57.89	78.69
Other bank balances	8.20	29.58	-	8.20	29.58	-
Other financial assets	77.29	38.93	67.88	77.29	38.93	67.88
Total	**388.14**	**268.60**	**321.18**	**388.14**	**268.60**	**321.18**
Financial liabilities						
Amortised Cost:						
Borrowings	-	33.60	40.40	-	33.60	40.40
Trade payables	220.24	160.08	225.76	220.24	160.08	225.76
Other financial liabilities	24.89	59.66	38.27	24.89	59.66	38.27
Total	**245.13**	**253.34**	**304.43**	**245.13**	**253.34**	**304.43**

The management assessed that cash and cash equivalents, other bank balances, trade receivables, capital creditors, trade payables and other financial 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. Further, the subsequent measurements of all assets and liabilities (other then investments) is at amortised cost, using effective interest rate (EIR) method.

The following methods and assumptions were used to estimate the fair values:
Receivables are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair value of unquoted instruments and other financial assets and liabilities is estimated by discounting future cash flows using rates using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

(Amount in INR million, unless otherwise stated)

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Notes to Restated Ind AS Summary Statement

7. Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018:

Particulars	Date of valuation	Valuation technique	Inputs used	Total	Fair value measurement using		
					Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:							
FVTPL financial instruments:							
Investment	March 31, 2018	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	0.26	-	0.26	-
				0.26	**-**	**0.26**	**-**
Assets measured at amortised cost:							
Security deposit paid	March 31, 2018	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	6.81	-	6.81	-
Loan to employees	March 31, 2018	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	0.64	-	0.64	-
Trade receivables	March 31, 2018	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	158.23	-	158.23	-
Cash and cash equivalents	March 31, 2018	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	136.71	-	136.71	-
Other bank balances	March 31, 2018	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	8.20	-	8.20	-
Other financial assets	March 31, 2018	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	77.29	-	77.29	-
				387.88	**-**	**387.88**	**-**
Liabilities measured at amortised cost							
Trade payables	March 31, 2018	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	220.24	-	220.24	-
Other financial liabilities	March 31, 2018	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	24.89	-	24.89	-
				245.13	**-**	**245.13**	**-**

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2018.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2017:

Particulars	Date of valuation	Valuation technique	Inputs used	Total	Fair value measurement using		
					Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:							
FVTPL financial instruments:							
Investment	March 31, 2017	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	0.20		0.20	-
				0.20	**-**	**0.20**	**-**
Assets measured at amortised cost:							
Security deposit paid	March 31, 2017	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	6.31	-	6.31	-
Loan to employees	March 31, 2017	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	0.39	-	0.39	-
Trade receivables	March 31, 2017	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	135.30	-	135.30	-
Cash and cash equivalents	March 31, 2017	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	57.89	-	57.89	-
Other bank balances	March 31, 2017	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	29.58	-	29.58	-
Other financial assets	March 31, 2017	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	38.93	-	38.93	-
				268.40	**-**	**268.40**	**-**
Liabilities measured at amortised cost							
Borrowings	March 31, 2017	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	33.60		33.60	
Trade payables	March 31, 2017	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	160.08	-	160.08	-
Other financial liabilities	March 31, 2017	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	59.66	-	59.66	-
				253.34	**-**	**253.34**	**-**

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2017.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2016:

Particulars	Date of valuation	Valuation technique	Inputs used	Total	Fair value measurement using		
					Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at amortised cost:							
Security deposit paid	March 31, 2016	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	11.36	-	11.36	-
Loan to employees	March 31, 2016	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	0.26	-	0.26	-
Trade receivables	March 31, 2016	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	162.99	-	162.99	-
Cash and cash equivalents	March 31, 2016	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	78.69	-	78.69	-
Other bank balances	March 31, 2016	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	-	-	-	-
Other financial assets	March 31, 2016	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	67.88	-	67.88	-
				321.18	**-**	**321.18**	**-**
Liabilities measured at amortised cost:							
Borrowings	March 31, 2016	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	40.40		40.40	
Trade payables	March 31, 2016	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	225.76	-	225.76	-
Other financial liabilities	March 31, 2016	Discounted cash flow	Prevailing interest rates in the market, Future cash flows	38.27	-	38.27	-
				304.43	**-**	**304.43**	**-**

There have been no transfers between Level 1 and Level 2 during at March 31, 2016.

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

8. Financial Risk Management Objectives and Policies

The Company's principal financial liabilities comprise of trade payables, other payables, capital creditors and employee related payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalent that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a. Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company does not use derivative financial instruments such as forward exchange contracts or options to hedge its risk associated with foreign currency fluctuations or for trading/speculation purpose.

The amount of foreign currency exposure not hedged by derivative instruments or otherwise is as under:

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016 (Proforma)	
	Amount in Rs.	Foreign currency	Amount in Rs.	Foreign currency	Amount in Rs.	Foreign currency
Financial liabilities						
Trade payables						
USD	36.75	0.57	46.58	0.72	54.06	0.81
Trade receivables						
USD	16.47	0.25	57.55	0.89	55.27	0.83
SGD	0.49	0.01	-	-	-	-

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rates on profit before tax arising as a result of the revaluation of the Company's foreign currency financial assets and unhedged liabilities.

	Effect on profit before tax			Effect on pre-tax equity		
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016 (Proforma)
Effect of 10% strengthening of INR against USD	(1.98)	1.10	0.12	(1.98)	1.10	0.12
Effect of 10% weakening of INR against USD	1.98	(1.10)	(0.12)	1.98	(1.10)	(0.12)

b. Credit Risk
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions.

A counterparty whose payment is due more than 90 days after the due date is considered as a defaulted party. This is based on considering the market and economic forces in which the Company operates. The Company write-off the amount if the credit risk of counter-party increases significantly due to its poor financial position.

All the financial assets carried at amortised cost were into Good category except some portion of trade receivables considered under doubtful category (Refer Annexure XIII).

Trade receivables
Trade receivables are typically unsecured. Credit risk is managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

The Company is exposed to credit risk in the event of non-payment by customers. An impairment analysis is performed at each reporting date. The Company uses a provision matrix to measure the expected credit loss of trade receivables.

(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

8. Financial Risk Management Objectives and Policies

The ageing analysis of trade receivables as of the reporting date is as follows:

ECL rate	**Particulars**	**4.82%**	**22.73%**	**33.89%**	**100.00%**	**Total**
Trade receivables as at		**0-90 days**	**90-180 days**	**180-360 days**	**More than 360 days**	
March 31, 2018	Gross carrying amount	149.88	11.50	10.10	12.05	**183.53**
March 31, 2018	ECL - Simplified approach	7.22	2.61	3.42	12.05	**25.30**
March 31, 2018	Net carrying amount	**142.66**	**8.89**	**6.68**	**-**	**158.23**
March 31, 2017	Gross carrying amount	114.08	24.77	11.46	9.08	**159.39**
March 31, 2017	ECL - Simplified approach	5.50	5.63	3.88	9.08	**24.09**
March 31, 2017	Net carrying amount	**108.58**	**19.14**	**7.58**	**-**	**135.30**
April 01, 2016	Gross carrying amount	141.34	25.55	13.18	5.19	**185.26**
April 1, 2016	ECL - Simplified approach	6.80	5.81	4.47	5.19	**22.27**
April 1, 2016	Net carrying amount	**134.54**	**19.74**	**8.71**	**-**	**162.99**

Reconciliation of impairment allowance on trade receivables

Particulars	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
Opening impairment allowance	24.09	22.27	18.99
Add: Asset originated	11.22	11.21	23.27
Less: write-offs (net of recovery)	(10.01)	(9.39)	(19.99)
Closing impairment allowance	**25.30**	**24.09**	**22.27**

None of those trade debtors past due or impaired have had their terms renegotiated. The maximum exposure to credit risk at the reporting date is the fair value of each class of debtors presented in the financial statement. The Company does not hold any collateral or other credit enhancements over balances with third parties nor does it have a legal right of offset against any amounts owed by the Company to the counterparty. For receivables which are overdue the Company has subsequently received payments and has reduced its overdue exposure.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company’s treasury department in accordance with the Company’s policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company’s Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company’s finance committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty’s potential failure to make payments.

c. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company monitors their risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations. The Company’s objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner.

A balance between continuity of funding and flexibility is maintained through the use of borrowings. The Company also monitors compliance with its debt covenants. The maturity profile of the Company’s financial liabilities based on contractual undiscounted payments is given in the table below:

Particulars	**Contractual undiscounted value**	**0-1 year**	**1-2 years**	**2-5 years**	**More than 5 years**
As at March 31, 2018					
Trade payables	220.24	220.24	-	-	-
Other financial liabilities	24.89	24.89	-	-	-
	245.13	**245.13**	**-**	**-**	**-**
As at March 31, 2017					
Borrowings	75.04	68.84	6.20	-	-
Trade payables	160.08	160.08	-	-	-
Other financial liabilities	22.30	22.30	-	-	-
	257.42	**251.21**	**6.20**	**-**	**-**
As at March 31, 2016 (Proforma)					
Borrowings	93.14	46.44	40.50	6.20	-
Trade payables	225.76	225.76	-	-	-
Other financial liabilities	0.47	0.47	-	-	-
	319.37	**272.67**	**40.50**	**6.20**	**-**

Notes:
1. The figures disclosed above are based on the Restated Ind AS Financial Information of the Company.
2. The above statement should be read with the Annexures to the Restated Ind AS Summary Statements - Accounting Policies - Annexure V and Statement of Restatement Adjustments to Audited Ind AS Financial Statements - Annexure VI.

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

9. Capital Management

The Board’s policy maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital employed as well as the level of dividend to shareholders.

For the purpose of the Company's capital management, capital includes issued equity capital general reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents. The Company's policy is to keep the gearing ratio between 0% and 60%.

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2016 (Proforma)**
Borrowings (Annexure XVI)	-	33.60	40.40
Trade payables (Annexure XVIIIa)	220.24	160.08	225.76
Other financial liabilities (Annexure XVIIIb)	24.89	59.66	38.27
Less: Cash and cash equivalents (Annexure XIV)	(136.71)	(57.89)	(78.69)
Net debts	**108.42**	**161.85**	**185.34**
Total capital	301.66	210.31	200.45
Capital and net debt	410.08	372.16	385.79
Gearing ratio (%)	**26%**	**43%**	**48%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years.

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

10. Share-Based Payments

Affle Holdings Pte. Ltd., Singapore (AHPL), the holding company, has certain stock options plans which entitle the employees of the group, including certain employees of the Company, the option to purchase shares of AHPL at the exercise date.

Description of the plan

Share options were granted to key management at the absolute discretion of the Compensation Committee of the Board of Directors under the Affle Emloyee Share Option Scheme and Affle Restricted Share Plan, which became operative on 18 June 2009.

The option shall vest at the rate of one-fourth (1/4) per year starting on every one-year anniversary from the grant date. Vesting of the options granted under the Scheme is conditional only on the key management or employee remaining in the Company at grant date. Once the options are vested, they are exercisable for a period of ten years. The options may be exercised in full or in part, to purchase a whole number of vested shares not less than 100 shares, unless the number of shares subscribed is the total number available for subscription under the option.

Options are forfeited when the employee leaves the Company before the options vest.

The details of the plan is as follows:

Date of grant	January 15, 2010	May 31, 2011	April 1, 2013	April 1, 2014	April 1, 2015	April 1, 2016
Exercise price	41.09	62.35	105.40	137.55	132.09	154.96
Options granted	1,042,500	236,250	203,250	30,000	57,000	57,000
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity
Validity	10 years	10 years	10 years	10 years	10 years	10 years
Vesting schedule	25% of the options vest every year from the respective grant dates up to the 4th year					

The expenses arising from equity settled share based payment transactions in 2018 was Rs. 0.92 million (March 31, 2017: Rs. 1.52 million and March 31, 2016: Rs. 0.73 million).

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	March 31, 2018		March 31, 2017		March 31, 2016	
	Number	WAEP	Number	WAEP	Number	WAEP
Outstanding at 1 April	**1,276,250**	**55.71**	**1,276,500**	**53.30**	**1,473,000**	**54.55**
Granted during the year	-	-	57,000	154.96	57,000	132.09
Forfeited during the year	-	-	(57,250)		(253,500)	
Exercised during the year	-	-	-	-	-	-
Exercisable at 31 March	**1,276,250**	**55.71**	**1,276,250**	**55.71**	**1,276,500**	**53.30**

The weighted average remaining contractual life for the share options outstanding as at March 31, 2018 was 6.60 years (March 31, 2017: 7.60 years and March 31, 2016: 8.46 years).

The weighted average fair value of options granted during the year was Rs. Nil (March 31, 2017: Rs. 39.06 and March 31, 2016: Rs. 15.40).

The range of exercise prices for options outstanding at the end of the year was Rs. 41.09 to Rs. 154.96 (March 31, 2017: Rs. 41.09 to Rs. 154.96 and March 31, 2016: Rs. 41.09 to Rs. 132.09).

The following table lists the inputs to the models used for the plan:

Particulars	April 1, 2016	April 1, 2015	April 1, 2014	April 1, 2013	May 31, 2011	January 15, 2010
Dividend yield (%)	-	-	-	-	-	-
Expected volatility (%)	66.1 - 68.9	75.1 - 79.3	75.1 - 79.3	78.4 - 84.2	80	85.0 - 86.8
Risk free interest rate (%)	1.8 - 2.0	1.8 - 2.0	1.8 - 2.0	0.9 - 12	2.7 - 3.3	2.6 - 3.2
Expected life of share options (years)	5.5 - 7.10	5.5 - 7.10	5.5 - 7.10	5.5 - 7.10	5.5 - 7.10	5.5 - 7.10
Weighted average share price (Rs.)	82.13	42.37	16.78	47.29	28.40	36.09
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

10. Share-Based Payments

Restricted Share Plan

Under Affle Restricted Share Plan, the employee is not required to pay for the grant of the awards. Awards are forfeited when the participant leaves the Company before the awards vest.

The details of the plan is as follows:

Date of grant	**April 1, 2015**	**April 1, 2016**
Options granted	166,428	260,000
Vesting period	10 years	10 years
Method of settlement	Equity	Equity
Share price (Rs.)	42.96	82.39

Movements during the year

Particulars	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
	Number	**Number**	**Number**
Outstanding at 1 April	**316,055**	**316,055**	**166,428**
Granted during the year	-	-	260,000
Forfeited during the year	-	-	(110,373)
Exercised during the year	-	-	-
	316,055	**316,055**	**316,055**

The expenses arising from equity settled share based payment transactions in 2018 was Rs. 2.38 million (March 31, 2017: Rs. 1.91 and March 31, 2016: Rs. 0.72 million)

The weighted average remaining contractual life for the share options outstanding as at March 31, 2018 was 7.83 years (March 31, 2017: 8.83 years and March 31, 2016: 9.62 years).

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

11. Details of Dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

In term of the requirement of the Micro, Small and Medium Enterprise Development Act, 2006, the Company has continuously sought confirmations. Based on the information available with the Company, there is no principal/interest amount due to micro and small enterprises.

Particulars	March 31, 2018	March 31, 2017	March 31, 2016 (Proforma)
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil	Nil
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	Nil	Nil	Nil
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	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil	Nil
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 purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	Nil	Nil	Nil

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Annexure XXIX
Notes to Restated Ind AS Summary Statement

12. Business Combination

The scheme of amalgamation ('the Scheme') is for the amalgamation of the AD2C Holdings Private Ltd (Transferor Company No. 1), AD2C India Private Ltd (Transferor Company No. 2) and Appstudioz Technologies Private Ltd (Transferor Company No.3) with Affle India Ltd [Formerly known as "Affle (India) Private Limited"] (Transferee Company or 'the Company').

All the four companies, i.e. AD2C Holdings, AD2C India, Appstudioz Technologies and Affle India were subsidiaries of the same parent company based out of Singapore. Therefore, the parent company decided to merge its Indian operations to create a single robust entity which would carry on businesses that are integrated and complimentary in nature. Accordingly, their businesses are combined conveniently/ advantageously which is expected to ensure the benefit of the shareholders, the employees and all the stakeholders of the four companies.

The Scheme has been approved by the board of the directors of the Company in their meeting held on 13 May 2015.

Salient features of the Scheme are:

(i) The names of the Transferor Companies stand changed to Affle India Ltd [Formerly known as "Affle (India) Private Limited"] .

(ii) The Scheme is operative from the appointed date, i.e. 1 April 2015 and is effective from the date on which copies of the orders of Hon'ble High Courts of Bombay, Delhi and Punjab & Haryana sanctioning the Scheme have been filed with the Registrar of Companies, respectively.

(iii) Authorised share capital of the Transferee Company is the sum total of the authorised share capital of all the four companies.

(iv) Based on the business valuation of all four companies, equity shareholders of AD2C Holdings are entitled to get 74 equity shares for every 21 equity shares held in AD2C Holdings, equity shareholders of AD2C India are entitled to get 48 equity shares for every 17 equity shares held in AD2C India and equity shareholders of Appstudioz Technologies are entitled to get 586 equity shares for every 5 equity shares held in Appstudioz Technologies of the Transferee Company.

Basis above, the Scheme provides for the increase in the issued and paid up equity share capital of the Transferee Company by allotment of 8,464,330 equity shares of Rs. 10/- each amounting to Rs. 84.64 million.

Accordingly, the paid - up equity share capital of the Transferee Company has become Rs. 242.88 million comprising of 24.29 million equity shares as at 1 April 2015.

(v) All assets, liabilities, rights and obligations of the Transferor Companies shall vest with the Transferee Company at fair value as on the appointed date, i.e. 1 April 2015.

The Scheme has been sanctioned by the Hon'ble High Courts of Bombay, Delhi and Punjab & Haryana vide their orders dated 5 August 2016, 16 January 2017 and 9 December 2016 respectively, the copies of which have been filed with the Registrar of Companies on 7 February 2017, 7 February 2017 and 9 January 2017 respectively. Accordingly, the effective date of the Scheme is 7 February 2017 though the appointed date is 1 April 2015.

Basis above, the Scheme has been given effect to in these financial statements with retrospective effect from 1 April 2015.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

12. Business Combination

The Scheme has been accounted for using purchase method in accordance with the previous GAAP. Accordingly, all the assets and liabilities of the Transferor Companies have been incorporated at fair values as at 1 April 2015, details of which are given below:

Particulars	Appstudioz Technologies	AD2C India	AD2C Holdings	Total
ASSETS				
Non-current assets				
Property, plant and equipment	4.63	1.14	-	5.77
Intangible assets	0.66	19.66	-	20.32
Intangible assets under development	-	7.98	-	7.98
Financial assets	-			-
(i) Loans	6.31	1.71	-	8.02
Deferred tax assets (net)	2.22	3.51	-	5.73
Non-current tax assets (net)	0.05	-	-	0.05
	13.87	**34.00**	**-**	**47.87**
Current assets				
Financial assets				
(i) Trade receivables	8.74	113.82	-	122.56
(ii) Cash and cash equivalents	3.91	13.24	0.87	18.02
(iii) Bank balances other than (iii) above	-	4.98	-	4.98
(iv) Loans	-	0.86	5.12	5.98
(v) Other financial assets	0.70	1.96	-	2.66
Other current assets	0.65	1.97	-	2.61
Current tax asset (net)	-	13.61	1.22	14.83
	14.00	**150.44**	**7.21**	**171.65**
Total assets	**27.87**	**184.44**	**7.21**	**219.52**
LIABILITIES				
Non-current liabilities				
Long-term provisions	3.70	0.96	-	4.67
	3.70	**0.96**	**-**	**4.67**
Current liabilities				
Financial liabilities				
(i) Borrowings		5.12	-	5.12
(ii) Trade Payables dues to others	23.09	142.05	1.97	167.11
(iii) Trade Payables dues of micro small and small enterprises	-	-	-	-
(iv) Other financial liabilities	1.31	-	0.08	1.39
Other current liabilities	0.67	14.62	-	15.29
Short term provisions	0.54	-	-	0.54
	25.61	**161.79**	**2.05**	**189.45**
Total liabilities	**29.31**	**162.75**	**2.05**	**194.11**
Net assets / (liabilities) acquired	(1.44)	21.69	5.16	25.41

In view of above, goodwill amounting to Rs. 59.24 million has been recorded in the books as at 1 April 2015 on the basis of purchase consideration amounting to Rs. 84.64 million.

Annexure XXIX
Notes to Restated Ind AS Summary Statement

12. Business Combination

Impairment testing of Goodwill

Goodwill acquired through business combinations have indefinite life. The Company performed its annual impairment test for years ended March 31, 2018 and March 31, 2017. The Company considers the relationship between its value in use and its carrying value, among other factors, when reviewing for indicators of impairment.

The recoverable amount of the goodwill is determined based on value in use ('VIU') calculated using cash flow projections from financial budgets approved by management covering a period of five year period and the terminal value (after considering the relevant long-term growth rate) at the end of the said forecast periods. The Company has extrapolated cashflows beyond 5 years using a growth rate of 15% (March 31, 2017: 15% and March 31, 2016: 15%).

The said cash flow projections are based on the senior management past experience as well as expected met trends for the future periods. The projected cash flows have been updated to reflect the decreased demand for services. The calculation of weighted average cost of capital (WACC) is based on the Company's estimated capital structure as relevant and attributable to the Company. The WACC is also adjusted for specific risks, market risks and premium, and other inherent risks associated with similar type of investments to arrive at an approximation of the WACC of a comparable market marticipant. The said WACC being pre-tax discount rates reflecting specific risks, are then applied to the above mentioned projections of the estimated future cash flows to arrive at the discounted cash flows.

The key assumptions used in the determination of VIU are the revenue annual growth rates and the EBITDA growth rate.

Based on the above assumptions and analysis, no impairment was identified as at March 31, 2018, March 31, 2017 and March 31, 2016. Further, on the analysis of the said calculation's sensitivity to a reasonably possible change in any of the above mentioned key assumptions / parameters on which the Management has based determination of the recoverable amount, there are no scenarios identified by the Management wherein the carrying value could exceed its recoverable amount.

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Notes to Restated Ind AS Summary Statement

13. First-Time Adoption of Ind AS

These financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2016, the Company's date of transition to Ind AS.

The restated financial statements for the year ended March 31, 2016 has been prepared on Proforma basis in accordance with requirements of SEBI Circular dated March 31, 2016 and Guidance note on reports in company prospectuses issued by ICAI. For the purpose of Proforma Ind AS financial statements for the year ended March 31, 2016, the Company has followed the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2016.

This note explains exemptions availed by the Company in restating its Previous GAAP financial statements, including the balance sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016 and March 31, 2017.

Exemptions applied:

Ind AS 101, First-time adoption of Indian Accounting Standards allows first time adopters of Ind AS certain optional exemptions and mandatory exceptions from the retrospective application of certain Ind AS. The Company has applied the following exemptions and mandatory exceptions in the transition from previous GAAP to Ind AS.

(i) Mandatory exceptions:

a) Estimates
The estimates at April 1, 2015, March 31, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Previous GAAP did not require estimation:

• Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at April 1, 2015, March 31, 2016 and March 31, 2017.

b) De-recognition of financial assets:
The company has applied the de-recognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

(ii) Optional exemptions:

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

a) Deemed cost-Previous GAAP carrying amount: (Property, plant and equipment and Capital-work-in-progress)
Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for capital-work-in-progress as well.

Accordingly, the Company has elected to measure all of its property, plant and equipment and capital-work-in-progress at their previous GAAP carrying value.

b) Share based payment
Ind AS 102 deals with the accounting and disclosure requirements related to share-based payment transactions. Ind AS 102 Share-based Payment has not been applied to equity instruments of share-based payment transactions that vested before April 1, 2016.

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

Ind AS statement of reconciliation of equity and profit and loss as per previous GAAP and Ind AS

Reconciliation of equity as at April 01, 2015

Particulars	Footnotes	Amount as per IGAAP #	Ind AS adjustments	Amount as per Ind AS
(1) **Non-current assets**				
(a) Property, Plant and Equipment		7.07	-	7.07
(b) Goodwill		59.24	-	59.24
(c) Other intangible assets		25.37	-	25.37
(d) Intangible assets under development		7.98	-	7.98
(e) Financial Assets			-	
(i) Loans	A	8.42	(1.41)	7.01
(f) Deferred tax asset (net)	B	12.16	19.27	31.43
(g) Non current tax asset (net)		0.05	-	0.05
(h) Other non-current assets	A	-	0.72	0.72
		120.29	**18.58**	**138.87**
(2) **Current assets**				
(a) Financial Assets				
(i) Trade Receivables	C	245.83	(10.97)	234.86
(ii) Cash and cash equivalents		34.07	-	34.07
(iii) Bank balances other than (iii) above		8.23	-	8.23
(iv) Loans		2.01	-	2.01
(v) Other financial assets	D	13.50	(0.35)	13.15
(b) Other current assets	A	17.84	0.64	18.48
(c) Current tax asset (net)		22.47	-	22.47
		343.95	**(10.68)**	**333.27**
Total Assets		**464.24**	**7.90**	**472.14**
EQUITY AND LIABILITIES				
(1) **Equity**				
(a) Equity Share capital		242.88	-	242.88
(b) Other Equity		(78.26)	5.83	(72.43)
		164.62	**5.83**	**170.45**
LIABILITIES				
(1) **Non-current liabilities**				
(a) Long-term provisions		8.46	-	8.46
		8.46	**-**	**8.46**
(2) **Current liabilities**				
(a) Financial Liabilities				
(i) Trade Payables dues to others	E	239.07	2.07	241.14
(ii) Trade Payables dues of micro small and small enterprises		-	-	-
(iii) Other financial liabilities		0.25	-	0.25
(b) Other current liabilities		47.77	-	47.77
(c) Short term provisions		4.07	-	4.07
		291.16	**2.07**	**293.23**
Total Equity and Liabilities		**464.24**	**7.90**	**472.14**

Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

Ind AS statement of reconciliation of equity and profit and loss as per previous GAAP and Ind AS

Reconciliation of equity as at March 31, 2016

Particulars	Footnotes	Amount as per IGAAP #	Ind AS adjustments	Amount as per Ind AS
(1) **Non-current assets**				
(a) Property, Plant and Equipment		5.48	-	5.48
(b) Capital work-in-progress		1.26	-	1.26
(c) Goodwill	F	44.44	14.80	59.24
(d) Other intangible assets		33.06	-	33.06
(e) Intangible assets under development		39.75	-	39.75
(f) Financial Assets				
(i) Loans	A	7.76	(1.48)	6.28
(g) Deferred tax asset (net)	B	16.06	4.68	20.74
(h) Non current tax asset (net)		3.16	-	3.16
(i) Other non-current assets	A	-	0.86	0.86
		150.97	**18.86**	**169.83**
(2) **Current assets**				
(a) Financial Assets				
(i) Trade Receivables	C	174.31	(11.32)	162.99
(ii) Cash and cash equivalents		78.69	-	78.69
(iii) Bank balances other than (iii) above		-	-	-
(iv) Loans	A	5.67	(0.33)	5.34
(v) Other financial assets	D	70.95	(3.07)	67.88
(b) Other current assets	A	29.17	0.88	30.05
(c) Current tax asset (net)		25.53	-	25.53
		384.32	**(13.84)**	**370.48**
Total Assets		**535.29**	**5.02**	**540.31**
EQUITY AND LIABILITIES				
(1) **Equity**				
(a) Equity Share capital		242.88	-	242.88
(b) Other Equity		(52.71)	7.45	(45.25)
		190.18	**7.45**	**197.63**
LIABILITIES				
(1) **Non-current liabilities**				
(a) Financial Liabilities				
(i) Borrowings	G	42.83	(2.43)	40.40
(b) Long term provisions		9.98	-	9.98
		52.81	**(2.43)**	**50.38**
(2) **Current liabilities**				
(a) Financial Liabilities				
(i) Trade Payables dues to others		229.84	-	229.84
(ii) Trade Payables dues of micro small and small enterprises		-	-	-
(iii) Other financial liabilities		38.27	-	38.27
(b) Other current liabilities		19.00	-	19.00
(c) Short term provisions		5.19	-	5.19
		292.30	**-**	**292.30**
Total Equity and Liabilities		**535.29**	**5.02**	**540.31**

Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

Ind AS statement of reconciliation of equity and profit and loss as per previous GAAP and Ind AS
Reconciliation of equity as at March 31, 2017

Particulars	Footnotes	Amount as per IGAAP #	Ind AS adjustments	Amount as per Ind AS
(1) **Non-current assets**				
(a) Property, Plant and Equipment		3.63	-	3.63
(b) Goodwill	F	29.64	29.60	59.24
(c) Other intangible assets		80.14	-	80.14
(d) Intangible assets under development		3.06	-	3.06
(e) Financial Assets				
(i) Investments		0.20	-	0.20
(ii) Loans	A	7.17	(0.86)	6.31
(f) Deferred tax asset (net)	B	19.88	(0.92)	18.96
(g) Other non-current assets	A	-	0.32	0.32
		143.72	**28.14**	**171.86**
(2) **Current assets**				
(a) Financial Assets				
(i) Trade Receivables	C	147.29	(11.99)	135.30
(ii) Cash and cash equivalents		57.89	-	57.89
(iii) Bank balances other than (iii) above		29.58	-	29.58
(iv) Loans		0.39	-	0.39
(v) Other financial assets	D	40.90	(1.97)	38.93
(b) Other current assets	A	23.95	0.53	24.48
(c) Current tax asset (net)		28.48	(0.02)	28.46
		328.48	**(13.45)**	**315.03**
Total Assets		**472.20**	**14.69**	**486.89**
EQUITY AND LIABILITIES				
(1) **Equity**				
(a) Equity Share capital		242.88	-	242.88
(b) Other Equity		(47.97)	15.40	(32.57)
		194.91	**15.40**	**210.31**
LIABILITIES				
(1) **Non-current liabilities**				
(a) Financial Liabilities				
(i) Borrowings	G	6.00	(0.74)	5.26
(b) Long term provisions		9.12	-	9.12
		15.12	**(0.74)**	**14.38**
(2) **Current liabilities**				
(a) Financial Liabilities				
(i) Borrowings		28.34	-	28.34
(ii) Trade Payables dues to others		160.08	-	160.08
(iii) Trade Payables dues of micro small and small enterprises		-	-	-
(iv) Other financial liabilities		59.66	-	59.66
(b) Other current liabilities		12.62	0.03	12.65
(c) Short term provisions		1.47	-	1.47
		262.17	**0.03**	**262.20**
Total Equity and Liabilities		**472.20**	**14.69**	**486.89**

Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

Ind AS statement of reconciliation of equity and profit and loss as per previous GAAP and Ind AS
Reconciliation of profit or loss for the year ended March 31, 2016

Particulars		Footnotes	Amount as per IGAAP	Ind AS adjustments	Amount as per Ind AS
I	Revenue From Operations		879.71	-	879.71
II	Other Income	A	8.81	0.41	9.22
III	**Total Income (I+II)**		**888.52**	**0.41**	**888.93**
IV	**EXPENSES**				
	Inventory and data cost	E	519.34	(1.65)	517.69
	Employee benefits expense	H, I	162.82	4.04	166.86
	Finance costs	G	12.97	(2.43)	10.54
	Depreciation and amortization expense	F	27.69	(14.79)	12.90
	Other expenses	A,C and D	138.44	3.48	141.92
	Total expenses (V)		**861.26**	**(11.35)**	**849.91**
VI	**Profit before tax (IV-V)**		**27.26**	**11.76**	**39.02**
VII	**Prior-period expense (net)**	E	0.43	(0.43)	-
VIII	**Profit before tax and after prior period expenses (VI-VII)**		**26.83**	**12.19**	**39.02**
IX	**Tax expense:**	B			
(1)	Current tax		8.61	-	8.61
(2)	Income tax adjustment related to earlier years		(0.23)	-	(0.23)
(3)	Deferred tax (credit)/ charge		(7.82)	13.83	6.01
(4)	Deferred tax credit related to earlier years		0.71	-	0.71
			1.27	**13.83**	**15.10**
X	**Profit for the period (VIII- IX)**		**25.56**	**(1.64)**	**23.92**
XI	**Other Comprehensive Income**		**-**	**1.62**	**1.62**
	Items that will not be reclassified to profit or loss				
	Re-measurement (losses) on defined benefit plans	I		2.40	2.40
	Income tax effect	B		(0.78)	(0.78)
	Total Comprehensive Income for the year (X+XI)		**25.56**	**(0.02)**	**25.54**

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

Ind AS statement of reconciliation of equity and profit and loss as per previous GAAP and Ind AS
Reconciliation of profit or loss for the year ended March 31, 2017

	Particulars	Footnotes	Amount as per IGAAP	Ind AS adjustments	Amount as per Ind AS
I	Revenue From Operations		656.29	-	656.29
II	Other Income	A	14.82	0.97	15.79
III	**Total Income (I+II)**		**671.11**	**0.97**	**672.08**
IV	**EXPENSES**				
	Inventory and data cost		323.78	-	323.78
	Employee benefits expense	H, I	168.28	7.95	176.23
	Finance costs	G	14.17	1.69	15.86
	Depreciation and amortization expense	F	37.87	(14.80)	23.07
	Other expenses	A,C and D	120.54	0.52	121.06
	Total expenses (V)		**664.64**	**(4.64)**	**660.00**
V	**Profit before tax (IV-V)**		**6.47**	**5.61**	**12.08**
VI	**Tax expense:**	B			
(1)	Current tax		1.82	-	1.82
(2)	Deferred tax (credit)/ charge		0.30	3.84	4.14
VII	**Profit for the period (V+ VI)**		**4.34**	**1.77**	**6.12**
VIII	**Other Comprehensive Income**		**-**	**3.13**	**3.13**
	Items that will not be reclassified to profit or loss		**-**		
	Re-measurement (losses) on defined benefit plans	I		4.53	4.53
	Income tax effect	B		(1.40)	(1.40)
IX	**Total Comprehensive Income for the year (VII+VIII)**		**4.34**	**4.90**	**9.25**

Total equity reconciliation as at March 31, 2017, March 31, 2016 and April 1, 2015

Particulars	Footnotes	As per previous GAAP as at March 31, 2017	As per previous GAAP as at March 31, 2016	As per previous GAAP as at April 1, 2015
Total equity under Previous GAAP		**194.91**	**190.18**	**164.62**
Security deposit - rental expense	A	(1.97)	(1.03)	(0.60)
Security deposit - unwinding of discount		1.91	0.96	0.55
Allowance for impairment of trade receivables and unbilled revenue	C and D	(13.96)	(14.39)	(11.32)
Prior-period adjustment	E	-	-	(2.07)
Reversal of amortisation of goodwill	F	29.60	14.80	-
Impact of effective interest rate adjustment on borrowings	G	0.74	2.43	-
Deferred tax impact	B	(0.92)	4.68	19.27
Total equity under Ind AS		**210.31**	**197.63**	**170.45**

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

Ind AS statement of reconciliation of equity and profit and loss as per previous GAAP and Ind AS
Footnotes to the reconciliation of equity as at March 31, 2016 and March 31, 2017 and profit or loss for the year ended March 31, 2016 and March 31, 2017

A. Loans (Security deposits)

Under Indian GAAP ('IGAAP'), the security deposits paid for lease rent are shown at the transaction value whereas under Ind AS, the same are initially discounted and subsequently recorded at amortised cost at the end of every financial reporting period. Accordingly, the difference between the transaction and discounted value of the security deposits paid towards lease rent is recognized as deferred lease expense and is amortised over the period of the lease term (along with current and non- current classification). Further, interest is accreted on the present value of the security deposits paid for lease rent.

B. Deferred tax

IGAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the Balance Sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the Balance Sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences relating to various transition adjustments which are recognised in correlation to the underlying transaction either in retained earnings or as a separate component in equity.

C. Trade receivables

Under IGAAP, the Company had created provision for impairment of receivables only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL).

D. Other financial assets (Unbilled revenue)

Under IGAAP, the Company had created provision for impairment of unbilled revenue only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL).

E. Prior period items

Under IGAAP, prior period errors are included in determination of net profit or loss of the period in which it is discovered. however, under Ind AS, errors need to be adjusted retrospectively.

F. Business Combinations

Under IGAAP, the goodwill on business combination was amortised to the statement of profit and loss over a period of 4 years. Under Ind AS, the goodwill is tested for impairment at the end of each reporting period and amortisation of goodwill is not allowed. Accordingly, the amortisation of goodwill recognised under IGAAP has been reversed.

G. Borrowings

Under IGAAP, the Company has charged transaction costs incurred in connection with borrowings upfront to the statement of profit and loss. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

H. Share based payments

As per Ind AS 102 relating to share-based payment, the Company has recorded fair value of options provided to its employees by its ultimate holding company using an appropriate pricing model recognised over the vesting period. Under IGAAP, as per the Guidance Note issued by The Institute of Chartered Accountants of India on Accounting for Employee Share-Based Payments, the management was of the opinion that the stock options scheme were managed and administered by the ultimate holding company for its own benefit and do not have any settlement obligations on the Company. Further, the scheme pertain to shares of the ultimate holding company and the impact of compensation benefits in respect of such schemes is assessed and accounted for in the books of the ultimate parent company. Accordingly, the Company was not required to account for such expenses as per the said Guidance Note under IGAAP.

I. Employee benefit expense

Both under IGAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under IGAAP, the entire cost, including actuarial gains and losses, are charged to the statement of profit and loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI).

J. Other comprehensive income

Under Previous GAAP, the company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Previous GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Previous GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

K. Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

(Amount in INR million, unless otherwise stated)

Annexure XXIX
Notes to Restated Ind AS Summary Statement

14. Capitalisation of Intangible Assets

The Company has capitalized the following expenses of revenue nature to the internally developed software. Consequently, the expenses disclosed under the respective heads are net of amounts capitalized by the Company.

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Salaries, allowances and bonus	24.53	24.07	43.14
Rent	1.74	1.50	2.19
Power and fuel	0.08	0.05	0.13
Printing and stationery	0.05	0.08	0.22
Travelling and conveyance	-	1.16	0.41
Repairs and maintenance - others	0.69	0.78	0.69
Communication	0.13	0.30	0.39
Others	7.64	1.70	-
Total	**34.86**	**29.64**	**47.17**

15. The Company is in contravention of certain provisions under Foreign Exchange Management Act (FEMA) due to certain administrative and regulatory non-filings by authorized dealer with Reserve Bank of India (RBI) related to non-allotment of equity shares within stipulated time and is in the process of applying for relevant approvals with the regulatory authorities. The Company, basis legal opinion obtained in earlier year, was reasonably confident of receiving approval/ condonation from the regulatory authorities with respect to the above non-compliance after incurring certain penalties. The Holding Company has guaranteed to reimburse any liability arising on the Company on account of such non-compliance and accordingly, the Company has recorded provision and corresponding indemnification assets of amounting Rs 7.50 million as at March 31, 2014. The Company has revised its estimate of provision due to regularization of the non-compliance and accordingly, has reduced the provision and indemnification asset at Rs. 2.20 million and Rs. 0.50 million as at March 31, 2015 and March 31, 2016 respectively.

During the year ended March 31, 2018, RBI has compounded the contravention on payment of Rs. 0.50 million by order dated August 02, 2017.

16. The Company has filed complaint with the police department for embezzlement of the Company's car and filed the statement of claims to recover full cost of the Company's car amounting to Rs. 0.61 million (March 31, 2017: Rs. 0.61 million and March 31, 2016: Rs. 0.61 million). This embezzlement was done by Mr. Saurabh Singh, ex- director of the Company, by transferring the Company's car to the name of his father without any form of consent from the Company. Therefore, the Company has written down entire net book value of the Company's car amounting to Rs. 0.15 million (March 31, 2017: Rs. 0.22 million and March 31, 2016: Rs. 0.31 million) in the books.

17. The share application money pending allotment appearing in the books of the Company amounting to Rs. 0.00 pertains to two subscribers on account of the exchange differences.

18. The Company has appointed independent consultants for conducting a Transfer pricing study to determine whether the transactions associaed enterprise were undertaken at "arm length price". The management confirms that all domestic and international transactions with associated enterprises are undertaken at negotiated contracted price on usual commercial terms and is confident of there being no adjustment on completion of the study. Adjustment, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm's Registration No.: 101049W/E300004
Chartered Accountants

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No. U65990MH1994PTC080451

per Yogesh Midha
Partner
Membership No.: 94941
Place: Gurugram
Date:

Anuj Khanna Sohum
Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Gurugram
Date:

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date:

Kapil Mohan Bhutani
Director and Chief Financial Officer
[DIN: 00554760]
Place: Gurugram
Date:

Akanksha Gupta
Company Secretary
Membership No.: 29443
Place: Gurugram
Date:

Auditors' Report on the restated summary statements of Assets and Liabilities as at March 31, 2015 and 2014, Profits and Losses and Cash Flows for each of the years ended March 31, 2015 and 2014 of Affle (India) Limited (formerly known as Affle (India) Private Limited) (collectively, the "Restated Indian GAAP Summary Statements")

To
The Board of Directors
Affle (India) Limited
P 601-612, 6th Floor, Tower C, JMD Megapolis,
Sector – 48, Sohna Road, Gurgaon - 122018

Dear Sirs,

1. We have examined the attached Restated Indian GAAP Summary Statements of Affle (India) Limited (the "Company") (formerly known as Affle (India) Private Limited) as at and for each of the years ended March 31, 2015 and 2014 annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with its proposed initial public offer ("IPO"). The Restated Indian GAAP Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

   a. Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act"); and

   b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

Management's Responsibility for the Restated Indian GAAP Summary Statements

2. The preparation of the Restated Indian GAAP Summary Statements, which are to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Indian GAAP Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the ICDR Regulations.

Auditors' Responsibilities

3. We have examined such Restated Indian GAAP Summary Statements taking into consideration:

   a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated June 8, 2018, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;

   b. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the "Guidance Note"); and

   c. the requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the ICDR Regulations in connection with the IPO.

4. The Company proposes to make an initial public offer which comprises of fresh issue of its equity shares, having a face value of Rs 10 each as well as offer for sale by certain shareholders' existing equity shares of Rs 10 each at such premium arrived at by the book building process (referred to as the 'Issue'), as may be decided by the Company's Board of Directors.

Restated Indian GAAP Summary Statements as per audited financial statements:

5. The Restated Indian GAAP Summary Statements have been compiled by the management from the audited financial statement of the Company as at and for each of the years ended March 31, 2015 and

2014, which were prepared in accordance with accounting principles generally accepted in India ("Indian GAAP") at the relevant time, which have been approved by the Board of Directors at their meetings held on September 29, 2015 and October 31, 2014, respectively.

6. For the purpose of our examination, we have relied on the Auditors' Report issued by us dated September 29, 2015 and October 31, 2014 on the financial statements of the Company as at and for each of the year ended March 31, 2015 and 2014, respectively as referred in paragraph 5 above.

7. Based on our examination, in accordance with the requirements of Section 26 of Part I of Chapter III of the Act, ICDR Regulations and the Guidance Note, we report that we have examined the following summarised financial statements of the Company contained in Restated Indian GAAP Summary Statements, which as stated in the Annexure IV to this report have been arrived after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure V – Statement of Restatement Adjustments to Audited Indian GAAP Financial Statements, read with paragraph 7(d) below:

   a. The Restated Indian GAAP Summary Statement of Assets and Liabilities of the Company as at March 31, 2015 and 2014, as set out in Annexure I to this report;

   b. The Restated Indian GAAP Summary Statement of Profit and Losses of the Company for each of the years ended March 31, 2015 and 2014, as set out in Annexure II to this report;

   c. The Restated Indian GAAP Summary Statement of Cash Flows of the Company for each of the year ended March 31, 2015 and 2014, as set out in Annexure III to this report; and

   d. Based on the above and according to the information and explanations given to us, we further report that the Restated Indian GAAP Summary Statements of the Company, as attached to this report and as mentioned in paragraphs 7(a) to 7(c) above, read with basis of preparation and respective significant accounting policies given in Annexure IV as described in paragraph 1 have been prepared in accordance with ICDR Regulations and these Restated Indian GAAP Summary Statements:

      i. do not require any adjustments for the changes in accounting policies, as the accounting policies as at and for the year ended March 31, 2015 are materially consistent with the policies adopted as at and for the years ended March 31, 2014.

      ii. Accordingly, no adjustments have been made to the audited financial statements of the respective years presented on account of changes in accounting policies;

      iii. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

      iv. do not contain any extraordinary items that need to be disclosed separately in the Restated Financial Information.

      v. there are no qualifications in the auditors' reports on the audited financial statements of the Company as at and for each of the year ended March 31, 2015 and 2014, which require any adjustments to the Restated Indian GAAP Summary Statements.

      vi. other audit qualifications included in the Annexure to the auditors' report issued under Companies (Auditor's Report) Order, 2015 and 2003, as applicable, on the financial statements for the year ended March 31, 2015 and March 31, 2014 respectively which do not require any corrective adjustment in the Restated Summary Statements, are as follows:

A. <u>As at and for the year ended March 31, 2015</u>

Clause (vii)

a) Undisputed statutory dues including provident fund, income-tax, service tax, cess and other material statutory dues have not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases. The provisions relating to employee's state insurance, sales tax, wealth tax, custom duty, excise duty and value added tax are not applicable to the Company.

b) According to the information and explanation given to us undisputed stat dues in respect of provident fund, income-tax, service tax, cess and other material statutory dues which were outstanding at the yearend for a period of more than six months from the date they became payable are as follows:

Name of statue	Nature of dues	Amount Due(Rs.)	Period to which amount relates	Due Date	Date of Payment
Finance Act, 1994	Service Tax	17,332	April, 2014 to September, 2014	May 2014 to October 2014	July 2015

B. <u>As at and for the year ended March 31, 2014</u>

Clause (ix)(a)

Undisputed statutory dues including provident fund, income-tax, service tax, cess and other material statutory dues have not been regularly deposited with the appropriate authorities and there have been significant delays in large number of cases of provident fund, income tax and service tax.

Clause (x)

The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has not incurred cash loss during the year. In the immediately preceding financial year, the Company had incurred cash losses

8. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2018. Accordingly, we express no opinion on the financial position, results of operations and cash flows of the Company as of any date or for any period subsequent to March 31, 2018.

Other Financial Information:

9. At the Company's request, we have also examined the following Restated Indian GAAP financial information proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the years ended March 31, 2015 and 2014:

i. Restated Statement of Share Capital, enclosed as Annexure VI;
ii. Restated Statement of Reserves and Surplus, enclosed as Annexure VII;
iii. Restated Statement of Trade Payables and Other Current Liabilities, enclosed as Annexure VIII;
iv. Restated Statement of Provisions, enclosed as Annexure IX;
v. Restated Statement of Fixed Assets, enclosed as Annexure X;
vi. Restated Statement of Deferred Tax Assets (Net), enclosed as Annexure XI;
vii. Restated Statement of Loans and Advances, enclosed as Annexure XII;
viii. Restated Statement of Trade Receivables, enclosed as Annexure XIII;
ix. Restated Statement of Cash and Bank Balances, enclosed as Annexure XIV;
x. Restated Statement of Other Current Assets, enclosed as Annexure XV;
xi. Restated Statement of Revenue from operations, enclosed as Annexure XVI;
xii. Restated Statement of Other Income, enclosed as Annexure XVII;
xiii. Restated Statement of Employment Benefit Expense, enclosed as Annexure XVIII;
xiv. Restated Statement of depreciation and amortization expense, enclosed as Annexure XIX;
xv. Restated Statement of Finance Costs, enclosed as Annexure XX;

xvi. Restated Statement of Other Expenses, enclosed as Annexure XXI;
xvii. Restated Summary Statement of Accounting Ratios Annexure XXII;
xviii. Restated Summary Statement of Tax Shelter Annexure XXIII;
xix. Notes to the Restated Summary Statement, enclosed as Annexure XXIV.

10. According to the information and explanations given to us, in our opinion, the Restated Indian GAAP Summary Statements and the abovementioned Restated Indian GAAP financial information contained in Annexures I to XXIV under Indian GAAP accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure IV, are prepared after making adjustments and regroupings as considered appropriate and disclosed in Annexure V and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, the ICDR Regulations and the Guidance Note.

11. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the management for inclusion in the offer document to be filed with SEBI, National Stock Exchange of India Limited and BSE Limited in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Yogesh Midha
Partner
Membership No: 94941
Place: Gurugram
Date: July 14, 2018

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure I
Restated Indian GAAP summary Statement of Assets and Liabilities
(Amounts in INR million, unless otherwise stated)

Particulars	Annexure	As at March 31, 2015	As at March 31, 2014
Equity and liabilities			
Shareholders' funds			
Share capital	VI	158.24	105.25
Reserves and surplus	VII	(76.68)	(99.23)
		81.56	**6.02**
Share application money pending allotment	XXIV(10)	0.00	52.99
Non-current liabilities			
Long-term provisions	IX	3.79	2.55
Current liabilities			
Trade payables	VIII		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		168.49	69.12
Other current liabilities	VIII	31.34	1.95
Short-term provisions	IX	3.53	8.38
		203.36	**79.45**
Total Liabilities		**288.71**	**141.01**
Assets			
Non-current assets			
Fixed assets			
Property, Plant and Equipment	X	1.30	0.80
Intangible assets	X	5.05	-
Deferred tax assets (net)	XI	3.96	(1.32)
Loans and advances	XII	8.43	5.86
Other non-current assets	XV	-	6.95
		18.74	**12.28**
Current assets			
Trade receivables	XIII	223.45	98.05
Cash and bank balances	XIV	19.18	14.64
Loans and advances	XII	14.63	8.28
Other current assets	XV	12.71	7.76
		269.97	**128.73**
Total Assets		**288.71**	**141.01**

Note

The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm's Registration No.: 101049W/E300004
Chartered Accountants

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No. U65990MH1994PTC080451

per Yogesh Midha
Partner
Membership No : 94941
Place: Gurugram
Date:

Anuj Khanna Sohum
Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Gurugram
Date:

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date:

Kapil Mohan Bhutani
Director and Chief Financial Officer
[DIN: 00554760]
Place: Gurugram
Date:

Akanksha Gupta
Company Secretary
Membership No.: 29443
Place: Gurugram
Date:

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure II
Restated Indian GAAP summary Statement of Profit and Loss
(Amounts in INR million, unless otherwise stated)

		For the years ended	
Particulars	**Annexure**	**March 31, 2015**	**March 31, 2014**
Income			
Revenue from operations	XVI	393.27	148.36
Other income	XVII	1.30	1.05
Total revenue		**394.57**	**149.41**
Expenses			
Inventory and data costs		281.81	68.25
Employee benefits expenses	XVIII	53.56	33.97
Depreciation and amortisation expenses	XIX	1.05	4.62
Finance cost	XX	1.47	1.00
Other expenses	XXI	39.41	20.44
Total expenses		**377.30**	**128.28**
Profit before tax		**17.27**	**21.13**
Tax expense:			
Current tax		1.20	-
Less: MAT credit entitlement		(1.20)	-
Net current tax expense		**-**	**-**
Deferred tax (credit)/ charge		(5.28)	8.22
Total tax expense		(5.28)	**8.22**
Profit after tax		**22.55**	**12.91**
Earnings per equity share [nominal value of share Rs 10 (31 March 2014: Rs 10)]			
-Basic & Diluted earning per share	**XXII**	1.43	1.23

Note

The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm's Registration No.: 101049W/E300004
Chartered Accountants

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No. U65990MH1994PTC080451

per Yogesh Midha
Partner
Membership No : 94941
Place: Gurugram
Date:

Anuj Khanna Sohum
Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Gurugram
Date:

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date:

Kapil Mohan Bhutani
Director and Chief Financial Officer
[DIN: 00554760]
Place: Gurugram
Date:

Akanksha Gupta
Company Secretary
Membership No.: 29443
Place: Gurugram
Date:

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure III
Restated Indian GAAP summary Statement of Cash Flows
(Amounts in INR million, unless otherwise stated)

Particulars	**March 31, 2015**	**March 31, 2014**
Cash flow from operating activities		
Net profit/ (loss) before tax	17.27	21.13
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	1.05	4.62
Loss on sale of fixed assets	-	0.39
Provision for doubtful debts	1.54	0.76
Provision for doubtful advance	-	0.33
Bad debts	5.97	5.01
Unrealised foreign exchange (gain)/ loss	(1.68)	(1.18)
Advances written off	7.57	1.93
Interest income	(1.30)	(1.05)
Interest expense	1.20	0.98
Operating profit before working capital changes	**31.62**	**32.92**
Movement in working capital:		
(Increase)/ decrease in trade receivables	(131.77)	(52.94)
(Increase)/ decrease in other current assets	(4.73)	(7.28)
(Increase)/ decrease in loans and advances	(14.48)	(0.54)
Increase / (Decrease) in short-term and long-term provision	(3.60)	10.92
Increase / (Decrease) in trade payable and other current liabilities	129.26	21.20
Cash generated from operations	**6.30**	**4.28**
Direct taxes paid (net of refunds)	(2.00)	(2.44)
Net cash flow from operating activity (A)	**4.30**	**1.84**
Cash flow from investing activities		
Purchase of fixed assets	(6.61)	(0.30)
Interest received	1.20	0.77
Investment in long term fixed deposits with scheduled banks	-	(3.25)
Proceeds from long term fixed deposits with scheduled banks	10.54	6.15
Net cash flow from investing activity (B)	**5.13**	**3.37**
Cash flow from financing activities		
Interest paid	(1.20)	(0.98)
Net cash used in financing activity (C)	**(1.20)**	**(0.98)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	8.24	4.23
Cash and cash equivalent at the beginning of the year	7.69	3.46
Cash and cash equivalent at the end of the year	**15.93**	**7.69**
Components of cash and cash equivalents		
Balance with banks		
On current account	15.90	7.60
Cash on hand	0.03	0.09
Total cash and cash equivalents (Refer Annexure XIV)	**15.93**	**7.69**

Note

The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm's Registration No.: 101049W/E300004
Chartered Accountants

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No. U65990MH1994PTC080451

per Yogesh Midha
Partner
Membership No : 94941
Place: Gurugram
Date:

Anuj Khanna Sohum
Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Gurugram
Date:

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date:

Kapil Mohan Bhutani
Director and Chief Financial Officer
[DIN: 00554760]
Place: Gurugram
Date:

Akanksha Gupta
Company Secretary
Membership No.: 29443
Place: Gurugram
Date:

Notes to Restated Indian GAAP Summary Statements-Accounting Policies
(Amount in INR million, unless otherwise stated)

1. Corporate information

Affle (India) Limited (Formerly known as “Affle (India) Private Limited”’), is a public limited Company, domiciled in India and incorporated under the provisions of the Companies Act, 1956 and is subsidiary of Affle Holding Pte Ltd. The Company was converted into a public company with effect from July 13, 2018 and consequently the name of the Company has changed from Affle (India) Private Limited to Affle (India) Limited. The Company was incorporated on August 18, 1994. The Company is engaged in providing mobile advertisement services through Information Technology.

2. Basis of preparation

The Restated Indian GAAP Summary Statement of Assets and Liabilities of the Company as at March 31, 2015 and March 31, 2014, the related Restated Indian GAAP, Summary Statement of Profit and Loss and Restated Indian GAAP Summary Statement of Cash Flows for the years ended March 31, 2015 and March 31, 2014 (hereinafter collectively referred to as “Restated Indian GAAP Statements”) have been prepared specifically for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India (“SEBI”) in connection with proposed Initial Public Offering through Offer for Sale (IPO) of its equity shares.

The Restated Indian GAAP Summary Statements of the Company have been prepared using the historical audited general purpose financial statements of the Company as at and for the years ended March 31, 2015 and March 31, 2014 respectively which were prepared under generally accepted accounting principles in India (Indian GAAP) and originally approved by the Board of Directors of the Company at that relevant time.

The financial statements of the company have been prepared in accordance with Indian GAAP. The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014, Companies (Accounting Standards) Amendment Rules, 2016 and SEBI Circular no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

As per the requirements of SEBI Circular no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016, the companies falling under Phase I of the MCA roadmap for implementation of Ind AS having a filing of offer document between April 1, 2017 and March 31, 2018 may present the financial statements for the year ended March 31, 2015 and March 31, 2014 under Indian GAAP and year ended March 31, 2016, March 31, 2017 and March 31, 2018 under Ind AS. Financial statements presented under Ind AS have been prepared in a separate set of financial statements.

These Unconsolidated financial statements have been prepared using presentation and disclosure requirements of the Schedule III of Companies Act 2013.

The Restated Indian GAAP Summary Statements have been prepared by the Company to comply in all material respects with the requirements of Sub-section (1) of Section 26 of Part I of Chapter III of The Companies Act, 2013 and the relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (“the ICDR regulations”) issued by SEBI on August 26, 2009 as amended from time to time.

Notes to Restated Indian GAAP Summary Statements-Accounting Policies
(Amount in INR million, unless otherwise stated)

The Restated Indian GAAP Financial information were authorized for issue in accordance with a resolution of the directors on July 07, 2018.

The Company has accumulated losses aggregating to Rs. 76.68 Mn and Rs. 99.23 Mn against paid up equity share capital of Rs. 158.24 Mn and Rs. 105.25 Mn as at March 31, 2015 and March 31, 2014 respectively. The Company's ability to continue as a going concern is dependent on the success of operations and its ability to arrange recurring funding to meet expected losses over the next years. The holding company had committed to provide financial and operational support to the Company to ensure that it continues to operate as a going concern and meets all its liabilities over the next twelve months. Accordingly, these financial statements have been prepared on a going concern basis and no adjustment has been made to the carrying value or classification of the balance sheet items.

The Board of Directors of the Company, in its meeting held on May 13, 2015 has approved the proposal for amalgamation of the Company with AD2C (India) Private Limited, AD2C Holdings Private Limited and AppStudioz Technologies Private Limited subject to sanction of Hon'ble High Court of Bombay (Hon'ble High Court), Delhi and Punjab & Haryana. The scheme of amalgamation is effective from April 1, 2015. The Company intends to carry on the business of the amalgamating company after the amalgamation. Pending the sanction by the Hon'ble High Court, the scheme has not been given effect in these financial statements.

The Scheme has been sanctioned by the Hon'ble High Courts of Bombay, Delhi and Punjab & Haryana vide their orders dated 5 August 2016, 16 January 2017 and 9 December 2016 respectively, the copies of which have been filed with the Registrar of Companies on 7 February 2017, 7 February 2017 and 9 January 2017 respectively. Accordingly, the effective date of the Scheme is 7 February 2017 though the appointed date is 1 April 2015. Basis above, the Scheme has been given effect to in the financial year ended March 31, 2017 with retrospective effect from 1 April 2015.

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

(b) Property, plant and equipment

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Notes to Restated Indian GAAP Summary Statements-Accounting Policies
(Amount in INR million, unless otherwise stated)

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(c) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a written down value using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its property, plant and equipment.

Category	Useful lives estimated by the management (years)
Computer (including hardware and network Installation)	3 year to 6 year
Office equipment	5 Year

Based on an internal technical assessment, the management believes that the useful lives as prescribed under Part C of Schedule II of Companies Act, 2013 represents the period over which management expects to use its assets.
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project, i.e., the estimated useful life of four years. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from Indian estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Based on an internal technical assessment, the management believes that the period of expected future benefit from the intangible asset will be four year.

(e) Impairment of tangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. For longer periods, a long term growth rate is calculated and applied to project future cash flows.
After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

(f) Leases

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria discussed below must also be met before revenue is recognized:

Consumer Platform

Revenue from rendering of advertisement services is recognized on accrual basis as and when services are rendered based on the terms of contracts. The Company collects taxes on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Enterprise Platform

Revenue from software development comprises income from time & material and fixed price contracts. Revenue with respect to time & material contracts is recognized when the related services are performed. Revenue from fixed price contracts is recognized in accordance with the proportionate completion method which is determined by reference to the milestone achieved as per the terms of the contract. The Company collects taxes on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

(h) Foreign currency translation

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the period, or reported in Indian financial statements, are recognized as income or as expense in the period in which they arise.

(i) Retirement and other employee benefits

- Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

- The Company is liable for payment of gratuity. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gain and loss for the defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

- Accumulated leave are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(j) Income taxes

Tax expense comprises of current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Notes to Restated Indian GAAP Summary Statements-Accounting Policies
(Amount in INR million, unless otherwise stated)

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

(k) Earnings/(Loss) Per Share

Basic earnings/ (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

(l) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(m) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability in the financial statements but discloses its existence in the financial statement.

(n) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and bank deposits with an original maturity of three months or less.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure V
Statement of Restatement Adjustments to Audited Indian GAAP Financial Statements
(Amounts in INR million, unless otherwise stated)

A. The summary of results of restatement made in the audited Indian GAAP financials statements for the respective years and its impact on the profit of the Company is as follows:

Particulars	Notes	For the years ended	
		March 31, 2015	March 31, 2014
Net profit as per audited financial statements		23.12	(16.35)
Restatement adjustments			
Material items relating to previous years			
Prior period expenses	A(1)	(0.43)	5.18
Liability written back	A(2)(a)	-	4.08
Liability written back	A(2)(b)	-	(1.95)
Exceptional item	A(3)	-	14.78
Deferred tax charge/ (credit)		(0.14)	7.17
Total impact of restatement adjustments		(0.57)	29.26
Net profit as per restated financial statements		**22.55**	**12.91**

Explanatory notes:

A(1) For the year ended March 31, 2015 and March 31, 2014, certain items of income/expense were identified as prior period adjustments. These adjustments were recorded in the year when identified. However, for the purpose of restated summary of adjustments, such prior period adjustments have been adjusted in respective year to which the transaction pertains to.

A(2) (a) For the year ended March 31, 2017, liability was written back amounting to Rs 4.08 Mn pertaining to FY 2013-14, which were considered as no longer payable. For the purpose of restated summary of adjustments, such income has been removed from FY 2016-17 and added to the income of the respective year i.e. FY 2013-14.
A(2) (b) For the year ended March 31, 2014 liability was written back amounting to Rs 1.95 Mn pertaning to previous years, which were considered as no longer payable.Since, these were relating to earlier years, the reversal has now been reflected in the opening reserve.

A(3) During the year ended March 31, 2014, Rs 14.78 Mn were written off in respect of a purchased software based on assessment of future economic benefits and reported as exceptional item. However, for the purpose of restated summary of adjustments, this exception item has been adjusted to opening reserve.

B. Restatement adjustments made in the audited opening balance of net surplus in the statement of profit and loss as at April 01, 2013

Particulars	Notes	Amount
Net Surplus in the Statement of Profit and Loss as at April 01,2013 as per audited financial statements		(99.98)
Restatement adjustments		
Prior period expenses	A(1)	5.18
Liability written back	A(2)	(1.95)
Exceptional item	A(3)	14.78
Deferred tax		(5.84)
Total impact of restatement adjustments		12.17
Net surplus in the Statement of Profit and Loss as at April 01, 2013 (as restated)		**(112.14)**

C: Non Adjusting Events

Audit qualifications for the respective years, which do not require any adjustments in the restated financial statements are as follows:

Annexure to auditor's report for the financial year ended March 31, 2015

Clause (vii)

a) Undisputed statutory dues including provident fund, income-tax, service tax, cess and other material statutory dues have not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases. The provisions relating to employee’s state insurance, sales tax, wealth tax, custom duty, excise duty and value added tax are not applicable to the Company.

b) According to the information and explanation given to us undisputed stat dues in respect of provident fund, income-tax, service tax, cess and other material statutory dues which were outstanding at the yearend for a period of more than six months from the date they became payable are as follows:

Name of statue	Nature of dues	Amount Due(Rs.)	Period to which amount relates	Due Date	Date of Payment
Finance Act, 1994	Service Tax	17,332	April, 2014 to September, 2014	May 2014 to October 2014	Jul-15

Annexure to auditor's report for the financial year ended March 31, 2014

Clause ix(a)

Undisputed statutory dues including provident fund, income-tax, service tax, cess and other material statutory dues have not been regularly deposited with the appropriate authorities and there have been significant delays in large number of cases of provident fund, income tax and service tax.

Clause (x)

The Company’s accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has not incurred cash loss during the year. In the immediately preceding financial year, the Company had incurred cash losses.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure VI
Restated Indian GAAP Statement of Share Capital
(Amounts in INR million, unless otherwise stated)

	March 31, 2015	March 31, 2014
Authorised share capital:		
16.00 Mn (31 March 2014: 16.00 Mn) Equity Shares of Rs 10 each	160.00	160.00
Issued, subscribed and paid up:		
15.82 Mn (31 March 2014: 10.52 Mn) Equity Shares of Rs 10 each fully paid up	158.24	105.25
Total issued, subscribed and paid up share capital	**158.24**	**105.25**

a. The Reconciliation of number of shares outstanding and amount of capital is set out below:
Equity Shares

	March 31, 2015		March 31, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares at the beginning of the year	10.52	105.25	9.97	99.70
Equity Shares issued during the year	5.30	52.99	0.55	5.55
Equity Shares at the end of the year	**15.82**	**158.24**	**10.52**	**105.25**

b. **Terms and rights attached to equity shares:**

The company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

c. Shares held by Holding Company and/or their subsidiaries
Out of the equity shares issued by the Company, shares held by its Holding Company and its subsidiaries are as below:

	March 31, 2015	March 31, 2014
Affle Holdings Pte Limited, Singapore, the Holding Company		
11.80 Mn (31 March 2014: 9.54 Mn) equity shares of Rs 10 each fully paid	118.06	95.49
Affle Limited, United Kingdom, subsidiary of Affle Holdings Pte Limited		
3.47 Mn (31 March 2014: 0.97 Mn) equity shares of Rs 10 each fully paid	34.74	9.76
Affle Appstudioz Pte Limited, Singapore, subsidiary of Affle Holding Pte Limited		
0.54 Mn (31 March 2014: Nil) equity shares of Rs 10 each fully paid	5.43	-

d. Details of shareholders holding more than 5% shares :
Equity shares

Name of shareholder	March 31, 2015		March 31, 2014	
	No. of shares	% Held	No. of shares	% Held
Affle Holdings Pte Limited, Singapore	11.81	74.61%	9.55	90.73%
Affle Limited, United Kingdom	3.47	21.96%	0.98	9.27%

Note
1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure VII
Restated Indian GAAP Statement of Reserves and Surplus
(Amounts in INR million, unless otherwise stated)

	March 31, 2015	March 31, 2014
(Deficit) in the statement of profit & loss		
Balance as per last financial statement	(99.23)	(112.14)
Add: Profit for the year	22.55	12.91
	(76.68)	**(99.23)**

Note
1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V.

Annexure VIII
Restated Indian GAAP Statement of Trade Payables and Other Current Liabilities

		March 31, 2015	March 31, 2014
Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		168.49	69.12
	A	**168.49**	**69.12**
Other Current Liabilities			
Service tax payable		27.81	0.00
Tax deducted at source payable		3.14	1.73
Provident fund payable		0.39	0.22
	Total Other Current liabilities B	**31.34**	**1.95**
	Total Current Liabilities (A+B)	**199.83**	**71.07**

Note
1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

Annexure IX
Restated Indian GAAP Statement of Provisions

		Long-term		Short-term	
		March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Provision for employee benefits					
Provision for gratuity		3.79	2.55	0.32	0.25
Provision for leave encashment			-	1.01	0.63
	A	**3.79**	**2.55**	**1.33**	**0.88**
Other provisions					
Provision for contingencies		-	-	2.20	7.50
	B	-	-	2.20	7.50
	Total (A+B)	**3.79**	**2.55**	**3.53**	**8.38**

Note
1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure X
Restated Indian GAAP Statement of Fixed Assets
(Amounts in INR million, unless otherwise stated)

Property, plant and equipment

	Computers	Office Equipments	Total
Cost			
As at April 1, 2013	6.23	1.10	**7.33**
Additions	0.25	0.05	**0.30**
Disposals	(1.26)	(0.76)	**(2.02)**
As at March 31, 2014	**5.22**	**0.39**	**5.61**
Additions	1.26	0.13	**1.39**
Disposals	-	-	-
As at March 31, 2015	**6.48**	**0.52**	**7.00**
Depreciation			
As at April 1, 2013	5.51	0.53	**6.04**
Charge for the year	0.32	0.09	**0.41**
Disposals	(1.22)	(0.42)	**(1.64)**
As at March 31, 2014	**4.61**	**0.20**	**4.81**
Charge for the year	0.66	0.23	**0.89**
Disposals	-	-	**-**
As at March 31, 2015	**5.27**	**0.43**	**5.70**
Net Block			
As at March 31, 2014	**0.61**	**0.19**	**0.80**
As at March 31, 2015	**1.21**	**0.09**	**1.30**

Note

1. The Company on physical verification of fixed assets, written off assets amounting to Nil (Rs 0.38 Mn [Gross block: Rs 2.02 Mn, Accumulated depreciation: Rs 1.63 Mn] for March 31, 2015 and March 31, 2014 respectively)

2.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

3.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure X
Restated Indian GAAP Statement of Fixed Assets
(Amounts in INR million, unless otherwise stated)
Intangible assets

	Computer Software	Mobile application	Total
Cost			
As at April 1, 2013	21.11	-	21.11
Purchase	-	-	-
Sale during the year	-	-	-
As at March 31, 2014	**21.11**	**-**	**21.11**
Purchase	0.21	5.00	5.21
Sale during the year	-	-	-
As at March 31, 2015	**21.32**	**5.00**	**26.32**
Amortization			
As at April 1, 2013	16.89	-	16.89
Charge for the year	4.22	-	4.22
Impairment loss	-	-	-
As at March 31, 2014	**21.11**	**-**	**21.11**
Charge for the year	0.02	0.14	0.16
As at March 31, 2015	**21.13**	**0.14**	**21.27**
Net Block			
As at March 31, 2014	**-**	**-**	**-**
As at March 31, 2015	**0.19**	**4.86**	**5.05**

Note:

1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure XI
Restated Indian GAAP Statement of Deferred Tax Assets(Net)
(Amounts in INR million, unless otherwise stated)

	March 31, 2015	March 31, 2014
Deferred tax liabilities		
Other timing differences	1.18	1.32
Gross deferred tax liability	**1.18**	**1.32**
Deferred tax asset		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for financial reporting	2.73	
Provision for doubtful debts and advances	0.75	-
Provision for gratuity	1.33	-
Provision for leave encashment	0.33	
Gross deferred tax asset	**5.14**	**-**
Net deferred tax assets/(liabilities)	**3.96**	**(1.32)**

Note

1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V.

Annexure XII
Restated Indian GAAP Statement of Loans and Advances

	Non-current		Current	
	March 31, 2015	**March 31, 2014**	**March 31, 2015**	**March 31, 2014**
Security Deposits				
Unsecured, considered good	0.40	1.03	1.05	0.03
Doubtful	-	-	-	0.27
	0.40	**1.03**	**1.05**	**0.30**
Provision for doubtful security deposit	-	-	-	(0.27)
A	**0.40**	**1.03**	**1.05**	**0.03**
Advance recoverable in cash or in kind				
Unsecured, considered good	**-**	**-**	**1.70**	**7.95**
Doubtful	-	-	-	0.06
	-	**-**	**1.70**	**8.01**
Provision for doubtful advance	-	-	-	(0.06)
B	**-**	**-**	**1.70**	**7.95**
Other loans & advances				
Unsecured, considered good				
Advance tax [net of provision amounting to Rs 1.29 Mn (March 31, 2014: Nil)]	6.83	4.83	-	-
MAT credit entitlement	1.20	-	-	-
Interest free loan to employee	-	-	0.09	0.09
Prepaid expenses	-	-	0.31	0.21
Balance with government/ statutory authorities	-	-	11.48	-
C	**8.03**	**4.83**	**11.88**	**0.30**
Total (A+B+C)	**8.43**	**5.86**	**14.63**	**8.28**

Note

1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure XIII
Restated Indian GAAP Statement of Trade Receivables
(Amounts in INR million, unless otherwise stated)

		March 31, 2015	March 31, 2014
Outstanding for a period more than six months from the date they are due for payment			
Unsecured, considered good		34.75	24.20
Unsecured, considered doubtful		1.00	0.76
		35.75	**24.96**
Provision for doubtful receivables		(1.00)	(0.76)
	A	**34.75**	**24.20**
Other receivables			
Unsecured, considered good		188.70	73.85
Unsecured, considered doubtful		1.30	-
		190.00	**73.85**
Provision for doubtful receivables		(1.30)	-
	B	**188.70**	**73.85**
	Total (A+B)	**223.45**	**98.05**

Note

1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

Annexure XIV
Restated Indian GAAP Statement of Cash and Bank Balances

	Non-current		Current	
	March 31, 2015	**March 31, 2014**	**March 31, 2015**	**March 31, 2014**
A. Cash & cash equivalents				
Balance with banks				
On current account			15.90	7.60
Cash in hand			0.03	0.09
			15.93	7.69
B. Other bank balances				
Deposit with original maturity for more than 12months	-	6.83	3.25	-
Deposit with original maturity for more than 3 months but less than 12 months	-	-	-	6.95
	-	6.83	3.25	6.95
Amount disclosed under non-current assets (Refer Annexure XV)	-	(6.83)	-	-
Total	-	-	**19.18**	**14.64**

Note

1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company
2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure XV
Restated Indian GAAP Statement of Other Assets
(Amounts in INR million, unless otherwise stated)

	Non-current		Current	
	March 31, 2015	**March 31, 2014**	**March 31, 2015**	**March 31, 2014**
(Unsecured, considered good unless otherwise stated)				
Non-current bank balances	**-**	**6.83**	**-**	**-**
Others				
Amount recoverable from Holding company	-	-	5.75	7.50
Accrued Interest on fixed deposits	-	0.12	0.38	0.17
Unbilled income	-	-	6.58	0.09
	-	**0.12**	**12.71**	**7.76**
Total	**-**	**6.95**	**12.71**	**7.76**

Note

1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

Annexure XVI
Restated Indian GAAP Statement of Revenue from operations

	March 31, 2015	**March 31, 2014**
Sale of services		
Consumer Platform	393.12	146.36
Other services	0.15	2.00
Total	**393.27**	**148.36**

Note

1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure XVII
Restated Indian GAAP Statement of Other Income
(Amounts in INR million, unless otherwise stated)

		March 31, 2015	March 31, 2014
Recurring other Income			
Interest income		1.30	1.05
	Total	**1.30**	**1.05**

Note
1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

Annexure XVIII
Restated Indian GAAP Statement of Employement Benefit Expense

		March 31, 2015	March 31, 2014
Salaries, allowances and bonus		49.73	29.78
Contribution to provident fund and other fund		2.07	1.23
Gratuity expense		1.31	2.80
Staff welfare expenses		0.45	0.16
	Total	**53.56**	**33.97**

Note
1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

Annexure XIX
Restated Indian GAAP Statement of Depreciation and Amortization Expenses

		March 31, 2015	March 31, 2014
Depreciation of tangible assets		0.89	0.40
Amortization of intangible assets		0.16	4.22
	Total	**1.05**	**4.62**

Note
1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

Annexure XX
Restated Indian GAAP Statement of Finance Costs

		March 31, 2015	March 31, 2014
Interest on late deposit of taxes		1.20	0.98
Bank charges		0.27	0.02
	Total	**1.47**	**1.00**

Note
1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure XXI
Restated Indian GAAP Statement of Other Expenses
(Amounts in INR million, unless otherwise stated)

	March 31, 2015	March 31, 2014
Rent	1.84	1.54
Power and fuel	0.15	0.13
Legal & professional fees (including payment to statutory auditor refer detail below)	2.48	3.39
Printing & stationery	0.43	0.11
Travelling & conveyance expenses	5.73	1.87
Repair and maintenance		
- Others	0.69	0.78
Communication expenses	4.20	0.53
Loss on sale/discard of fixed asset	-	0.39
Rates and taxes	0.27	0.78
Recruitment expenses	0.61	0.20
Exchange difference (net)	1.79	0.17
Business promotion expenses	4.74	1.38
Provision for doubtful debts	1.54	0.76
Bad debts written off	5.97	5.01
Provision for doubtful advances	-	0.33
Advances written off [Net of provision utilised Rs 0.33 Mn (31 March 2014: Nil)]	7.47	-
Tax deducted at source written off	0.10	0.41
Service tax credit written off	-	1.52
Miscellaneous expenses	1.40	1.14
Total	**39.41**	**20.44**

Payment to auditor

	March 31, 2015	March 31, 2014
Audit fee	1.30	0.70
Reimbursement of expenses	0.05	0.02
Total	**1.35**	**0.72**

Note

1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

Annexure XXII
Restated Indian GAAP Summary Statement of Accounting ratios

A. Earning per share (EPS) For the year ended	**March 31, 2015**	**March 31, 2014**
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Net profit for calculation of basic EPS	22.55	12.91
Weighted average number of equity shares in calculating basic EPS	15,794,950	10,491,858
Basic and diluted earnings per share (INR)	**1.43**	**1.23**

B. Return on net worth %	**March 31, 2015**	**March 31, 2014**
Net profit after tax as Restated Indian GAAP (a)	22.55	12.91
Net worth* as Restated Indian GAAP at the end of the year (b)	81.56	6.02
Return on net worth (a/b)	**27.65%**	**214.36%**

C. Net asset value (NAV) per equity share (INR)	**March 31, 2015**	**March 31, 2014**
Net worth* as Restated Indian GAAP at the end of the year (a)	81.56	6.02
Number of equity shares outstanding at the end of the year (b)	15.82	10.53
Net asset value (NAV) per equity share (INR) (a/b)	**5.15**	**0.57**

*** Net worth for ratios mentioned represents sum of share capital and reserves & surplus.**

Note

1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure XXIII
Restated Indian GAAP Statement of Tax Shelter
(Amounts in INR million, unless otherwise stated)

Particulars		March 31, 2015	March 31, 2014
Restated profit before tax	**A**	17.26	21.15
Tax Rate	**B**	32.45%	32.45%
Tax thereon at the above rate (A x B)	**C**	5.60	6.86
Adjustment for permanent difference			
Interest Expense		0.55	0.98
Unabsorbed loss and depreciation		(18.17)	(20.84)
Other		0.10	0.71
Total permanent differences	**D**	(17.52)	(19.15)
Adjustment for timing difference			
Depreciation and amortization		(3.39)	15.90
Provision for doubtful debts		1.54	0.76
Provision for gratuity		1.31	2.80
Provision for leave encashment		0.38	0.63
Total timing differences	**E**	(0.16)	20.09
Net Adjustments(D+E)	**F**	**(17.68)**	**0.94**
Tax expense / (benefits) (F x B)	**G**	**(5.74)**	**0.30**
Current Tax (C+G)	**H**	**(0.14)**	**7.17**
Deferred tax	**I**	**(5.14)**	**1.05**
Total Tax Expenses	**J**	(5.28)	8.22
As per restated financial statement			
Current Tax		-	-
Deferred tax		(5.28)	8.22
		(5.28)	**8.22**

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(Amounts in INR million, unless otherwise stated)

1. Employee Benefit

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The principal actuarial assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	March 31, 2015	March 31, 2014
Discount rate	8%	8.75%
Future salary increase	10.00%	10.00%
Withdrawal rates:		
Age:		
- upto 30 years	20.00%	20.00%
- from 31 to 44 years	10.00%	10.00%
- above 44 years	-	-

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Note

1.The figures disclosed above are based on the restated Indian GAAP summary statement of Assets and Liabilities of the Company

2.The above statement should be read with the Notes to the restated Indian GAAP summary statements-Accounting Policies as appearing in Annexure IV and statement of restatement adjustments to audited Indian GAAP Financial Statements appearing in Annexure V

2. Related party disclosures, as required by notified Accounting Standard 18 - "Related Party Disclosures" are given below:

a. Name of related parties and related party relationship:

Holding Company: Affle Holdings Pte Ltd, Singapore

Fellow Subsidiaries:
Affle Limited, United Kingdom
Affle AppStudioz Pte Ltd, Singapore
AD2C Holdings Private Limited
AD2C (India) Private Limited
AppStudioz Technologies Private Limited

Key Management Personnel:
Anuj Kumar (Managing Director)
Anuj Khanna Sohum (Director)
Khushboo Sachdeva (Company Secretary) [till September 18, 2017]
Akanksha Gupta (Company Secretary) [w.e.f. January 8, 2018]

Related Party Transaction

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure XXIV
Notes to the Restated Indian GAAP summary Statements
(Amounts in INR million, unless otherwise stated)

b. Summary of transactions with the above related parties are as follows:

Particulars	Holding Company		Fellow Subsidiaries		Key Management Personnel		Total	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Service Revenue (net of discount)								
AD2C (India) Private Limited	-	-	**140.89**	49.63	-	-	**140.89**	49.63
Affle Holdings Pte Limited, Singapore	**7.49**	-	-	-	-	-	**7.49**	-
Other income (amount written back)								
Affle Singapore Pte Limited, Singapore	-	-	-	1.51	-	-	-	1.51
Service Cost								
AppStudioz Technologies Private Limited	-	-	**0.37**	-	-	-	**0.37**	-
Purchase of intangible asset								
AppStudioz Technologies Private Limited	-	-	**5.00**	-	-	-	**5.00**	-
Reimbursement of expenses								
AppStudioz Technologies Private Limited	-	-	**0.72**	-	-	-	**0.72**	-
Affle Holdings Pte Limited, Singapore	**3.55**	-	-	-	-	-	**3.55**	-
Indemnification asset recognized								
Affle Holdings Pte Limited, Singapore	-	7.50	-	-	-	-	-	7.50
Indemnification asset derecognized								
Affle Holdings Pte Limited, Singapore	**5.30**	-	-	-	-	-	**5.30**	-
Remuneration to key management personnel								
Anuj Kumar	-	-	-	-	**8.47**	4.97	**8.47**	4.97
Khushboo Sachdeva	-	-	-	-	**0.16**	-	**0.16**	-
Issue of equity shares								
Affle Holdings Pte Limited, Singapore	**22.57**	5.55	-	-	-	-	**22.57**	5.55
Affle Limited, United Kingdom	-	-	**24.98**	-	-	-	**24.98**	-
Affle AppStudioz Pte Limited, Singapore	-	-	**5.43**	-	-	-	**5.43**	-
Share application money given								
AppStudioz Technologies Private Limited	-	-	**5.00**	-	-	-	**5.00**	-
Share application money refunded								
AppStudioz Technologies Private Limited	-	-	**5.00**	-	-	-	**5.00**	-

(Amounts in INR million, unless otherwise stated)

b. Summary of transactions with the above related parties are as follows:

Particulars	Holding Company		Fellow Subsidiaries		Key Management Personnel		Total	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Closing balances as at 31 March 2015 and 31 March 2014								
Short term borrowing								
Affle AppStudioz Pte Limited, Singapore	-	-	-	1.51	-	-	-	1.51
Trade receivables								
AD2C India Private Limited	-	-	**88.53**	16.52	-	-	**88.53**	16.52
AppStudioz Technologies Private Limited	-	-	**9.35**	-	-	-	**9.35**	-
Other current assets								
Affle Holdings Pte Limited, Singapore	**5.75**	7.50	-	-	-	-	**5.75**	7.50
Loans and advances								
AppStudioz Technologies Private Limited	-	-	**0.72**	-	-	-	**0.72**	-
Share application money pending allotment								
Affle Holdings Pte Limited, Singapore	**0.00**	22.57	-	-	-	-	**0.00**	22.57
Affle Limited, United Kingdom	-	-	-	24.98	-	-	-	24.98
Affle AppStudioz Pte Limited, Singapore	-	-	**0.00**	5.43	-	-	**0.00**	5.43

1. The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

2. The figures disclosed above are based on the Restated Indian GAAP Financial statements of the Company

3. The above statement should be read with the Notes to the Restated Indian GAAP summary Statements-Accounting Policies as appearing in Annexure IV and Statement of Restatement Adjustments to Audited Indian GAAP Financial Statements appearing in Annexure V.

Affle (India) Limited (formerly known as "Affle (India) Private Limited")
Annexure XXIV
Notes to the Restated Indian GAAP summary Statements
(Amounts in INR million, unless otherwise stated)

3. Earning and Expenditure in Foreign Currency (accrual basis)

Earning in foreign currency

Particulars	March 31, 2015	March 31, 2014
Service Income	62.91	20.59
Total	**62.91**	**20.59**

Expenditure in foreign currency

Particulars	March 31, 2015	March 31, 2014
Inventory and data cost	141.56	45.73
Travelling expenses	1.58	0.24
Business development expenses	0.90	0.05
Total	**144.04**	**46.02**

4. Unhedged foreign currency exposure

The Company does not use derivative financial instruments such as forward exchange contracts or options to hedge its risks associated with foreign currency fluctuations or for trading/speculation purpose.

The amount of foreign currency exposure not hedged by derivative instruments or otherwise is as under:

	March 31, 2015	March 31, 2014
Trade payables		
Reported (Rs.)	87.00	40.24
Foreign exchange rate (USD/Rs.)	62.59	60.10
Foreign currency amount (USD)	1.54	0.67
Trade receivables		
Reported (Rs.)	37.52	35.90
Foreign exchange rate (USD/Rs.)	62.59	60.10
Foreign currency amount (USD)	0.60	0.60

5. Statement of Leases

Operating lease: Company as lessee

The Company has taken official premises on Lease. The lease has been entered for a period of nine years with renewal option after the initial three years of the lease. The lease payments have been charged to the Statement of Profit and Loss.

Future minimum rentals payable under the operating lease is as follows:

Description	March 31, 2015	March 31, 2014
Within one year	1.86	1.63
After one year but not more than five years	1.06	1.22
More than five years	-	-

6. Capital Commitments

The Company has commitments on capital account and not provided for net of advance 6.68 Mn and Nil as at March 31, 2015 and March 31, 2014 respectively.

7. Segment Information
Based on the guiding principles given in Accounting Standards on 'Segmental Reporting' (AS-17), issued by Institute of Chartered Accountants of India, the Company's primary business segment is providing advertisement services. As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided under Accounting Standards 17 'Segmental Reporting'.

8. Disclosure for Micro, Small and Medium Enterprises
Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosure are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro, Small and Medium Enterprises development Act, 2006.

9. Deferred Tax Assets
As at March 31, 2015, the Company has based on reasonable certainty and estimated future projected taxable profits recognised deferred tax assets amounting to Rs. 5.14 Mn on timing differences. Further, the Company has not recognized deferred tax asset on brought forward tax losses and unabsorbed depreciation.

As at March 31, 2014, the Company has not recognized deferred tax assets since in the opinion of the management; it cannot be said with virtual certainty that sufficient future taxable income will be available against which deferred tax assets can be realized.

As the respective deferred tax recognition was based on the assessment of respective year as at reporting date, the management has not restated the deferred tax asset.

10. Non Compliance with regulation under Foreign Exchange Management Act
The Company is in contravention of certain provisions under Foreign Exchange Management Act (FEMA) due to certain administrative and regulatory non-filings by authorized dealer with Reserve Bank of India (RBI) related to non-allotment of equity shares within stipulated time and is in the process of applying for relevant approvals with the regulatory authorities. The Company, basis legal opinion, was reasonably confident of receiving approval/ condonation from the regulatory authorities with respect to the above non-compliance after incurring certain penalties. The Holding Company has guaranteed to reimburse any liability arising on the Company on account of such non-compliance and accordingly, the Company has recorded provision and corresponding indemnification assets of amounting Rs 7.5 Mn as at March 31, 2014. The Company has revised its estimate of provision due to regularization of the non-compliance and accordingly, has reduced the provision and indemnification asset at Rs. 2.2 Mn and Rs. 0.5 Mn as at March 31, 2015 and March 31, 2016 respectively.

During the year ended March 31, 2018, RBI has compounded the contravention on payment of Rs. 0.5 Mn by order dated August 02, 2017.

11. The Company in the earlier years had received Rs. 52.98 Mn towards share application from Affle Holdings Pte Ltd, the holding Company and Affle Limited, UK & Affle AppStudioz Pte Ltd. Singapore (fellow subsidiaries). During the year ended March 31, 2015, this was pending allotment for more than six months. The Company subsequent to getting requisite approval from the Reserve Bank of India (RBI) has allotted 2256906, 2498463 and 543316 equity shares of Rs.10 each aggregating to Rs. 22.57 Mn, Rs. 24.98 Mn and Rs. 5.43 Mn to Affle Holdings Pte Limited, Singapore, Affle Limited, United Kingdom and Affle AppStudioz Pte Limited, Singapore respectively in the year ended March 31, 2015.

The share application money pending allotment of Rs.0.00 Mn for 2 subscribers appearing in the Books of the company is on account fraction amount on exchange conversion.

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Affle (India) Limited (formerly known as "Affle (India) Private Limited")

12. Non Compliance with Section 297 of Companies act, 1956

The Company in the earlier years had rendered services amounting to Rs 64.05 Mn to certain private limited companies in which directors are interested. These transactions are not in compliance with section 297 of the Companies Act, 1956. The Company is in process of obtaining approval from Central Government as required under section 297 of the Companies Act, 1956.

The Company in financial year 2014-15, has rendered services amounting to Rs 141.60 Mn and availed services amounting to Rs 5.37 Mn from private limited companies in which directors are interested. These transactions are not in compliance with section 117 of the Companies Act, 2013 with respect to filing of requisite documents with registrar of Companies within stipulated time line as prescribed under this section. The Company based on legal opinion is in process of getting condonation of the above non-compliance.

13. The Company had appointed independent consultants for conducting a Transfer pricing study to determine whether the transactions with associated enterprise were undertaken at "arm length price". The management confirms that all domestic and international transactions with associated enterprise are undertaken at negotiated contracted price on usual commercial terms and is confident of there being no adjustment on completion of the study. Adjustment, if any arising from the transfer pricing study shall be accounted for as and when the study is completed.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm's Registration No.: 101049W/E300004
Chartered Accountants

per Yogesh Midha
Partner
Membership No : 94941
Place: Gurugram
Date:

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No. U65990MH1994PTC080451

Anuj Khanna Sohum
Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Gurugram
Date:

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date:

Kapil Mohan Bhutani
Director and Chief Financial Officer
[DIN: 00554760]
Place: Gurugram
Date:

Akanksha Gupta
Company Secretary
Membership No.: 29443
Place: Gurugram
Date:

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations is based on, and should be read in conjunction with, our Restated Financial Statements included in the section "Financial Information" beginning on page 193.

Our results of operations for Fiscal 2017 are not comparable to our results of operations for Fiscal 2016. In June 2016, Affle Holdings, our corporate Promoter, *decided that our Company would, to the extent practicable, only provide solutions to customers in India and that Affle Global and the Indonesian Subsidiary would provide our Company's solutions to customers outside India.*

Due to our Company's acquisition of Affle Global's business, intangible assets and all of the equity interests in the Indonesian Subsidiary, effective July 1, 2018, our historical results of operations will not be reflective of our future results of operations from July 1, 2018 onwards. In order to give potential investors a better understanding of what the consolidated financial results for our Company and the acquired businesses would have been had we been operating as one group since April 1, 2017, we have prepared proforma financial statements for Fiscal 2018. For details, see "Proforma Financial Statements" on page 194 and "Risk Factors–Our Proforma Financial Statements are illustrative in nature and have not been prepared in accordance with accounting or other standards and practices generally accepted in any jurisdiction and accordingly should not be relied upon as if they had been prepared in accordance with those standards and practices" on page 39.

Our fiscal year ends on March 31 of each year, so all references to a particular "Fiscal" or "fiscal year" are to the 12–month period ended March 31 of that fiscal year.

The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward–looking statements. See "Forward-Looking Statements" and "Risk Factors" on pages 17 and 18, respectively, for factors that could cause or contribute to these differences.

OVERVIEW

We are a global technology company with a proprietary consumer intelligence platform that delivers consumer acquisitions, engagements and transactions through relevant mobile advertising (the "**Consumer Platform**"). Our Consumer Platform aims to enhance returns on marketing spend through delivering contextual mobile ads and reducing digital ad fraud, while proactively addressing consumer privacy expectations. As at March 31, 2018 On a Proforma Basis, we had approximately 1.18 billion consumer profiles and we accumulated over 140 billion data points over the preceding 12 months, which power our prediction and recommendation algorithm.

Our Consumer Platform is used by business to consumer ("**B2C**") companies across industries, including e-commerce, fin-tech, telecom, media, retail and FMCG companies, both directly and indirectly through their advertising agencies.

We utilise user-intent indicators derived from behavioural signals, marketing attribution and transactional data, which are received in real time and accumulated over time, which increases our ability to predict a user's likely interests. The accuracy of the prediction and recommendation algorithm improves with every advertisement we deliver, as the system incorporates new data, while continuing to learn from previous data. In addition, we enhance our customers' ad content with rich media experiences, including interactive videos, games and augmented reality. This paired with data-centric scientific targeting and retargeting enables a higher likelihood of consumer engagement, such as downloading an App or completing a transaction.

We have three registered patents in the United States with multiple patent claims in areas of advertising via data communication clients, online search system, method and computer programme and method and system for extending the use and/or application of messaging system. We have also filed seven patent applications in India covering various algorithms in the area of digital fraud detection.

For Fiscal 2018 on a Proforma Basis, our revenue from our Consumer Platform represented 97.0% of our revenue from operations. We primarily earn revenue from our Consumer Platform on a cost per converted user ("**CPCU**") basis, which comprises user conversions based on consumer acquisition and transaction models. Our consumer acquisition model focuses on acquiring new consumers for businesses, which is usually in the form of a targeted user downloading and opening an App or engaging with an App after seeing an advertisement delivered by us. Our transaction model is usually in the form of a targeted user submitting a lead acquisition form or purchasing a product or service after seeing an advertisement delivered by us. We also earn revenue from our Consumer Platform through awareness and engagement type advertising, which comprises cost per thousand impressions ("**CPM**"), cost per view ("**CPV**") and cost per click ("**CPC**") models. These models are relevant for brand advertisers who want to build awareness and recall and engage users online to transact with them offline/online. We understand our customers' business drivers and work with them to choose audience engagement models that are the most relevant for them, thereby delivering measurable business outcomes for them.

We benefit from broad access to mobile ad inventory through our relationships with publishers and data platforms. We encourage publishers to provide us with access to their mobile ad inventory by offering a platform through which they can tap into our marketing budgets and manage their inventory yields. We also have access to mobile display advertising inventory through real-time-bidding advertising exchanges. For each campaign, we bid for the consumer profiles we believe have a higher likelihood to transact on the basis of our data intelligence. Our proprietary optimization algorithm enables us to buy media efficiently and at high scale, giving us the ability to drive high volumes of CPCU-led campaigns at efficient prices.

Our Consumer Platform business is asset light and scalable as shown by the fact that our employee benefit expenses, depreciation and amortization expenses and other expenses have remained relatively unchanged despite significant changes in our revenue in the last three fiscal years.

We also provide end-to-end solutions for enterprises to enhance their engagement with mobile users, such as developing Apps, enabling offline to online commerce for offline businesses with e-commerce aspirations and providing enterprise grade data analytics for online and offline companies (collectively, the "**Enterprise Platform**"). For Fiscal 2018 on a Proforma Basis, our revenue from our Enterprise Platform was 3.0% of our revenue from operations.

Our solutions are sold through our sales and marketing team, which as at July 1, 2018 comprised 36 persons across our four offices, our sales agent in Malaysia and through referrals from existing customers. Our customers include the companies for which we undertake a mobile ad campaign as well as the advertising agencies acting for such companies.

Our Company has received numerous awards from organizations in the advertising technology space, including "Digital Marketing Excellence in Healthcare / Pharma for Harpic for 2018" from Digixx, "Digital Marketing Excellence in Retail for PUMA (Gold) for 2018" from Digixx, "Best Brand Awareness Campaign Using Mobile (Gold)" for Mondelez India from IAMAI in 2017, "Best Big Data Analytics Platform (Gold)" from IAMAI in 2017.

As at July 1, 2018, we had 187 full time employees across our four offices located in Gurugram (India), Mumbai (India), Singapore and Jakarta (Indonesia).

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our results of operations for Fiscals 2018, 2017 and 2016 and financial condition as at March 31, 2018, March 31, 2017 and March 31, 2016 have been affected by a number of factors. The following factors were of particular importance.

Number of converted users

For Fiscals 2017 and 2018, we earned 80.7% and 91.9% of our revenue from operations from our Consumer Platform, respectively. We primarily earn revenue from our Consumer Platform on a CPCU basis, which comprises user conversions based on consumer acquisition and transaction models. Therefore, the number of converted users we deliver in a period has a material effect on our revenue for that period. For Fiscals 2017 and 2018, the number of converted users we delivered in India was approximately 18.1 million and 28.9 million, respectively, an increase of 59.7%, and our revenue from operations from our Consumer Platform was ₹ 529.81 million and ₹ 769.40 million, respectively, an increase of 45.2%. We also earn revenue from our Consumer Platform from awareness and engagement type advertising, which comprises CPM, CPV and CPC models.

The number of converted users we deliver in the future will continue to have a material effect on our results of operations in the future. The ad tech market in India is fast growing, with a market size of US$304.9 million in 2017 and will likely grow at a CAGR of 39% to US$808 million by 2022. *(Source: Frost & Sullivan Report).*

Revenue from our top 10 customers

The table below shows revenue from our top 10 customers and our top customer for each of Fiscals 2018, 2017 and 2016.

(in ₹ millions, except for percentages)

	Fiscal 2018		**Fiscal 2017**		**Fiscal 2016**	
	Revenue	*Percentage of revenue from operations*	Revenue	*Percentage of revenue from operations*	Revenue	*Percentage of revenue from operations*
Revenue from our top 10 customers	686.24	*81.9*	416.31	*63.4*	322.57	*36.7*
Revenue from our top customer	512.34	*61.2*	225.34	*34.3*	73.17	*8.3*

Six of our top 10 customers in Fiscal 2018 were also our customers in Fiscals 2016 and 2017. The revenue contribution of these six recurring customers grew from ₹ 155.72 million for Fiscal 2016 to ₹ 335.32 million for Fiscal 2017 and to ₹ 623.97 million for Fiscal 2018, representing a CAGR of 100.2%.

Our asset light and scalable Consumer Platform

Our business is asset light and scalable as shown by the fact that our employee benefit expenses, depreciation and amortisation expenses and other expenses have remained relatively unchanged despite significant changes in our revenue from operations in the last three fiscal years which was ₹ 837.56 million, ₹ 656.29 million and ₹ 879.71 million for Fiscals 2018, 2017 and 2016, respectively. The table below shows the above-mentioned expenses for each of the last three fiscal years.

(₹ in millions)

Particulars	**Fiscal 2018**	**Fiscal 2017**	**Fiscal 2016 (Proforma)**
Employee benefits expense	159.52	176.23	166.87
Depreciation and amortization expense	32.13	23.07	13.40
Other expenses	86.12	121.06	141.42
Total	**277.77**	**320.36**	**321.69**

Inventory and data costs

For Fiscals 2017 and 2018, our inventory and data costs represented 61.1% and 55.1% of our revenue from our Consumer Platform, respectively. We have to pay for inventory (and the associated data) regardless of whether or not the consumer takes the action needed for us to earn revenue (e.g., download an App or buy a good or service). We utilise user-intent indicators derived from behavioural signals, marketing attribution and transactional data, which are received in real time and accumulated over time, which increases our ability to predict a user's likely interests. The accuracy of the prediction and recommendation algorithm improves with every ad we deliver, as the system incorporates new data, while continuing to learn from previous data. Our ability to deliver ads to the relevant consumers has increased over time as evidenced by that fact that as a percentage of our revenue from operations from our Consumer Platform, our inventory and data costs decreased from 61.1% for Fiscal 2017 to 55.1% for Fiscal 2018.

The change in focus of our App development business within our Enterprise Platform

Our revenue from operations from our Enterprise Platform was ₹ 137.47 million, ₹ 126.48 million and ₹ 68.16 million for Fiscals 2016, 2017 and 2018, respectively, which represented 15.6%, 19.3% and 8.1% of our revenue from operations for those respective periods. During Fiscal 2016, we decided to change the focus of our App development business from developing as many Apps as we could for entrepreneurs and small start-ups to developing Apps for online commerce for select larger businesses. As a result of this change in strategy, we decreased the number of our employees in our Enterprise Platform. Our strategy for our App development business is to create a new segment of potential customers for our Consumer Platform. Having developed a relationship with them through helping them build an e-commerce business, we believe we are ideally placed to help them get customers for their online business through our Consumer Platform. In addition to the above factors, we expect the following factors to have a significant effect on our future results of operations.

Acquisition of Affle Global's business, intangible assets and all of the equity interests in the Indonesian Subsidiary, effective July 1, 2018

As part of the corporate restructuring that was undertaken in connection with the Offer, our Company incorporated the Singapore Subsidiary and it acquired Affle Global's business, intangible assets and all of the equity interests in the Indonesian Subsidiary, effective July 1, 2018 for US$ 2.09 million. The purchase consideration shall be paid 10% every month from the date of the closing of the transaction. Affle Global was engaged in the same business as our Company outside India and Indonesia and used our Company's solutions. The Indonesian Subsidiary is engaged in the same business as our Company in Indonesia using our Company's solutions. Affle Holdings, our corporate Promoter, owns 100% of the issued shares in Affle Global. For more details, see "*History and Certain Corporate Matters*" on page 152.

Due to the above transaction, our historical results of operations will not be reflective of our future results of operation for periods from July 1, 2018 onwards. In order to give potential investors a better understanding of what the consolidated financial results for our Company and the acquired businesses would have been had we been operating as one group since April 1, 2017, we have prepared proforma financial statements for Fiscal 2018. For details, see *"Proforma Financial Statements*" on page 194 and "*Risk Factors–Our Proforma Financial Statements are illustrative in nature and have not been prepared in accordance with accounting or other standards and practices generally accepted in any jurisdiction and accordingly should not be relied upon as if they had been prepared in accordance with those standards and practices"* on page 39.

For selected financial results of Affle Holdings, our corporate Promoter, for Fiscals 2016, 2017 and 2018, see "*Our Promoters and Promoter Group*" on page 181.

The expansion of our international business

As at March 31, 2018 on a Proforma Basis, we had approximately 1.18 billion consumer profiles, of which approximately 431 million were in India and 747 million were outside India, which means we had 73.3% more consumer profiles outside India compared to consumer profiles in India. The table below sets forth our average CPCU for Fiscal 2018 On a Proforma Basis by region/country.

(in ₹)

Region/Country	Average CPCU for Fiscal 2018 on a Proforma Basis
India	24.1
North America	179.4
South East Asia	46.7
The Middle East and Africa	79.5
Europe	132.6
Japan, Korea and Australia	180.8

Revenue from operations for Fiscal 2018 On a Proforma Basis was 48.2% from our Company and 51.8% from Affle Global and the Indonesian Subsidiary combined even though the average Monetization Factor (the percentage of converted users delivered relative to the number of consumer profiles on the Consumer Platform) was 6.7% in India compared to 1.1% outside of India. We intend to increase the Monetization Factor for our consumer profiles outside India by increasing our business development efforts to gain more customers outside India.

The growth of the digital ad market in India

India is our key market. For Fiscal 2018, 92.0% of our Company's revenue from operations was from India. For Fiscal 2018 On a Proforma Basis, our Company's revenue from operations represented 48.2% of our total revenue from operations. According to Frost & Sullivan, we are a leading ad tech solution provider in India. As at March 31, 2018 On a Proforma Basis we had approximately 431 million consumer profiles in India and we provide services across the value chain in digital advertising, spanning the areas of DMP, DSP/SSP, fraud detection and ad network. We are one of the very few companies that have products spanning the entire value chain. While some companies are more focussed on buy-side platforms, some others are focused on the publisher side. *(Source: Frost & Sullivan Report)*. The ad tech market in India is fast growing, with a market size of US$304.9 million in 2017 and will likely grow at a CAGR of 39% to US$808 million by 2022. *(Source: Frost & Sullivan Report).*

Our expenditure on technology development

For Fiscal 2018 on a Proforma Basis, we spent ₹ 73.66 million on additions of software application development for the Consumer Platform and our amortisation expense was ₹ 80.41 million on software application development as a result of our research activities undertaken in Fiscal 2018 and prior fiscal years. We intend to continue devoting substantial resources on our research and development efforts. As at July 1, 2018, we had 81 full-time members in our research and development team. We expect to expand our research and development efforts by recruiting more employees. We plan to continue to invest more in research and development into: artificial intelligence, machine learning and deep learning in identifying and classifying our consumer profiles; a combination of data science and artificial intelligence, machine learning and deep learning in identifying fraud; moving to cloud agnostic platforms to enable multi-cloud deployments; and using database pools that utilise multiple best of breed database technologies to distribute the data load, reduce costs and in some cases increase the speed of processing.

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of our financial statements requires our management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying our Company's accounting policies, our management has not made any significant judgement, which have the most significant effect on the amounts recognised in the financial statements.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. We based our assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond our control. Such changes are reflected in the assumptions when they occur.

Impairment of Non-financial Assets

Impairment exists when the carrying value of an asset or Cash Generating Unit ("**CGU**") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("**DCF**") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that we have not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by us.

Allowance for Impairment of Trade Receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience adjusted for forward-looking estimates. Individual trade receivables are written off when our management deems them not to be collectible.

Income Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant judgement from our management is required to determine the amount of deferred tax assets that can be recognised based on the timing, likely and the level of future taxable profits together with future tax planning strategies.

Defined Benefit Plans (Gratuity Benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, our management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

Share-Based Payments

The grant date fair value of employee stock options granted is recognised as an employee expense over the period that the employee becomes unconditionally entitled to the options. Estimating fair value for the share-based transactions require determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

RESULTS OF OPERATIONS

The financial tables and analysis as presented below are derived from the Restated Ind AS Financial Statements for Fiscal 2018, Fiscal 2017 and Fiscal 2016.

The following tables set forth a summary of our summary statements of profit and loss for Fiscals 2018, 2017 and 2016, expressed in absolute terms and as a percentage of our revenue from operations.

(₹ in millions, except percentages)

Particulars	Fiscal 2018	*Percentage of revenue (%)*	Fiscal 2017	*Percentage of revenue (%)*	Fiscal 2016 (Proforma)	*Percentage of revenue (%)*
Revenue:						
Revenue from operations	837.56	*98.7*	656.29	*98.2*	879.71	*99.0*
Other income	11.22	*1.3*	11.71	*1.8*	8.80	*1.0*
Total revenue	**848.78**	***100.0***	**668.00**	***100.0***	**888.51**	***100.0***
Expenses:						
Inventory and data costs	424.27	*50.0*	323.78	*48.5*	517.69	*58.3*
Employee benefits expense	159.52	*18.8*	176.23	*26.4*	166.87	*18.8*
Finance costs	10.78	*1.3*	15.86	*2.4*	10.54	*1.2*
Depreciation and amortisation expense	32.13	*3.8*	23.07	*3.5*	13.40	*1.5*
Other expenses	86.12	*10.1*	121.06	*18.1*	141.42	*15.9*
Total expenses	**712.82**	***84.0***	**660.00**	***98.9***	**849.92**	***95.7***
Restated profit before tax	**135.96**	***16.0***	**8.00**	***1.1***	**38.59**	***4.3***
Tax expense:						
Current tax	46.20	*5.4*	1.82	*0.3*	8.61	*1.0*
Deferred tax charge	1.45	*0.2*	2.88	*0.4*	6.04	*0.7*
Profit for the year	**88.31**	***10.4***	**3.30**	***0.4***	**23.94**	***2.6***
Other Comprehensive Income:						
Re-measurement gains/(losses) on defined benefit plans	(0.12)	*(0.0)*	4.53	*0.7*	2.40	*0.3*
Income tax effect	0.04	-	(1.40)	*(0.2)*	(0.78)	*(0.1)*
Other Comprehensive Income net of tax	**(0.08)**	***(0.0)***	**3.13**	***0.5***	**1.62**	***0.2***
Total comprehensive income for the year	**88.23**	***10.4***	**6.43**	***0.9***	**25.56**	***2.8***

Principal Components of Statement of Profit and Loss

Our total revenue consists of revenue from operations and other income.

Revenue

<u>Revenue from Operations</u>

Our revenue from operations comprises revenue from the Consumer Platform and revenue from the Enterprise Platform. We primarily earn revenue from our Consumer Platform on a CPCU basis, which comprises user conversions based on consumer acquisition and transaction models. We also earn revenue from our Consumer Platform from awareness and engagement type advertising, which comprises CPM, CPV and CPC models. We primarily earn revenue in our Enterprise Platform by developing Apps for third parties.

<u>Other Income</u>

Our other income primarily comprises: (a) interest income on financial assets; (b) interest income from income tax refund; (c) income from bad debts recovered; (d) income from infrastructure support services; and (e) miscellaneous income.

Expenses

Our total expenses comprise: (a) inventory and data costs; (b) employee benefits expenses; (c) finance costs; (d) depreciation and amortisation expense; and (e) other expenses.

Inventory and Data Costs

Inventory and data costs are our costs of inventory and the associated data.

Employee Benefits Expense

Employee benefits expense comprises: (a) salaries, wages and bonus; (b) contribution to provident and other funds; (c) gratuity expense; (d) employee stock option scheme; and (e) staff welfare expenses, less cost capitalised as intangibles assets or intangible assets under development.

Finance Costs

Finance costs comprises: (a) interest on borrowings; (b) interest on income tax; (c) bank charges; and (d) others.

Depreciation and Amortisation Expense

Depreciation and amortisation expense comprises: (a) depreciation of property, plant and equipments; and (b) amortisation of intangible assets.

Other Expenses

Other expenses primarily comprise: (a) business promotion expenses; (b) rent; (c) legal and professional fees; (d) impairment allowance of trade receivables and unbilled revenue; (e) travelling and conveyance fees; and (f) software license fee.

Fiscal 2018 Compared to Fiscal 2017

Total Income

Our total revenue increased by 27.1% from ₹ 668.00 million in Fiscal 2017 to ₹ 848.78 million in Fiscal 2018. The primary reasons for the increase are discussed below.

Revenue from Operations

The table below sets forth our revenue from operations.

(₹ in millions, except percentages)

Particulars	Fiscal 2018	Fiscal 2017	Percentage increase / (decrease) (%)
Consumer Platform	769.40	529.81	45.2
Enterprise Platform	68.16	126.48	(46.1)
Total	**837.56**	**656.29**	**27.6**

Our revenue from operations from our Consumer Platform increased by 27.6% from ₹ 656.29 million for Fiscal 2017 to ₹ 837.56 million for Fiscal 2018, the reasons for which are discussed below.

Our revenue from operations from our Consumer Platform increased by 45.2% from ₹ 529.81 million for Fiscal 2017 to ₹ 769.40 million for Fiscal 2018. This increase was primarily due to a 59.7% increase in the number of converted users we delivered in India from 18.1 million for Fiscal 2017 to 28.9 million for Fiscal 2018. The increase in converted users was primarily due to an increase in business from our existing customers and more e-commerce and digital companies retaining us in Fiscal 2018.

Our revenue from operations from our Enterprise Platform decreased by 46.1% from ₹ 126.48 million for Fiscal 2017 to ₹ 68.16 million for Fiscal 2018. This decrease was due to the change of focus of our App development business, which is discussed above.

Total Expenses

Our total expenses increased by 8.0% from ₹ 660.00 million for Fiscal 2017 to ₹ 712.82 million for Fiscal 2018. The primary reasons for this increase are discussed below.

Inventory and Data Costs

Our inventory and data costs increased by 31.0% from ₹ 323.78 million for Fiscal 2017 to ₹ 424.27 million for Fiscal 2018, which was due to an increase in business in our Consumer Platform. As a percentage of our revenue from our Consumer Platform, our inventory and data costs decreased from 61.1% for Fiscal 2017 to 55.1% for Fiscal 2018, which decrease was due to an improvement in the accuracy of our prediction algorithm.

Employee Benefit Expense

The table below sets forth our employee benefit expenses.

(in ₹ millions, except for percentages)

Particulars	Fiscal 2018	Fiscal 2017	Percentage increase / (decrease) (%)
Salaries, wages and bonus	170.26	185.46	(8.2)
Contribution to provident and other funds	5.29	5.94	(10.9)
Gratuity expense	2.51	2.56	(2.0)
Employee share based payment expense	3.11	3.43	(9.3)
Staff welfare expenses	2.88	2.91	(1.0)
	184.05	**200.30**	**(8.1)**
Less: Cost capitalised as intangible assets or intangible assets under development	(24.53)	(24.07)	1.9
Total	**159.52**	**176.23**	**(9.5)**

Our employee benefit expenses decreased by ₹ 16.71 million, or 9.5%, from ₹ 176.23 million for Fiscal 2017 to ₹ 159.52 million for Fiscal 2018. This decrease was primarily due to a ₹ 28.02 million, or 35.3%, decrease in employee benefits expenses for our Enterprise Platform from ₹ 79.42 million for Fiscal 2017 to ₹ 51.40 million in Fiscal 2018. The number of our employees in our Enterprise Platform decreased as a result of the change of focus of our App development business. As a percentage of revenue from operations, our employment benefit expense decreased from 26.9% for Fiscal 2017 to 19.0% for Fiscal 2018.

Depreciation and Amortisation Expense

The table below sets forth our depreciation and amortisation expenses.

(in ₹ millions, except for percentages)

Particulars	Fiscal 2018	Fiscal 2017	Percentage increase / (decrease) (%)
Depreciation of property, plant and equipment	1.83	3.50	(47.7)
Amortisation of intangible assets	30.30	19.57	54.8
Total	**32.13**	**23.07**	**39.3**

Our depreciation and amortisation expenses increased by ₹ 9.06 million, or 39.3%, from ₹ 23.07 million for Fiscal 2017 to ₹ 32.13 million for Fiscal 2018, which was primarily due to the increase in amortisation of software application development incurred in Fiscal 2018. We incurred cost of ₹ 37.92 million on additions of software application development for the Fiscal Year ended 2018.

Other Expenses

The table below sets forth certain details of our other expenses for the periods indicated.

(in ₹ millions, except for percentages)

Particulars	Fiscal 2018	Fiscal 2017	Percentage increase / (decrease) (%)
Other expenses	86.12	121.06	(28.9)
Of which:			
Software license fee	8.89	3.78	135.2
Business promotion	32.15	36.63	(12.2)
Rent	13.34	19.29	(30.8)
Legal and professional fees (including payment to statutory auditor)	7.12	14.75	(51.7)
Travelling and conveyance	9.33	11.37	(17.9)
Impairment allowance of trade receivables and unbilled revenue	11.22	11.21	0.1

Our other expenses decreased by 28.9% from ₹ 121.06 million for Fiscal 2017 to ₹ 86.12 million for Fiscal 2018, which was primarily attributable to decreases in most line items in other expenses, including a ₹ 7.63 million, or 51.7%, decrease in legal and professional fees, which was due to less litigation costs and the fact that we incurred some legal fees for the amalgamation pursuant to the 2017 Scheme in Fiscal 2017 but none in Fiscal 2018, and a ₹ 5.95 million, or 30.8%, decrease in rent, which was due to our Company moving into new offices in Gurugram, India in April 2016 but we were unable to terminate the unexpired lease periods of the four offices we were using in the NCR prior to this, so we incurred more for rent in Fiscal 2017. These decreases were partially offset by a ₹ 5.11 million, or 135.2%, increase in software license fee, which was due to an increase in our Consumer Platform business, as we are charged on a per click basis.

Tax Expense

Our total tax expense increased by ₹ 42.95 million from ₹ 4.70 million in Fiscal 2017 to ₹ 47.65 million in Fiscal 2018. This increase was primarily due to the increase in our profit before tax. For Fiscals 2017 and 2018, our tax expense as a percentage of our profit before tax was 58.8% and 35.0%, respectively. The corporate income tax rate in India was 34.6 % (including all cesses) for Fiscal 2018 and 30.9% for Fiscal 2017. Our total tax expense as a percentage of our profit before tax of 58.8% for Fiscal 2017 was significantly higher than the corporate income tax in India due to a deferred tax charge of ₹ 2.88 million.

Profit for the Year

As a result of the foregoing, our profit for the year increased by ₹ 85.01 million from ₹ 3.30 million for Fiscal 2017 to ₹ 88.31 million for Fiscal 2018.

Total Other Comprehensive Income/(Loss)

Our other comprehensive income for the year net of tax was ₹ (0.08) million in Fiscal 2018 compared to other comprehensive income net of tax of ₹ 3.13 million in Fiscal 2017.

Total Comprehensive Income

As a result of the foregoing, our total comprehensive income for the year in Fiscal 2018 increased by ₹ 81.80 million from ₹ 6.43 million for Fiscal 2017 to ₹ 88.23 million for Fiscal 2018.

Fiscal 2017 Compared to Fiscal 2016

Our results of operations for Fiscal 2017 are not comparable to our results of operations for Fiscal 2016 because in June 2016, Affle Holdings decided that our Company would, to the extent practicable, only provide solutions to customers in India and that Affle Global and the Indonesian Subsidiary would provide our Company's solutions to *customers outside India. For selected financial results of Affle Holdings, our corporate Promoter, for Fiscals 2016 and 2017, see "Our Promoters and Promoter Group" on page 181.*

Total Income

Our total revenue decreased by 24.8% from ₹ 888.51 million for Fiscal 2016 to ₹ 668.00 million for Fiscal 2017. The primary reasons for the decrease are discussed below.

Revenue from Operations

The table below sets forth our revenue from operations.

(₹ in millions, except percentages)

Particulars	Fiscal 2017	Fiscal 2016 (Proforma)	Percentage increase / (decrease) (%)
Consumer Platform	529.81	742.24	(28.6)
Enterprise Platform	126.48	137.47	(8.0)
Total	**656.29**	**879.71**	**(25.4)**

Our revenue from operations decreased by 25.4% from ₹ 879.71 million for Fiscal 2016 to ₹ 656.29 million for Fiscal 2017. This decrease was primarily due to a 70.6% decrease in our revenue from operations (sales to external customers) from others from ₹ 201.13 million for Fiscal 2016 to ₹ 59.22 million for Fiscal 2017. Revenue from operations (sales to external customers) from others is all revenue from operations from sales to external customers except revenue from (a) India and (b) Singapore. This decrease was due to the fact that our results of operations for Fiscal 2016 included revenue from most international customers for our Company's solutions whereas our results of operations for Fiscal 2017 only included revenue from most international customers for our Company's solutions for the first two months of Fiscal 2017 and from a few international customers for our Company's solutions after that who could not be serviced from outside India as the required skillsets were in India only. This decrease was due to Affle Holdings, our corporate Promoter, deciding that our Company would, to the extent practicable, only provide solutions to customers in India and that Affle Global and the Indonesian Subsidiary would provide our Company's solutions to customers outside India. In addition, our revenue from operations (sales to external customers) from India decreased by 14.0% from ₹ 621.97 million for Fiscal 2016 to ₹ 534.68 million for Fiscal 2017. Our revenue from India was adversely affected by some of our customers scaling back their advertising spends temporarily in response to the demonetization undertaken by the Indian government in the third quarter of Fiscal 2017.

Our revenue from operations from our Enterprise Platform decreased by 8.0% from ₹ 137.47 million for Fiscal 2016 to ₹ 126.48 million for Fiscal 2017. This decrease was due to the change of focus of our App development business, which is discussed above.

Total Expenses

Our total expenses decreased by 22.3% from ₹ 849.92 million for Fiscal 2016 to ₹ 660.00 million for Fiscal 2017. The primary reasons for this decrease are discussed below.

Inventory and data Costs

Our inventory and data costs decreased by 37.5% from ₹ 517.69 million for Fiscal 2016 to ₹ 323.78 million for Fiscal 2017, which was primarily due to a decrease in our Consumer Platform business and an increase in the accuracy of our prediction and recommendation algorithm.

Employee Benefit Expense

The table below sets forth our employee benefits expense.

(in ₹ millions, except for percentages)

Particulars	Fiscal 2017	Fiscal 2016 (Proforma)	Percentage increase / (decrease) (%)
Salaries, wages and bonus	185.46	192.14	(3.5)
Contribution to provident and other funds	5.94	6.09	(2.5)
Gratuity expense	2.56	4.63	(44.7)
Employee share based payment expense	3.43	1.64	109.1
Staff welfare expenses	2.91	5.51	(47.2)
	200.30	**210.01**	**(4.6)**
Less: cost capitalised as intangible assets or intangible assets under development	(24.07)	(43.14)	(44.2)
Total	**176.23**	**166.87**	**5.6**

Our employee benefit expense increased by ₹ 9.36 million, or 5.6%, to ₹ 176.23 million for Fiscal 2017 from ₹ 166.87 million for Fiscal 2016. This increase was primarily due to a ₹ 25.45 million, or 35.0%, increase in employee benefits expense for our Consumer Platform from ₹ 72.79 million for Fiscal 2016 to ₹ 98.24 million for Fiscal 2017, which was primarily due to an increase in salaries and wages and bonuses, which was partially offset by a decrease in the number of employees in the segment from 91 as at March 31, 2016 to 85 as at March 31, 2017. The increase in employee benefits expense for our Consumer Platform was partially offset by a decrease of ₹ 22.99 million, or 22.4%, in employee benefits expenses for our Enterprise Platform from ₹ 102.41 million for Fiscal 2016 to ₹ 79.42 million for Fiscal 2017. We reduced the number of our employees in our Enterprise Platform as a result of change of focus of our App development business, which is discussed above.

Depreciation and Amortization Expenses

(in ₹ millions, except for percentages)

Particulars	Fiscal 2017	Fiscal 2016 (Proforma)	Percentage increase / (decrease) (%)
Depreciation of property, plant and equipment	3.50	4.53	(22.7)
Amortisation of intangible assets	19.57	8.87	120.6
Total	**23.07**	**13.40**	**72.2**

Our depreciation and amortisation expenses increased by ₹9.67 million, or 72.2%, from ₹ 13.40 million for Fiscal 2016 to ₹ 23.07 million for Fiscal 2017, which was primarily due to the increase in amortisation of software development incurred in Fiscal 2017. We incurred costs of ₹ 66.31 million on additions of software application development for Fiscal Year ended 2017.

Other Expenses

The table below sets forth certain details of our other expenses for the periods indicated.

(in ₹ millions, except for percentages)

Particulars	Fiscal 2017	Fiscal 2016 (Proforma)	Percentage increase / (decrease) (%)
Other Expenses	121.06	141.42	(14.4)
Of which:			
Software license fee	*3.78*	*-*	*N.A.*
Business promotion	*36.63*	*31.48*	*16.4*
Rent	*19.29*	*20.14*	*(4.2)*
Legal and professional fees (including payment to Statutory auditors)	*14.75*	*17.66*	*(16.5)*
Travelling and conveyance	*11.37*	*10.90*	*4.3*
Impairment allowance of trade receivables and unbilled revenue	*11.21*	*23.27*	*(51.8)*
Project development expenses	*2.95*	*9.98*	*(70.4)*

Our other expenses decreased by ₹ 20.36 million, or 14.4%, from ₹ 141.42 million for Fiscal 2016 to ₹ 121.06 million for Fiscal 2017, which was primarily attributable to:

- a ₹ 12.06 million decrease in impairment allowance of trade receivables and unbilled revenue, as Fiscal 2016 impairment was higher on account of a provision for one large international customer; and

- a ₹ 7.03 million decrease in project development expenses, which was primarily due to our Company utilising less contactors in Fiscal 2017.

Tax Expense

Our total tax expense decreased by 67.9% from ₹ 14.65 million for Fiscal 2016 to ₹ 4.70 million for fiscal 2017. For Fiscals 2016 and 2017, our tax expense as a percentage of our restated profit before tax was 38.0% and 58.8%, respectively. The corporate income tax rate in India was 30.9%, including all cesses, for Fiscal 2017 and 32.5% for Fiscal 2016. Our total tax expense as a percentage of our restated profit before tax of 58.8% for Fiscal 2017 was significantly higher than the corporate income tax in India due to a deferred tax charge of ₹ 2.88 million.

Profit for the Year

As a result of the foregoing, our profit for the year decreased from ₹ 23.94 million for Fiscal 2016 to ₹ 3.30 million for Fiscal 2017.

Total Other Comprehensive Income

Our other comprehensive income net of tax was ₹ 3.13 million in Fiscal 2017 compared to ₹ 1.62 million in Fiscal 2016.

Total Comprehensive Income

As a result of the foregoing, our total comprehensive income for the year for Fiscal 2017 decreased by 74.8% from ₹ 25.56 million for Fiscal 2016 to ₹ 6.43 million for Fiscal 2017.

FINANCIAL CONDITION

Total Assets

The table below sets forth the principal components of our total assets as at the dates specified:

(in ₹ millions)

Assets	As at March 31,		
	2018	2017	2016 (Proforma)
Non-current assets:			
Property, plant and equipment	3.67	3.63	5.48
Capital work-in-progress	-	-	1.26
Goodwill	59.24	59.24	59.24
Other intangible assets	88.18	80.14	33.06
Intangible assets under development	-	3.06	39.75
Financial assets			
Investments	0.26	0.20	-
Loans	5.83	6.31	6.28
Deferred tax assets (net)	4.94	18.96	19.48
Non-current tax asset (net)	-	-	3.16
Other non-current assets	0.05	0.32	0.86
Total non-current assets	***162.17***	***171.86***	***168.57***
Current assets:			
Financial Assets			

Assets	As at March 31,		
	2018	2017	2016 (Proforma)
Trade receivables	158.23	135.30	162.99
Cash and cash equivalents	136.71	57.89	78.69
Other bank balances other than above	8.20	29.58	-
Loans	1.62	0.39	5.34
Other financial assets	77.29	38.93	67.88
Current tax assets (net)	24.35	28.48	25.53
Other current assets	11.74	24.46	30.05
Total Current assets	***418.14***	***315.03***	***370.48***
Total Assets	**580.31**	**486.89**	**539.05**

Other financial assets comprises revenue that is not yet billed to customers. The unbilled revenue as a percentage of revenue from operations was 6.9%, 5.9% and 9.2% for Fiscals 2016, 2017 and 2018, respectively.

Total Shareholders' Equity and Liabilities

A summary of our shareholder's equity and liabilities as at the specified dates are set out below:

(in ₹ millions)

Particulars	As at March 31,		
	2018	2017	2016 (Proforma)
Equity:			
Equity share capital	242.88	242.88	242.88
Other equity	58.77	(32.57)	(42.43)
	301.65	***210.31***	***200.45***
LIABILITIES			
Non-current liabilities:			
Financial liabilities			
Borrowings	-	5.26	40.40
Provisions	11.42	9.12	9.98
Total Non-current liabilities	***11.42***	***14.38***	***50.38***
Current liabilities:			
Financial Liabilities			
Borrowings	-	28.34	-
Trade payables	220.24	160.08	225.76
Other financial liabilities	24.89	59.66	38.27
Provisions	1.07	1.47	5.19
Other current liabilities	21.04	12.65	19.00
Total Current liabilities	***267.24***	***262.20***	***288.22***
Total Equity and Liabilities	**580.31**	**486.89**	**539.05**

Borrowings represent term loans utilised used to by us to meet our working capital requirements. These term loans were granted by financial institutions and were secured by our trade receivables. As at March 31, 2018, these term loans had been fully repaid.

Our other equity relates to adjustments made as per Ind AS requirements. Our other equity increased from ₹ (42.43) million as at April 1, 2016 to ₹ (32.57) million as at March 31, 2017 due to net profit after tax for the year and classification of employee stock options recognised as a deemed investment from Affle Holdings, our corporate Promoter, under Ind AS and increased to ₹ 58.77 million as at March 31, 2018 due to net profit after tax for the year and classification of employee stock options recognised as a deemed investment from Affle Holdings under Ind AS. Further, the abovementioned employee stock option scheme has been dissolved by Affle Holdings effective July 11, 2018. Pursuant to this action by Affle Holdings, the above mentioned adjustments may undergo change for Fiscal 2019 onwards.

LIQUIDITY AND CAPITAL RESOURCES

Our liquidity requirements arise principally from our operating activities and working capital needs.

In the last three fiscal years, our principal source of funding was cash from operations and short-term borrowings.

As at March 31, 2018, we had cash and cash equivalents of ₹ 136.71 million. Cash and cash equivalents primarily consist of balances with banks in current accounts and bank deposits with original maturity of three months or less.

Borrowings

As at March 31, 2018, we had ₹ 0 current borrowings and ₹ 0 non-current borrowings.

Summary of Cash Flows

The table below sets forth selected information from our statements of cash flows in the periods indicated below.

(in ₹ millions)

Particulars	**Fiscal**		
	2018	**2017**	**2016 (Proforma)**
Net cash generated from operating activities	174.02	58.30	19.43
Net cash used in investing activities	(14.00)	(57.01)	(42.88)
Net cash generated/ (used) from financing activities	(81.20)	(22.09)	68.07
Net change in cash and cash equivalents	**78.82**	**(20.80)**	**44.62**
Cash and cash equivalents as at the beginning of the year	57.89	78.69	34.07
Cash and cash equivalents as at the end of the year	**136.71**	**57.89**	**78.69**

Net Cash Generated from Operating Activities

Our net cash generated from operating activities for Fiscal 2018 was ₹ 174.02 million, which was primarily due to operating profit before working capital changes of ₹ 190.36 million and an increase in trade payables of ₹ 60.47 million, which was partially offset by an increase in financial assets of ₹ 40.84 million and an increase in trade receivables of ₹ 32.21 million.

Our net cash generated from operating activities for Fiscal 2017 was ₹ 58.30 million, which was primarily due to operating profit before working capital changes of ₹ 57.58 million, a decrease in financial assets of ₹ 35.33 million, an increase in other financial liabilities of ₹ 22.30 million and a decrease in trade receivables of ₹ 14.60 million, which was partially offset by a decrease in trade payables of ₹ 63.77 million primarily due reduced operations since the international business was significantly reduced from our operations.

Our net cash generated from operating activities for Fiscal 2016 was ₹ 19.43 million, which was primarily due to operating profit before working capital changes of ₹ 85.89 million and a decrease in trade receivables of ₹ 50.74 million, which was partially offset by an increase in financial assets of ₹ 59.45 million, a decrease in other liabilities of ₹ 29.19 million, a decrease in other assets of ₹ 12.12 million and a decrease in trade payables of ₹ 10.12 million.

Net Cash Used in Investing Activities

Our net cash used in investing activities for Fiscal 2018 was ₹ 14.00 million, which was primarily due to ₹ 37.25 million used to purchase of property, plant and equipment, intangible assets including capital work in progress, which was partially offset by redemption in bank deposits (having original maturity of more than three months) of ₹ 21.38 million.

Our net cash used in investing activities for Fiscal 2017 was ₹ 57.01 million, which was primarily due to ₹ 32.30 million used to purchase of property, plant and equipment, intangible assets including capital work in progress and ₹ 36.61 million used in investments in bank deposits (having original maturity of more than three months).

Our net cash used in investing activities for Fiscal 2016 was ₹ 42.88 million, which was primarily due to ₹ 52.84 million used to purchase of property, plant and equipment, intangible assets including capital work in progress, which was partially offset by redemption in bank deposits (having original maturity of more than three months) of ₹ 8.23 million.

Net Cash Generated/ (used) from Financing Activities

Our net cash used in financing activities for Fiscal 2018 was ₹ 81.20 million, which was due to ₹ 71.17 million used for the repayment of borrowings and ₹ 10.03 million used for interest paid.

Our net cash used in financing activities for Fiscal 2017 was ₹ 22.09 million, which was primarily due to ₹ 36.83 million used for the repayment of borrowings and ₹ 13.60 million used for interest paid, which was partially offset by the proceeds from borrowings of ₹ 28.34 million.

Our net cash generated from financing activities for Fiscal 2016 was ₹ 68.07 million, which was primarily due to proceeds from borrowings of ₹ 90.00 million, which was partially offset by ₹ 11.59 million used for interest paid and ₹ 10.34 million used for the repayment of borrowings.

OFF–BALANCE SHEET ARRANGEMENTS AND FINANCIAL INSTRUMENTS

We do not have any off–balance sheet arrangements, derivative instruments, swap transactions or relationships with unconsolidated entities or financial partnerships established or contemplated for the purpose of facilitating off–balance sheet transactions.

CONTRACTUAL COMMITMENTS

The following table sets forth information relating to future payments due under known contractual commitments as at March 31, 2018 aggregated by type of contractual obligation:

(in ₹ millions)

Particulars	Within one year	After one year but not more than five years	Total
Operating lease	10.80	1.36	12.16

As at March 31, 2018, we had commitments on capital account and not provided for (net of advances) of ₹ 6.63 million.

CONTINGENT LIABILITIES

The total of our contingent liabilities as at March 31, 2018 was nil.

RELATED PARTY TRANSACTIONS

For details in relation to related party transactions, see "*Related Party Transactions*" on page 191.

NON-GAAP FINANCIAL MEASURES

In evaluating our business, we consider and use non-GAAP financial measures such as Total Operating Expense, EBITDA and EBITDA margin to review and assess our operating performance. These non-GAAP financial measures are not defined under Ind AS and are not presented in accordance with Ind AS. Total Operating Expense, EBITDA and EBITDA margin for our Company may not be comparable to similarly titled measures reported by other companies due to potential inconsistencies in the method of calculation. We have included Total Operating Expense, EBITDA and EBITDA margin of our Company because we believe it is an indicative measure of our operating performance and is used by investors and analysts to evaluate companies in the same industry. Total Operating Expense, EBITDA and EBITDA margin of our company should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity reported in accordance with Ind AS. We believe that the inclusion of supplementary adjustments applied in the presentation of Total Operating Expense, EBITDA and EBITDA margin of our Company are appropriate because it is a more indicative measure of our baseline performance as it excludes certain charges that the Company's management considers to be outside its core operating results. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the Restated Ind AS Summary Statement of Assets and Liabilities or Restated Indian GAAP Summary Statement of Assets and Liabilities included in this Draft Red Herring Prospectus. Investors should read this information in conjunction with the Restated Ind AS Summary Statement of Assets and Liabilities and Restated Indian GAAP Summary Statement of Assets and Liabilities included elsewhere in this Draft Red Herring Prospectus.

The following table sets forth our Total Operating Expense, EBITDA and EBITDA margin for the periods indicated therein.

Reconciliation of EBITDA & EBITDA Margin to Total Comprehensive Income

(in ₹ millions except for percentages)

Particulars	**Fiscal 2018**	**Fiscal 2017**	**Fiscal 2016**
Total Comprehensive Income for the year	88.23	6.43	25.56
Adjustments:-			
Add:-			
Total Tax Expenses	47.65	4.7	14.65
Depreciation and amortization expense	32.13	23.07	13.4
Finance Costs	10.78	15.86	10.54
Less:-			
Other Comprehensive Income net of tax	(0.08)	3.13	1.62
Other income	11.22	11.71	8.80
EBITDA (A)	**167.65**	**35.22**	**53.73**
Revenue from operations **(B)**	837.56	656.29	879.71
EBITDA Margin % (A/B)	**20.0%**	**5.4%**	**6.1%**

Computation of Total Operating Expense

(in ₹ millions except for percentages)

Particulars	**Fiscal 2018**	**Fiscal 2017**	**Fiscal 2016**
Inventory and data costs	424.27	323.78	517.69
Employee benefits expense	159.52	176.23	166.87
Other expenses	86.12	121.06	141.42
Total Operating Expenses	**669.91**	**621.07**	**825.98**

QUALITATIVE DISCLOSURE ON MARKET RISK

Market risk is the potential loss arising from changes in market rates and market prices. Our primary market risk is currency risk.

Currency Risk

Our exposure to the risk of changes in foreign exchange rates relates primarily to our operating activities (when revenue or expense is denominated in a foreign currency). To the extent that our revenue or receipts and costs or payments are not perfectly matched in the same currency or there are time gaps between revenue recognition and actual receipts and between cost recognition and actual payments, we will be exposed to foreign exchange fluctuations. We do not use derivative financial instruments such as forward exchange contracts or options to hedge our risk associated with foreign currency fluctuations or for trading or speculation purposes.

Following our acquisition of Affle Global's business and all of the equity interests in the Indonesian Subsidiary, we earn more revenue in foreign currency, which increases our foreign currency risk. Given that the reporting currency of our Company's financial statements is Rupees, in order to prepare our consolidated financial statements in the future, we would need to translate the financial statements of our Singapore Subsidiary from SGD to Rupees based on the average exchange rates prevailing over the relevant period of the profit and loss account and based on the closing exchange rates for the balance sheet. Our and the Singapore Subsidiary's consolidated financial statements will include the Indonesian Subsidiary's financial statements, which are prepared in Indonesian Rupiah. Therefore, depreciation of the SGD against the Rupee and the Indonesian Rupiah against the Rupee may adversely affect our results of operations and financial condition.

QUALITATIVE FACTORS

Unusual or Infrequent Events or Transactions

Except as described in this section and this Draft Red Herring Prospectus, there have been no other events or transactions to the best of our knowledge that may be described as "unusual" or "infrequent", or any unusual changes of income, changes in accounting policies and discretionary reduction of expenses that have taken place in the last three fiscal years.

Significant Economic Changes

Except as described in this Draft Red Herring Prospectus, there have been no significant economic changes that have taken place in the last three fiscal years that have materially affected or are likely to affect income from operations.

Known Trends or Uncertainties

Our business has been impacted, and we expect will continue to be impacted, by the trends identified in "*–Significant Factors Affecting Our Results of Operations and Financial Condition*" on page 315 and the risks and uncertainties described in "*Risk Factors*" on page 18.

Future Relationship between Cost and Income

Except as described in this section and in "*Risk Factors*" and "*Our Business*" on pages 18 and 125, respectively, to the best of our knowledge, there is no future relationship between cost and income that will have a material adverse effect on our results of operations.

Material Increases in Revenue

The extent to which material increases in our revenue are due to increased sales volume, the introduction of new products or services or increased sales prices is discussed in "*-Results of Operations*" on page 319.

Total Turnover of each Major Business Segment

We have two business segments: the Consumer Platform; and the Enterprise Platform. For the turnover in each of these segments, see "*-Results of Operations*" above on page 319.

New Products or Business Segments

We have not entered into a new business segment in the last three fiscal years. The new services we have introduced in the last three fiscal years have not had a material effect on our results of operations.

Seasonality of Business

Our business earns more revenue in the third quarter of each fiscal year as Diwali, Christmas and Black Friday are in this period and e-commerce companies increase their digital ad spend in that period.

Significant Dependence on a Few Customers

We have had a high concentration of revenue from our top 10 customers, and in particular our top customer, for each of Fiscals 2016, 2017 and 2018. For details, see "*Risk Factors–Our business is concentrated around key customers, which account for a significant amount of our revenue. If we fail to keep these customers or fail to diversify our customer base, our business, financial condition, results of operations and cash flows may be materially adversely affected*" on page 25.

Significant Dependence on a Few Suppliers

We are not significantly dependent on any suppliers.

Competitive Conditions

Our business is subject to competition. See "*Our Business–Competition*" on page 140.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2018 THAT MAY AFFECT OUR FUTURE FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Except as set forth below, there have not been any circumstances since March 31, 2018 that materially affect or likely to affect our trading or profitability, the value of our assets or our ability to pay our liabilities within the next 12 months.

1) **Acquisition of Affle Global's business, intangible assets and all of the equity interests in the Indonesian Subsidiary**

   As part of the corporate restructuring that was undertaken in connection with the Offer, our Company incorporated the Singapore Subsidiary and it acquired all of Affle Global's business, intangible assets and all of the equity interests in the Indonesian Subsidiary for US$ 2.09 million, effective July 1, 2018. The purchase consideration shall be paid 10% every month from the date of the closing of the transaction. Affle Global was engaged in the same business as our Company outside India and Indonesia and used our Company's solutions. The Indonesian Subsidiary is engaged in the same business as our Company in Indonesia using our Company's solutions. Affle Holdings, our corporate Promoter, owns 100% of the issued shares in Affle Global. For more details, see "*History and Certain Corporate Matters*" on page 152.

2) **Enhancement in borrowing limits**

   The sanctioned limit of our Cash Credit (Sub-limit Working Capital Demand Loan) facility has been increased from ₹30 million to ₹135 million, effective from June 16, 2018. For more details, see "*Financial Indebtedness*" on page 333.

3) **Share Purchase and Shareholders Agreement of Malabar India Fund Limited & Malabar Value Fund with Affle Holdings and our Company**

   Our Company and Affle Holdings have entered into share purchase and shareholders' agreements' dated July 12, 2018, with: (i) Malabar India Fund Limited, pursuant to which Affle Holdings agreed to sell and Malabar India Fund Limited agreed to purchase, 1,616,214 Equity Shares for an aggregate sum of ₹ 1,164.50 million; and (ii) Malabar Value Fund, pursuant to which Affle Holdings agreed to sell and Malabar Value Fund agreed to purchase, 285,214 Equity Shares for an aggregate sum of ₹ 202.84 million. For more details, see "*History and Certain Corporate Matters*" on page 152.

FINANCIAL INDEBTEDNESS

Our Company avails credit facilities in the ordinary course of its business. As on July 10, 2018, our Company has a total sanctioned limit of ₹ 135 million and total outstanding borrowings as on July 10, 2018 aggregates to ₹ 28.62 million.

In accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow from time to time any sum or sums of money, where the money to be borrowed, together with the money already borrowed by our Company does not exceeds aggregate of our paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from our Company's bankers in the ordinary course of business.

Set forth below is a brief summary of our aggregate borrowings on as of July 10, 2018*:

Category of borrowing	Sanctioned amount (in ₹ million)	Outstanding amount (in ₹ million) as on July 10, 2018
Fund based facilities		
Cash Credit (Sub-limit working Capital Demand Loan)	135.00	28.62
Total	**135.00**	**28.62**

* *As certified by Bansal & Co. LLP, Chartered Accountants, pursuant to certificate dated July 14, 2018.*

For details of the outstanding borrowing amount of our Company for the last five Fiscal Years, see "*Financial Information*" on page 193.

Principal terms of the borrowings availed by us:

The details provided below are indicative and there may be additional terms, conditions and requirements under the borrowing arrangement entered into by us:

1. ***Interest:*** The interest rate for our cash credit facility is 10.40% per annum linked to marginal cost of funds based lending rates and for our working capital demand loan facility, the interest rate is fixed at 9.90% up to a period of 6 months.

2. ***Tenor:*** The tenor of our cash credit facility and working capital demand loan is payable on demand and six months respectively, subject to review at periodical intervals wherein the facilities may be continued/ cancelled/ revised.

3. ***Security:*** In terms of our facilities, following are the security details:

a) Create first and exclusive charge on our Company's stocks and book debts, current and fixed assets both present and future;
b) Obtain a corporate guarantee from Affle Holdings, our corporate Promoter to cover 110% of our credit facilities;
c) Secure our facilities against a 10% fixed deposit margin.

4. ***Re-payment:*** The cash credit facilities availed by our Company are typically repayable on demand of the lender.

5. ***Penalty:*** The facilities availed by our Company contains a provision prescribing penalty for delayed payment as per the standard process of the lender.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there is no outstanding (i) criminal litigation involving our Company, Subsidiaries, Directors, Promoters or Group Companies; (ii) action by statutory or regulatory authorities involving our Company, Subsidiaries, Directors, Promoters or Group Companies; (iii) claim related to direct or indirect tax involving our Company, Subsidiaries, Directors, Promoters or Group Companies; or (iv) other pending litigations involving our Company, Subsidiaries, Directors, Promoters or Group Companies, as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations.

Further, except as stated in this section, there are no (i) pending defaults and non-payment of statutory dues by our Company; (ii) outstanding dues to creditors of our Company determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations; and (iii) outstanding dues to small scale undertakings and other creditors (including material creditors), as defined under the Materiality Policy.

*Our Board, in its meeting held on July 7, 2018, has adopted a policy for identification of our Group Companies, material creditors and material legal proceedings ("**Materiality Policy**") for the purposes of disclosure in its offer documents in accordance with the SEBI ICDR Regulations. In terms of the Materiality Policy, all pending litigation involving our Company, Subsidiaries, Directors, Promoters and Group Companies, other than criminal proceedings, statutory or regulatory actions and taxation matters would be considered 'material' for the purposes of disclosure in this Draft Red Herring Prospectus("**DRHP**") if: (i) the monetary amount of claim by or against the relevant entity or person in any such pending proceeding is in excess of ₹ 4.41 million, being approximately 5% of the PAT of our Company as per the Restated Financial Statements for Fiscal Year 2018; or (ii) such pending litigation is material from the perspective of our Company's business, operations, financial results, prospects or reputation, irrespective of the amount involved in such litigation.*

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, Subsidiaries, Directors, Promoters or Group Companies shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company or any of its Subsidiaries, Directors, Promoters or its Group Companies, as the case may be, is impleaded as a party in litigation proceedings before any judicial forum.

Further, in terms of the Materiality Policy, our Company considers creditors to whom the amount due exceeds ₹ 11 million, being approximately 5% of our trade payables as per our Restated Financial Statements for the Fiscal Year 2018, as 'material' creditors for the purpose of disclosures in this DRHP.

I. Litigation involving our Company

A. Outstanding criminal litigation involving our Company

Criminal proceedings against our Company

As on the date of this DRHP, there are no outstanding criminal proceedings pending against our Company.

Criminal proceedings by our Company

AD2C India Private Limited ("**Complainant**"), which subsequently merged into our Company with effect from February 7, 2017 pursuant to the 2017 Scheme, filed a complaint dated June 21, 2016 with the Station House Officer, Sardar Police Station, Gurgaon against Guvera Music India Private Limited ("**Guvera India**") and its directors alleging commission of offences under Sections 406 and 120B of the Indian Penal Code, 1860 ("**IPC**"). The Complainant alleges that it had agreed to provide services of mobile advertising/marketing solutions to Guvera India on agreed payment terms and personal guarantee by the directors of Guvera India for the payment of dues and accordingly the Complainant provided subsequent services. Further, the Complainant alleges that Guvera India stopped making payment for the invoices raised for the months of October 2015 to May 2016 and has claimed outstanding dues of ₹ 4.57 million.

Subsequently, the Complainant filed a fresh complaint dated September 23, 2016 in relation to commission of offences under Sections 406, 418, 420 and 120B of IPC alleging that Guvera India has not cleared the outstanding dues despite availability of sufficient funds and with an intention to cheat the Complainant. The complaint is currently pending before the investigating officer.

B. Pending actions by statutory or regulatory authorities against our Company

As on the date of this DRHP, there are no pending actions by statutory or regulatory authorities against our Company.

C. Tax proceedings against our Company

As on the date of this DRHP, the following tax proceedings are pending against our Company:

(₹ in million)

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings
Direct tax		
Income Tax*	1	0.9
Sub-total (A)	**1**	**0.9**
Indirect tax		
Service tax	1	2.6
Sub-total (B)	**1**	**2.6**
Total (A+B)	**2**	**3.5**

* *The order against which the appeal has been made was issued against AD2C India Private Limited, which subsequently merged into our Company with effect from February 7, 2017 pursuant to the 2017 Scheme.*

D. Other material outstanding litigation involving our Company

Material outstanding litigation against our Company

<u>Civil proceedings</u>

Five Dots Digital Private Limited ("**Five Dots**") filed a petition bearing Arb. P. No. 330/2017 before the High Court of Delhi ("**High Court**") against Appstudioz Technologies Private Limited, which subsequently merged into our Company with effect from February 7, 2017 pursuant to the 2017 Scheme, and, Affle AppStudioz Pte. Ltd., under Section 11(5) of the Arbitration and Conciliation Act, 1996 ("**Arbitration Act**") alleging non-performance of the application development agreement dated December 24, 2015 entered into between the abovementioned parties for development of a mobile application programme in a time bound manner to be used by Five Dots. The High Court by its order dated May 16, 2017 appointed a sole arbitrator. Five Dots, by its letter dated July 17, 2017 requested the sole arbitrator to initiate arbitration proceedings in accordance with the said order. The sole arbitrator initiated arbitration proceedings by order dated July 28, 2017. Subsequently, on August 18, 2017, Five Dots filed a statement of claims before the sole arbitrator claiming an amount of ₹17.50 million along with an interest of 24% per annum. Our Company has filed a statement of defence dated September 28, 2017 to this claim, denying all allegations. Five Dots filed a rejoinder dated November 14, 2017. The matter is currently pending.

Material outstanding litigation by our Company

<u>Civil proceedings</u>

Our Company instituted a civil suit bearing CS No. 852/2017 before the Court of District Judge, Saket Court, New Delhi ("**Court**") against Kinobeo Software Private Limited ("**Kinobeo**") for recovery of ₹3.90 million along with an interest of 24% per annum as payment for services availed by Kinobeo from us from June, 2016 to September, 2016. The Court passed an order dated September 26, 2017 referring the parties to mediation and listing the matter for hearing on October 25, 2017. The parties appeared before the mediation centre where the matter remained unsettled. Subsequently, Kinobeo filed a written statement dated October

23, 2017 before the Court denying all allegations in our suit and seeking dismissal. Our Company has filed an evidence affidavit dated April 2, 2018. The matter is currently pending.

II. Litigation involving our Subsidiaries

A. Outstanding criminal litigation involving our Subsidiaries

Criminal proceedings against our Subsidiaries

As on the date of this DRHP, there are no criminal proceedings pending against our Subsidiaries.

Criminal proceedings by our Subsidiaries

As on the date of this DRHP, there are no pending criminal proceedings initiated by our Subsidiaries.

B. Pending action by statutory or regulatory authorities against our Subsidiaries

As on the date of this DRHP, there are no pending actions by statutory or regulatory authorities against our Subsidiaries.

C. Tax proceedings against our Subsidiaries

As on the date of this DRHP, there are no pending tax proceedings against our Subsidiaries.

D. Other material outstanding litigation involving our Subsidiaries

Material outstanding litigation against our Subsidiaries

As on the date of this DRHP, there is no material outstanding litigation against our Subsidiaries.

Material outstanding litigation by our Subsidiaries

As on the date of this DRHP, there is no material outstanding litigation instituted by our Subsidiaries.

III. Litigation involving our Directors

A. Outstanding criminal litigation involving our Directors

Criminal proceedings against our Directors

Except as stated in *"Litigation involving our Promoters – Other material outstanding litigation involving our Promoters"* on page 338, as on the date of this DRHP, there are no outstanding criminal proceedings against our Directors.

Criminal proceedings by our Directors

Except as stated below as on the date of this DRHP, there are no outstanding criminal proceedings by our Directors.

Sumit Mamak Chadha ("**Complainant**") filed a complaint under section 138 of the Negotiable Instruments Act, 1881 against N.R. Buildcon Private Limited and its directors ("**Accused**"). The matter was adjourned *sine die* on account of non-availability of address of the Accused. The Complainant has filed an application for re-opening the said complaint. Further, the Complainant has filed a complaint case bearing No.41610/2016 under section 200 of the Code of Criminal Procedure, 1973 ("**Cr.P.C.**") and an application under Section 156(3) of Cr.P.C. before the Court of ACMM-2, Patiala House Courts, New Delhi against the

Accused. The matter is currently pending.

B. Pending action by statutory or regulatory authorities against our Directors

As on the date of this DRHP, there are no pending actions by statutory or regulatory authorities against our Directors.

C. Tax proceedings against our Directors

Except as disclosed below, there are no pending tax proceedings against our Directors as on the date of this DRHP.

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Direct tax matters	2	9.64

D. Other Material outstanding litigation involving our Directors

Material outstanding litigation against our Directors

As on the date of this DRHP, there is no material outstanding litigation against our Directors.

Material outstanding litigation by our Directors

As on the date of this DRHP, there is no material outstanding litigation initiated by our Directors.

IV. Litigation involving our Promoters

A. Outstanding criminal litigation involving our Promoters

Criminal proceedings against our Promoters

Except as stated in *"- Litigation involving our Promoters – Other material outstanding litigation involving our Promoters"* on page 338, as on the date of this DRHP, there are no outstanding criminal proceedings against our Promoters.

Criminal proceedings by our Promoters

Except as stated in *"-Litigation involving our Promoters – Other material outstanding litigation involving our Promoters"* on page 338, as on the date of this DRHP, there are no outstanding criminal proceedings by our Promoters.

B. Pending actions by statutory or regulatory authorities against our Promoters

As on the date of this DRHP, there are no pending actions by statutory or regulatory authorities against our Promoters.

C. Tax proceedings against our Promoters

As on the date of this DRHP, there are no pending tax proceedings against our Promoters.

D. Other material outstanding litigation involving our Promoters

Material outstanding litigation against our Promoters

Except as stated in *"- Litigation involving our Promoters – Other material outstanding litigation against our Promoters"* on page 338, as on the date of this DRHP, there are no material outstanding litigation against our Promoters.

Material outstanding litigation by our Promoters

Civil proceedings

Affle Holdings ("**Claimant"**) entered into a share purchase agreement dated April 4, 2014 ("**SPA**") with Saurabh Singh ("**Respondent No. 1**"), Snigdha Singh ("**Respondent No. 2**"), Abhinav Singh ("**Respondent No. 3**") and Preeti Singh ("**Respondent No. 4**") (collectively, the "**Respondents**") *inter-alia* for the purchase of 10,000 shares (constituting the entire share capital) of Appstudioz Technologies Private Limited ("**ATPL**") by the Claimant for a consideration of ₹73.60 million inclusive of taxes and for the long term alignment obligations of the Respondents to continue managing the operations of ATPL as full-time employees for a minimum of three years following the share sale for a further consideration. The SPA also provided for a non-compete clause ("**Non-compete Clause**") and assignment/ transfer of all intellectual property rights of ATPL and its employees. The Claimant agreed *inter alia* to transfer 219,325 equity shares of Affle Holdings to the Respondents subject to the long term alignment of the Respondents with the Claimant. Thereafter the Claimant allegedly discovered misrepresentations and breach of several representations and warranties made by the Respondents before and after entering into the SPA, including but not limited to the Non-compete Clause. The Claimant also allegedly discovered the transfer of various intellectual properties, money and contracts of ATPL to companies related to the Respondents. This constrained the Claimants to terminate the services of the Respondent No. 1, 3 and 4. The Claimant filed a petition bearing OMP No.1257/2014 before the High Court of Delhi (the "**High Court**") against the Respondent No. 1 and 2 under Section 9 of the Arbitration Act, seeking an injunction restraining Respondent No. 1 and 2 from carrying on any competitive business or soliciting any employee of ATPL and transferring any intellectual property to third parties. By an order dated October 16, 2014, which was modified by the order dated October 17, 2014, the High Court granted the said injunction, which was subsequently re-confirmed by its order dated January 22, 2015 and May 18, 2015. The Respondents preferred an appeal against the said order. However, this appeal was withdrawn by them and such withdrawal was recorded through an order dated March 21, 2016.

In the interim the Respondents No. 1 and 2 had also filed an application bearing OMP No. 14/2015 before the High Court against the Claimant under Section 9 of the Arbitration Act seeking maintenance of status quo in relation to the unpaid shares of the Claimant held by the said Respondents. Through an order dated February 9, 2015, interim relief to maintain status quo was granted but without providing Respondents No. 1 and 2 with any beneficial rights in relation to the shares. Respondents No. 3 and 4 filed a civil suit bearing CS(OS) No. 385/2015 before the High Court. This suit was disposed of by the High Court with a direction that the suit may be re-filed only after suitable modifications.

In the interim the Claimant issued a notice dated December 3, 2014 to Respondent No. 1 and 2 and notice dated December 23, 2014 to Respondent No. 3 and 4 referring the dispute to arbitration as provided under the SPA. The Respondents rejected the referral by their responses dated January 2, 2015 and January 23, 2015, respectively. On account of the Respondent's failure to nominate an arbitrator the Claimant filed a petition bearing Arb. P. No 28/2015 before the Supreme Court of India ("**Supreme Court**") against the Respondents under Section 11(5) of the Arbitration Act seeking appointment of an arbitrator in respect of the dispute arising out of the SPA. Simultaneously Respondent No.1 and 2 filed separate statement of claims in the arbitration application (Arb. P. No 24/2015). The Supreme Court by its order dated August 3, 2015 appointed a sole arbitrator and the Claimant filed a statement of claims dated December 19, 2015 before the sole arbitrator alleging misrepresentations and fundamental breaches of the representations and warranties given by the Respondents under the SPA and claiming an amount of about ₹ 228.57 million. The Respondents through their statement of defence made a counter-claim of ₹ 109.29 million. The pleadings before the arbitral tribunal have been completed. The matter is currently pending.

The Claimant has also filed a Contempt Petition against Respondent No.1 seeking the initiation of contempt proceedings, alleging deliberate and wilful violation of the orders of the High Court dated October 16, 2014 and May 18, 2015 passed in OMP No. 1257/2014, whereby Respondent No.1 had been *inter-alia* restrained from carrying on any business in competition with ATPL. The Respondent vide order dated February 2, 2018 was asked by the High Court to file an affidavit which along with the response filed by the Claimant was taken on record by the High Court by order dated May 14, 2018 Further the Respondents' personal appearance in the High Court has been directed by the said order of the High Court. The matter is currently pending.

Further in relation to the SPA and employment of the Respondent, FIR (No. 122/2015) was filed against the Respondent Nos. 1 and 2, Mobulus Technologies Private Limited and Appbulous Software Private Limited through an order of the Chief Judicial Magistrate, Gautam Budh Nagar, dated February 6, 2015, at the behest of Anuj Kumar, acting on behalf of Affle Holdings, alleging commission of offences under Sections 420, 408, 418, 468 and 120B of the Indian Penal Code, 1860 ("**IPC**"). Thereafter a charge-sheet dated May 21, 2015 was filed by the investigating officer against the accused and FIR was registered against Respondent No. 3 and 4. Respondent No. 3 and 4 filed a Criminal Miscellaneous Application No. 14608/2016 before the High Court of Allahabad for quashing of the charge sheet and stay of the proceedings initiated under FIR (No. 122/2015). Through its order dated August 5, 2016, the court directed that no coercive action shall be taken against Respondent No. 3 and 4 till the next date of hearing. Subsequently, Respondent No. 1 also filed Criminal Miscellaneous Application No. 24746/2016 before the High Court of Allahabad for quashing the charge-sheet dated May 21, 2015 arising from the FIR (No. 122/2015). Through its order dated August 19, 2016, the court directed that till the next date of hearing no coercive actions were to be taken against Respondent No. 1. The matters are currently pending.

Additionally, Respondent No. 1 had also filed a Complaint Case No. 2689/2014 before the Additional Chief Judicial Magistrate – II, Gautam Budh Nagar ("**Magistrate**") against Anuj Khanna Sohum, Anuj Kumar and Kapil Bhutani. The Magistrate issued a summons against the above-mentioned through its order dated January 28, 2016. In response to the summons Anuj Khanna Sohum, Anuj Kumar and Kapil Bhutani filed a Criminal Miscellaneous Application No. 22036/2016 before the High Court of Allahabad. Through its order dated July 22, 2016, the High Court of Allahabad stated that no coercive actions shall be taken against the above-mentioned till the completion of investigation. Additionally, a Corrective Application No. 224924/2016 was filed in order to modify the order dated July 22, 2016 through which a complete stay on the proceedings was granted. The matter is currently pending.

A FIR (No. 1072/2015) was filed against Anuj Khanna Sohum, Anuj Kumar and Kapil Bhutani at the behest of Respondent No. 1 for commission of offences under Sections 420, 406, 120B, 392, 393 and 506 of the IPC. Anuj Khanna Sohum, Anuj Kumar and Kapil Bhutani filed Criminal Miscellaneous Writ Petitions No. 26002/2015 and 26003/2015 before the High Court of Allahabad for quashing of the FIR (No. 1072/2015). Through its orders dated October 29, 2015, the High Court of Allahabad dismissed the petitions and issued a stay on coercive action against the above-mentioned, till the submission of the police report under Section 173(2) of the Code of Criminal Procedure, 1973. The investigating officer had filed final report dated September 1, 2016. Further, pursuant to CJM order dated April 29, 2017 to further investigate the matter, a report supporting the final report was filed by the investigating officer on June 4, 2017. The Magistrate has ordered for further investigation in relation to the closure reports . In relation to the same, a Criminal Revision Petition (No. 18/2018) has been filed by Kapil Bhutani before the Magistrate to which Respondent No. 1 has filed his reply. The matters are currently pending.

V. Litigation involving our Group Companies

A. Outstanding criminal litigation involving our Group Companies

Criminal proceedings against our Group Companies

As on the date of this DRHP, there are no pending criminal proceedings initiated against our Group

Companies.

Criminal proceedings by our Group Companies

As on the date of this DRHP, there are no pending criminal proceedings initiated by our Group Companies.

B. Pending action by statutory or regulatory authorities against our Group Companies

As on the date of this DRHP, there are no pending actions by statutory or regulatory authorities against our Group Companies.

C. Tax proceedings against our Group Companies

As on the date of this DRHP, there are no pending tax proceedings against our Group Companies.

D. Other Material outstanding litigation involving our Group Companies

Material outstanding litigation against our Group Companies

As on the date of this DRHP, there is no material outstanding litigation against our Group Companies.

Material outstanding litigation by our Group Companies

As on the date of this DRHP, there is no material outstanding litigation initiated by our Group Companies.

VI. Outstanding dues to small scale undertakings or any other creditors

As of March 31, 2018, our Company had 319 creditors, to whom a total amount of ₹ 220.24 million was outstanding. In terms of the Materiality Policy, as of March 31, 2018, our Company had 4 material creditors, to whom an amount of ₹ 63.66 million was outstanding as at March 31, 2018.

Further, as at March 31, 2018, the Company does not owe any amounts to any small scale undertakings.

For complete details about outstanding dues to creditors of our Company, see http://affle.com/advertisers-terms-conditions-currentcreditors/.

VII. Default and non – payment of statutory dues

Other than as stated in the "*Risk Factors – Risk Factors – Our Statutory Auditors have included an emphasis of matter and certain modifications to the information required to be disclosed pursuant to the Companies (Auditor's Report) Order, 2015 and 2003, as applicable, on the financial statements for the year ended March 31, 2015 and March 31, 2014 respectively & Companies (Auditor's Report) Order, 2016, as applicable, on the financial statements for the years ended March 31, 2018, 2017 and 2016 in their reports on our Company's audited financial statements for certain previous fiscal years*" on page 38, our Company does not owe any statutory dues and has not made any defaults or committed any acts involving non-payments of its statutory dues.

VIII. Material developments since the last balance sheet date

Other than as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation"* on page 314, to our knowledge, no circumstances have arisen since the date of the last financial statements disclosed in this DRHP, which materially and adversely affect or are likely to affect, our operations or profitability taken as whole, the value of our assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

In view of the material approvals listed below, our Company can undertake the Offer, and our Company and our Subsidiaries, as mentioned below, can respectively undertake their current business activities. Except as mentioned below, no further material approvals from any governmental or regulatory authority or any other entity are required to undertake the Offer or continue such business activities. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. For details of the regulatory and legal framework within which we operate, see "*Regulations and Policies*" on page 144.

A. Approvals relating to the Offer

For details in relation to the approvals obtained by the Company for the Offer see "*Other Regulatory and Statutory Disclosures – Authority for this Offer*".

B. Corporate Approvals of our Company

1. Certificate of incorporation dated August 18, 1994, issued by the RoC, in the name of Tejus Securities Private Limited.

2. Fresh certificate of incorporation dated September 29, 2006, issued by the RoC, consequent upon alteration of the objects clause of Tejus Securities Private Limited.

3. Fresh certificate of incorporation dated September 29, 2006, issued by the RoC, consequent upon change in name of our Company to Affle (India) Private Limited.

4. Fresh certificate of incorporation dated July 13, 2018, issued by the RoC, consequent upon conversion of the Company to a public limited company.

C. Tax Related Approvals of our Company

1. Permanent account number - AABCT4713F, issued by the Income Tax Department, Government of India.

2. Tax deduction account number - MUMT04558B issued by the Income Tax Department, Government of India.

3. GST identification number - 06AABCT4713F1ZO.

D. Business and Operational Approvals of our Company

The material approvals typically required and maintained by our Company for the operation of our business are:

1. Certificate of registration issued by the Labour Department, Haryana under the Punjab Shops and Commercial Establishments Act, 1958 for our Corporate Office in Gurugram.

2. Letter of undertaking dated March 27, 2018, under Rule 96A of the CGST Act, 2017 for the export of goods/ services without payment of IGST.

3. Employees' provident fund code - GNGGN0031058000, issued by the Regional Office, Gurgaon.

4. Employees' state insurance code number - 69000599100000911, issued by the Employees' State Insurance Corporation (sub-regional office, Gurgaon).

5. Certificate of registration issued under the Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975.

E. Corporate, Business and Operational Approvals of our Indonesian Subsidiary

1. Company Registration Certificate (Tanda Daftar Perusahaan) No. 09.03.1.61.96031 dated 08 August 2016 issued by the Head of One Stop Service of South Jakarta.

2. Company Domicile Certificate (Surat Keterangan Domisili Perseroan) No. 1634/27.1BU.1/31.74.02.1008/-071.562/e/2017 dated 6 July 2017 issued by Head of One Stop Service Sub-District of East Kuningan.

3. Taxpayer Registration Number (*Nomor Pokok Wajib Pajak*) No. 03.080.026.2-063.000 and Registered Statement Letter (*Surat Keterangan Terdaftar/"SKT"*) No. S-907KT/WPJ.04/KP.0403/2016 dated 20 June 2016 issued by Head of Tax Service Municipality.

4. Taxable Entrepreneur Registration Number (*Surat Pengukuhan* Pengusaha *Kena Pajak*) No. S-314PKP/WPJ.04/KP.0403/2016 dated 20 June 2016 issued by Head of Tax Service Municipality Jakarta Setia Budi Empat.

5. Registration of Capital Investment (Pendaftaran Penanaman Modal) No. 00824/1/PPM/PMA/2010 dated 4 May 2010 issued by Deputy of Capital Investment Services on behalf of Head of Indonesian Capital Investment Coordinating Body (*Badan Koordinasi Penanaman Modal*/"**BKPM**").

6. Alteration of Interim License of Foreign Capital Investment (*Izin Prinsip Perubahan Penanaman Modal Asing*) No. 2916/1/IP-PB/PMA/2014 dated 13 October 2014 issued by Deputy of Capital Investment Services on behalf of Head of BKPM.

7. Alteration of Interim License of Foreign Capital Investment (*Izin Prinsip Perubahan Penanaman Modal Asing*) No. 2378/1/IP-PB/PMA/2016 dated 14 July 2016 issued by Deputy of Capital Investment Services on behalf of Head of BKPM.

8. Alteration of Interim License of Foreign Capital Investment (*Izin Prinsip Perubahan Penanaman Modal Asing*) No. 3587/1/IP-PB/PMA/2017 dated 3 October 2017 issued by Deputy of Capital Investment Services on behalf of Head of BKPM.

9. Business License (*Izin Usaha*) No. 201/1/IU/I/PMA/TELEKOMUNIKASI/2011 dated 7 April 2011 issued by Head of BKPM on behalf of Minister of Communication and Informatics (*Menteri Komunikasi dan Informatika*).

10. Manpower Reporting Obligation (*Wajib Lapor Ketenagakerjaan*) No. 690/11.44/31.74.02/-1.837/2017 dated 13 July 2017 issued by Head of Implementation Unit of One Stop Service of District of Setiabudi.

11. Employee Social Security Implementing Agency Program (*Badan Penyelenggara Jaminan Sosial Ketenagakerjaan*) Membership Certificate No. 1300000009851 dated 30 April 2013 issued by President Director of PT Jamsostek Indonesia.

12. Decision of the Director General for Employment Placement and Expansion No. KEP 15745 /PPTK/PTA/ 2017 regarding the Ratification of the Expatriate Employees Utilization Plan (*Rencana Penggunaan Tenaga Kerja Asing*) of Indonesian Subsidiary dated 12 July 2017 issued by Director General for Employment Placement and Expansion.

13. Limited Stay Permit (*Izin Tinggal Terbatas*) Madan Sanglikar issued by Head of Klas I Khusus Jakarta Selatan Immigration Office.

14. Permit on Employment of Foreign Workers (*Izin Mempekerjakan Tenaga Kerja Asing*) Madan Sanglikar dated 31 July 2017 issued by Head of Implementation Unit of One Stop Service of the province of Jakarta.

F. Pending Approvals

Approvals not yet obtained in relation to our Indonesian Subsidiary:

1. Statement of Environmental Management and Monitoring Undertaking (Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup) to be obtained under Law No. 32 of 2009 on the Protection and Management of the Environment.

2. Employees Welfare Facility Mandatory Report (*Wajib Lapor Penyelenggaraan Fasilitas Kesejahteraan*) to be obtained under Regional Regulation of the Special Capital Region of Jakarta No. 6 of 2004 on Manpower.

3. the enrolment to the Health Social Security Implementing Agency Program (*Badan Penyelenggaraan Jaminan Kesehatan*) to be obtained under Law No. 24 of 2011 on Social Security Implementing Agency

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Offer

Our Board and Shareholders, respectively pursuant to their resolutions, each dated July 14, 2018, respectively, have authorised the Offer. The Offer for Sale has been authorised by the Selling Shareholder as set forth in "*The Offer*" on page 67.

This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution dated July 14, 2018. Our Company has received in-principle approvals from the BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or other Authorities

Our Company, Promoters, members of the Promoter Group, Directors, Group Companies, natural persons in control of Affle Holdings (our corporate Promoter and the Selling Shareholder) have not been prohibited from accessing the capital markets by SEBI or any other authority.

Except Sumit Mamak Chadha and Naresh Chand Gupta, none of our Directors are associated with entities which are engaged in securities market related business and are registered with SEBI. There are no violations of securities laws committed by any of our Directors in the past or are pending against them.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 26(2) of the SEBI ICDR Regulations, which states as follows:

"*An issuer not satisfying the condition stipulated in sub-regulation (1) may make an initial public offer if the issue is made through the book-building process and the issuer undertakes to allot, at least seventy five percent of the net offer to public, to qualified institutional buyers and to refund full subscription money if it fails to make the said minimum allotment to qualified institutional buyers*."

We are an unlisted company not complying with the conditions specified in Regulation 26(1) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed of Regulation 26(2) of the SEBI ICDR Regulations.

Accordingly, we undertake to comply with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer is proposed to be Allotted to QIBs and in the event we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Further, our Company and the Selling Shareholder shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 26(4) of the SEBI ICDR Regulations failing which the entire application money shall be refunded/ unblocked in the respective ASBA Accounts of the ASBA Bidders, as applicable. In case of delay, if any, in refund/ unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws. The Selling Shareholder shall provide all required information, support and cooperation to the Company in this respect.

Our Company is in compliance with the following conditions specified under Regulations 4(2) and 4(5)(a) of the SEBI ICDR Regulations:

(i) Our Company, the Selling Shareholder, our Promoters (including the persons in control of our Company), the members of our Promoter Group, and our Directors are not debarred from accessing the capital markets;

(ii) The companies with which our Promoters (including the persons in control of our Company), and our Directors are or were involved as promoter, or director or as persons in control are not debarred from accessing capital markets under any order or direction passed by SEBI;

(iii) Our Company has applied to the BSE and the NSE for obtaining in-principle approvals for listing of the Equity Shares under this Offer and has received the in-principle approvals from the BSE and the NSE pursuant to their letters dated [●] and [●], respectively. For the purposes of this Offer, pursuant to a resolution of our Board/ IPO Committee dated [●], the [●] shall be the Designated Stock Exchange;

(iv) Our Company along with the Registrar to the Offer has entered into tripartite agreements dated July 10, 2018 and June 26, 2018 with the NSDL and CDSL, respectively, for dematerialisation of the Equity Shares;

(v) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus; and

(vi) None of our Company, our Promoter and Directors is a Wilful Defaulter (as defined in the SEBI ICDR Regulations).

The working capital requirements under our Objects will be met through the Net Proceeds to the extent of ₹ 685.88 million, internal accruals and bank finance. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds.

Prohibition with respect to Wilful Defaulter

None of our Company, the Selling Shareholder, our Promoters, our Directors, and Group Companies has been identified as a Wilful Defaulter (as defined under the SEBI ICDR Regulations).

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, NAMELY, ICICI SECURITIES LIMITED AND NOMURA FINANCIAL ADVISORY AND SECURITIES (INDIA) PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY AND THE SELLING SHAREHOLDER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS, NAMELY, ICICI SECURITIES LIMITED AND NOMURA FINANCIAL ADVISORY AND SECURITIES (INDIA) PRIVATE LIMITED ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDER DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, NAMELY, ICICI SECURITIES LIMITED AND NOMURA FINANCIAL ADVISORY AND SECURITIES (INDIA) PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 14, 2018 WHICH

READS AS FOLLOWS:

WE, THE BRLMS TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALIZATION OF THE DRAFT RED HERRING PROSPECTUS DATED JULY 14, 2018 ("DRHP") PERTAINING TO THE SAID OFFER;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDER, WE CONFIRM THAT:**

    (A) **THE DRHP FILED WITH SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;**

    (B) **ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

    (C) **THE DISCLOSURES MADE IN THE DRHP ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956 (AS AMENDED AND REPLACED BY THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE), THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI ICDR REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES ALL THE INTERMEDIARIES NAMED IN THE DRHP ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID – COMPLIED WITH AND NOTED FOR COMPLIANCE.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE.**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRHP WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRHP. – COMPLIED WITH AND NOTED FOR COMPLIANCE.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRHP. – COMPLIED WITH AND NOTED FOR COMPLIANCE.**

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER – <u>NOT APPLICABLE</u>.

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. - <u>COMPLIED WITH.</u>

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THIS OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE COMPANY AND THE SELLING SHAREHOLDER SPECIFICALLY CONTAINS THIS CONDITION. – <u>NOTED FOR COMPLIANCE. ALL MONIES RECEIVED FROM THE OFFER SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT, AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.</u>

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRHP THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. - <u>NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER WILL BE ISSUED IN DEMATERIALIZED FORM ONLY.</u>

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRHP: <u>COMPLIED WITH</u>

(A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

(B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS WHILE MAKING THE OFFER. –<u>NOTED FOR COMPLIANCE.</u>

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC. – COMPLIED WITH.**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRHP WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. – COMPLIED WITH.**

16. **WE ENCLOSE A STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE MERCHANT BANKERS BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS OFFER)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR. – COMPLIED WITH.**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS IN ACCORDANCE WITH ACCOUNTING STANDARD 18 OR THE INDIAN ACCOUNTING STANDARD 24 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS, AS CERTIFIED BY BANSAL & CO LLP, CHARTERED ACCOUNTANTS, PURSUANT TO ITS CERTIFICATE DATED JULY 14, 2018.**

18. **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS. (IF APPLICABLE). NOT APPLICABLE.**

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE ANY PERSON WHO HAS AUTHORISED THE ISSUE OF THIS DRAFT RED HERRING PROSPECTUS FROM ANY LIABILITIES UNDER SECTION 34 OR SECTION 36 OF COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLMs, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

Price information of past issues handled by the BRLMs

A. ICICI Securities Limited

1. Price information of past issues handled by ICICI Securities:

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Housing and Urban Development Corporation Limited	12,095.70	60.00(1)	19-May-17	73.00	+13.17%, [+2.44%]	+34.67%, [+4.98%]	+35.67%, [+8.05%]
2	AU Small Finance Bank Limited	19,125.14	358.00	10-Jul-17	530.00	+58.76%, [+2.12%]	+65.20%, [+2.23%]	+95.38%,[+8.06%]
3	Security and Intelligence Services (India) Limited	7,795.80	815.00	10-Aug-17	879.80	-3.29%, [+1.17%]	+3.14%, [+5.40%]	+39.12%,[+8.62%]
4	Matrimony.Com Limited	4,974.79	985.00(2)	21-Sep-17	985.00	-12.28%, [+0.62%]	-7.64%,[+3.37%]	-16.55%,[-0.27%]
5	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	27-Sep-17	651.10	+3.62%, [+6.25%]	+18.97%,[+8.17%]	+15.36%,[4.06%]
6	SBI Life Insurance Company Limited	83,887.29	700.00(3)	03-Oct-17	735.00	-7.56%, [+5.89%]	-0.07%,[+5.84%]	-2.30%,[3.57%]
7	Newgen Software Technologies Limited	4,246.20	245.00	29-Jan-18	254.10	-0.20%, [-5.18%]	+2.51%[-3.51%]	-
8	Galaxy Surfactants Limited	9,370.90	1,480.00	8-Feb-18	1,525.00	+1.14%, [-3.31%]	-0.85%[+1.33%]	-
9	Aster DM Healthcare Limited	9,801.4	190.00	26-Feb-18	183.00	-13.66%,[-3.77%]	-5.39%,[+1.00%]	-
10	Sandhar Technologies Limited	5,124.80	332.00	02-Apr-18	346.10	+19.59%[+4.96%]	+15.41%,[+4.36%]	-

(1) Discount of Rs.2 per equity share offered to retail investors and to Eligible Employees. All calculations are based on Issue Price of Rs. *60.00 per equity share.*
(2) Discount of Rs. 98 per equity share offered to retail investors and to Eligible Employees. All calculations are based on Issue Price of Rs. 985.00 per equity share.
(3) Discount of Rs. 68 per equity share offered to Eligible Employees. All calculations are based on Issue Price of Rs. 700.00 per equity share.

Notes:

1. *All data sourced from www.nseindia.com*
2. *Benchmark index considered is NIFTY*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading day*

2. Summary statement of price information of past issues handled by ICICI Securities:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2018-19	1	5,124.80	-	-	-	-	-	1	-	-	-	-	-	-
2017-18	9	208,306.61	-	-	5	1	-	3	-	-	2	1	2	1
2016-17	12	160,855.45	-	-	3	4	4	1	-	1	1	7	2	1

B. Nomura Financial Advisory and Securities (India) Private Limited

1. Price information of past issues handled by Nomura:

Sr. No.	Issue name	Issue size ₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Indostar Capital Finance Limited	18,440.00	572	May 21, 2018	600	-0.96% [+1.84%]	Not applicable	Not applicable
2	Future Supply Chain Solutions Limited	6,496.95	664	December 18, 2017	664	+3.50% [+3.00%]	+6.27% [-2.83%]	-5.21% [+4.13%]
3	HDFC Standard Life Insurance Company Limited	86,950.07	290	November 17, 2017	310	+30.16% [+1.02%]	+48.93% [+2.11%]	+74.66% [+5.04%]
4	The New India Assurance Company Limited[1]	95,858.23	800	November 13, 2017	750	-27.91% [+0.15%]	-7.81% [+3.08%]	-13.06% [+5.69%]
5	Reliance Nippon Life Asset Management Limited	15,422.40	252	November 6, 2017	295.9	+3.61% [-3.19%]	+8.12% [+2.05%]	-4.21% [+1.59%]
6	Central Depository Services (India) Limited	5,239.91	149	June 30, 2017	250	+127.92% [+5.84%]	+128.86%, [+2.26%]	+146.71%, [+10.61%]
7	Tejas Networks Limited	7,766.88	257	June 27, 2017	257	+28.04%, [+5.35%]	+17.82%, [+3.80%]	+51.36%, [+10.73%]
8	Housing and Urban Development Corporation Limited[2]	12,097.77	60	May 19, 2017	73	+13.17%, [+2.44%]	+34.67%, [+4.98%]	+35.67%, [+8.05%]
9	BSE Limited	12,434.32	806	February 3, 2017	1,085	+17.52%, [+2.55%]	+24.41%, [+6.53%]	+34.43% [+15.72%]

Source: www.nseindia.com

1. *Price for retail individual investors and Eligible Employees bidding in the Employee Reservation Portion was INR770.00 per equity share*
2. *Price for retail individual bidders bidding in the retail portion and to eligible employees was INR58.00 per equity share*

Notes:

a. The CNX NIFTY has been considered as the Benchmark Index.
b. Price on NSE is considered for all of the above calculations.
c. In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.
d. Not applicable – Period not completed

2. Summary statement of price information of past issues handled by Nomura:

Financial Year	Total no. of IPOs	Total funds raised (₹ in millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2018-2019	1	18,440.00	-	-	1	-	-	-	-	-	-	-	-	-
2017-2018	7	229,832.21	-	1	-	1	2	3	-	-	3	3	1	-
2016-2017	1	12,434.32	-	-	-	-	-	1	-	-	-	-	1	-

***Source**: www.nseindia.com*
***Notes**:*
a) The information is as on the date of this Prospectus.
b) The information for each of the financial years is based on issues listed during such financial year.
c) 1 issue was completed in the financial year 2018-19. However, 1 issue has not completed 180 days.

C. Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLMs, as set forth in the table below:

Sr. No	Name of the BRLM	Website
1.	ICICI Securities	www.icicisecurities.com
2.	Nomura	www.nomuraholdings.com/company/group/asia/india/index.html

Disclaimer from our Company, the Selling Shareholder, our Directors and the BRLMs

Our Company, the Selling Shareholder, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including our Company's website (www.affle.com) or the respective websites of any of our Promoters, Promoter Group, Subsidiaries, Group Companies or of any affiliate of our Company and the Selling Shareholder, would be doing so at his or her or their own risk. Unless required by law, the Selling Shareholder, and where applicable, its directors, affiliates, associates and officers accept no responsibility for any statements and undertakings, except such statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus specifically in relation to itself, and the Equity Shares which are being offered by it by way of the Offer for Sale pursuant to the Offer, are true and correct.

Caution

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company, the Selling Shareholder (to the extent applicable to the Selling Shareholder) and the BRLMs to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

None among our Company, the Selling Shareholder or any of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and that they shall not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Each of the BRLMs and their respective associates and affiliates, in its capacity as principal or agent, is and may in the future be involved in a wide range of commercial banking and investment banking activities globally (including investment advisory, asset management, research, securities issuance, trading (customer and proprietary) and brokerage). Certain of the BRLMs and/or their respective associates and affiliates has engaged, and may in the future engage, in transactions with, and has performed, and may in the future perform, services for, our Company, the Selling Shareholder and their respective group companies, affiliates or associates or any third parties in the ordinary course of their commercial banking and investment banking activities, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹ 250 million and pension funds with minimum corpus of ₹ 250 million, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, Systemically Important Non-Banking Financial Companies and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company and the Selling Shareholder from the date thereof or that the information contained herein is correct as of any time subsequent to this date.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to its filing with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to its filing with the RoC.

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at the Securities and Exchange Board of India, Plot No. C4-A, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration to the RoC situated at Registrar of Companies, Mumbai at 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra, India.

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares to be issued and sold in the Offer. The [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Selling Shareholder will forthwith repay, all monies received from the applicants in pursuance of the Red Herring Prospectus, with or without interest, as applicable, in accordance with applicable law.

Our Company and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within six Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

The Selling Shareholder confirms that it shall extend complete co-operation required by our Company and BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Consents

Consents in writing of (a) the Selling Shareholder, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, the BRLMs, legal counsel appointed for the Offer, banker to our Company, Frost & Sullivan and the Registrar to the Offer, in their respective capacities have been obtained; and consents in writing of (b) the Syndicate Members, the Escrow Collection Bank(s) and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Sections 26 and 32 of the Companies Act, 2013. Further, consents received prior to filing of this Draft Red Herring Prospectus have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus with SEBI.

Expert to the Offer

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

Our Company has received written consent from the Auditors namely, S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations and as "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an auditor and in respect of their examination reports dated July 14, 2018 on our Restated Ind AS Summary Statements and the Restated Indian GAAP Summary Statements, and their report dated July 14, 2018 on the Statement of Tax Benefits included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Offer related expenses

The expenses of the Offer include, among others, underwriting and management fees, selling commissions, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. For details of the Offer expenses, see "*Objects of the Offer*" on page 87.

All Offer related expenses shall be shared by our Company and the Selling Shareholder, in proportion to the Equity Shares offered by them in the Offer, in accordance with applicable law. Any payments made by our Company in relation to the Offer on behalf of the Selling Shareholder shall be reimbursed by the Selling Shareholder to our Company upon successful completion of the Offer.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expenses) will be as per the Syndicate Agreement, a copy of which will be available for inspection at our Registered Office from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date. For details of the Offer related expenses, see "*Objects of the Offer*" on page 87.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCBS, Registered Brokers, RTAs and CDPs, see "*Objects of the Offer*" on page 87.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Registrar Agreement, a copy of which will be available for inspection at our Registered Office from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

The Registrar to the Offer shall be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post or speed post/ ordinary post.

Public or rights issues by our Company during the last five years

Our Company has not made any public issue during the five years immediately preceding the date of this Draft Red Herring Prospectus. Further, except as disclosed in the "*Capital Structure*" on page 77, our Company has not made any rights issue during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Previous issues of securities otherwise than for cash

Except as disclosed in the "*Capital Structure*" on page 77, our Company has not issued any specified securities for consideration otherwise than for cash.

Performance vis-à-vis objects

Our Company has not undertaken any public issue during the last 10 years preceding the date of this Draft Red Herring Prospectus. Further, except as disclosed in"*Capital Structure*" on page 77, our Company has not made any rights issue during the 10 years immediately preceding the date of this Draft Red Herring Prospectus. There has been no shortfall in terms of performance *vis-a-vis* objects for any of the previous issues of our Company.

Performance vis-à-vis objects – Last issue of Group Companies, Subsidiaries or Associate Company

Neither our Subsidiaries nor our Group Companies have undertaken any public or rights issue in the 10 years preceding the date of this Draft Red Herring Prospectus. Accordingly, the requirement to disclose performance vis-à-vis objects in respect of earlier offerings does not apply to our Subsidiaries, or our Group Companies. Further, our Company does not have any associate company.

Commission or brokerage on previous issues of Equity Shares

Since this is an initial public offer of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

Previous capital issue during the previous three years by listed Group Companies and Subsidiaries/Associate Company

None of our Subsidiaries or Group Companies are listed on any stock exchange in India or overseas. Accordingly, the requirement to disclose details of previous issues by listed Group Companies or Subsidiaries does not apply. Further, our Company does not have any associate company.

Outstanding debentures, bonds or other instruments

Our Company does not have any outstanding debentures, bonds, redeemable preference shares or other instruments as on the date of this Draft Red Herring Prospectus.

Outstanding Preference Shares

Our Company does not have any outstanding preference shares as on date of this Draft Red Herring Prospectus.

Partly Paid-up Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least three years from the date of commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders may contact the BRLMs for any complaints pertaining to the Offer. All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder and the ASBA Account number in which the amount equivalent to the Bid Amount is blocked. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

Our Company has not received investor complaints during the period of three years preceding the date of the Draft Red Herring Prospectus.

Further, the investor shall also enclose a copy of the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as name of the sole or first Bidder, Anchor Investor Application Form number, Bidder DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of the Designated Intermediaries including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed a Stakeholders Relationship Committee comprising Sudhir Jatia as the Chairperson, Bijynath and Kapil Mohan Bhutani as members. For details, see "*Our Management*" on page 160.

Our Company has appointed Akanksha Gupta as the Company Secretary and Compliance Officer and she may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

Akanksha Gupta
601-612, 6th Floor
Tower C, JMD Megapolis
Sohna Road, Sector 48
Gurgaon 122 018
Tel.: +91 124 4992 914
Fax: +91 124 2213 847
E-mail: compliance@affle.com

As on the date of this Draft Red Herring Prospectus, there are no pending investor complaints against our Company. Our Company has not received any investor complaints in the three years preceding the date of this Draft Red Herring Prospectus.

Disposal of investor grievances by listed companies under the same management

As on the date of this Draft Red Herring Prospectus, none of the companies under the same management as that of our Company are listed on any stock exchange. Accordingly, the requirement to disclose details of investor grievances by listed companies under the same management as our Company does not apply.

Changes in Auditors

There has been no changes in the statutory auditors of our Company during the last three years immediately preceding the date of this Draft Red Herring Prospectus.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years preceding the date of this Draft Red Herring Prospectus.

Revaluation of Assets

Our Company has not revalued its assets at any time during the five years preceding the date of this Draft Red Herring Prospectus.

SECTION VII – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being Allotted pursuant to this Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice, the SEBI Listing Regulations and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities offered from time to time by the SEBI, the GoI, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of this Offer and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

The Offer

The Offer consists of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholder. All Offer related expenses shall be shared by our Company and the Selling Shareholder, in proportion to the Equity Shares offered by them in the Offer, in accordance with applicable law.

Ranking of the Equity Shares

The Equity Shares being issued, offered and transferred in the Offer shall be subject to the provisions of the Companies Act, our Memorandum of Association, our Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see "*Main Provisions of the Articles of Association*" on page 418.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders as per the provisions of the Companies Act, 2013, our Memorandum of Association and Articles of Association, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For further details in relation to dividends, see *"Dividend Policy"* and *"Main Provisions of the Articles of Association"* on pages 192 and 418, respectively.

Face Value and Offer Price

The face value of the Equity Shares is ₹ 10 each and the Offer Price is ₹ [●] per Equity Share. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share. The Price Band and minimum Bid lot size for the Offer, will be decided by our Company and the Selling Shareholder, in consultation with the BRLMs, and advertised in [●] editions of [●], an English daily newspaper, [●] editions of [●], a Hindi daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language in the state where our Registered Office is located), each with wide circulation, respectively, at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Offer Price shall be determined by our Company and the Selling Shareholder, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, the Shareholders shall have the following rights:

- The right to receive dividends, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or 'e-voting';
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum and Articles.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, see "*Main Provisions of the Articles of Association*" on page 418.

Option to receive Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialised form only.

Market Lot and Trading Lot

Further, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. See *"Offer Procedure – Part B – General Information Document for Investing in Public Issues - Allotment Procedure and Basis of Allotment"* on page 405.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, India will have exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See "*Offer Structure – Bid/Offer Programme*" on page 365.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debenture) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If investors wish to change their nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer equivalent to the minimum number of securities as required to comply with Rule 19(2)(b) of the SCRR), including through devolvement of Underwriters as applicable, within sixty (60) days from the date of Bid Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law.

In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the Equity Shares in the Offer for Sale.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Shares, the minimum Promoters' contribution and Allotments made to Anchor Investors pursuant to the Offer, as detailed in "*Capital Structure*" on page 77 and except as provided in our Articles, under the Indian law there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Main Provisions of the Articles of Association*" at page 418.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. **No person outside India is eligible to bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the laws of any state of the United States and may not be offered or sold in the United States (as defined in Regulation S under the U.S. Securities Act ("**Regulation S**")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States pursuant to Regulation S.

Each purchaser of the Equity Shares in the Offer in India shall be deemed to:

- Represent and warrant to our Company, the Selling Shareholder, the BRLMs and the Syndicate Members that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.

- Represent and warrant to our Company, the Selling Shareholder, the BRLMs and the Syndicate Members that it did not purchase the Equity Shares as result of any "directed selling efforts" (as defined in Regulation S).

- Represent and warrant to our Company, the Selling Shareholder, the BRLMs and the Syndicate Members that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.

- Represent and warrant to our Company, the Selling Shareholder, the BRLMs and the Syndicate Members that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

- Represents and warrant to our Company, the Selling Shareholder, the BRLMs and the Syndicate Members that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- Agree to indemnify and hold the Company, the Selling Shareholder, the BRLMs and the Syndicate Members harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Acknowledge that our Company, the Selling Shareholder, the BRLMs, the Syndicate Members and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

OFFER STRUCTURE

Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million, comprising of a Fresh Issue of up to [●] Equity Shares by our Company aggregating up to ₹ 900 million and an Offer for Sale of up to 5,500,000 Equity Shares aggregating up to ₹ [●] million by Affle Holdings. The Offer constitutes [●]% of the post-Offer paid up Equity Share capital of the Company.

The Offer is being made through the Book Building Process.

Particulars	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation(2)	At least [●] Equity Shares.	Not more than [●] Equity Shares or Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not more than [●] Equity Shares or Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.
Percentage of Offer size available for Allotment/allocation	At least 75% of the Offer shall be Allotted to QIB Bidders. However, 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available for allocation to QIBs.	Not more than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not more than 10% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.
Basis of Allotment if respective category is oversubscribed(3)	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above. Our Company and the Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis, out of which at least one-third will be available for allocation to Mutual Funds	Proportionate.	Allotment to each Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. For further details, see "*Offer Procedure – Part B – General Information Document for Investing in Public Issues – Allotment Procedure and Basis of Allotment – Allotment to RIIs*" on page 406.

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
	only.		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000.	[●] Equity Shares.
Maximum Bid	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits.	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits.	Such number of Equity Shares such that the Bid Amount does not exceed ₹ 200,000.
Mode of Allotment	Compulsorily in dematerialised form.		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of [●] Equity Shares.	A minimum of [●] Equity Shares and thereafter in multiples of [●] Equity Shares.	A minimum of [●] Equity Shares and thereafter in multiples of [●] Equity Share, subject to availability in the Retail Portion.
Trading Lot	One Equity Share.		
Who can Apply[3]	Mutual Funds, Venture Capital Funds, AIFs, FVCIs, FPIs (other than Category III FPIs) public financial institution as defined in Section 2(72) of the Companies Act, 2013, a scheduled commercial bank, multilateral and bilateral development financial institution, state industrial development corporation, insurance company registered with the Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, National Investment Fund, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies.	Eligible NRIs, Resident Indian individuals, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies and trusts and Category III FPIs.	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.
Terms of Payment	The entire Bid Amount shall be payable at the time of submission of Anchor Investor Application Form by Anchor Investors [4]. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the ASBA Form.		
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process.	Only through the ASBA process.

(1) *Our Company and the Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.* *For details, see "Offer Procedure" beginning on page* 367.

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer shall be Allotted on a proportionate basis to QIBs. Our Company and the Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75% of the Offer cannot be Allotted to QIBs, all the application monies will be refunded/ unblocked forthwith. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b)(iii) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations, Allotment will be first made towards the Fresh Issue from the valid Bids. For further details, please see "Terms of the Offer" on page 358.

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.*

(4) *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Application Form, provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in date as mentioned in the CAN.*

Bid/Offer Programme

BID/ OFFER OPENS ON*	**[●]**
BID/ OFFER CLOSES ON**	**[●]**

**Our Company and the Selling Shareholder may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date.*
***Our Company and the Selling Shareholder may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account	[●]
Credit of the Equity Shares to depository accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchanges	[●]

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholder or the BRLMs. Whilst our Company and Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholder, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholder, confirm that it shall extend complete support and co-operation required by our Company and

the BRLMs for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time ("**IST**")) during the Bid/Offer Period (except on the Bid/Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form **except that:**

(i) on the QIB Bid/Offer Closing Date, in case of Bids by QIBs under the Net QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. (IST);

(ii) on the Bid/Offer Closing Date:

(a) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and

(b) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by BRLMs to the Stock Exchanges.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids will only be accepted on Working Days. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor the Selling Shareholder, nor any member of the Syndicate is liable for any failure in uploading or downloading the Bids due to faults in any software / hardware system or otherwise.

Our Company and the Selling Shareholder, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations. In such an event, the Cap Price shall not be more than 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as advertised at least five Working Days before the Bid/Offer Opening Date.

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate Members.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

*All Bidders should review the 'General Information Document for Investing in Public Issues' prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 issued by SEBI ("**General Information Document**") included below under the sub-section titled "– Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect various enactments and regulations as well as amendments to existing regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.*

Our Company, the Selling Shareholder and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process in accordance with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer shall be Allotted on a proportionate basis to QIBs. Our Company and the Selling Shareholder, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75% of the Offer cannot be Allotted to QIBs, all the application monies will be refunded/ unblocked forthwith. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis, subject to applicable law. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. In accordance with Rule 19(2)(b)(iii) of the SCRR, the Offer will constitute at least 10% of the post Offer paid-up equity share capital of our Company.

The Equity Shares, upon listing, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Offered Shares will be Allotted to all successful Bidders only in dematerialised

form. The Bid cum Application Forms which do not have the details of the Bidders depository accounts, including DP ID, Client ID and PAN, shall be treated as incomplete and rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

All Bidders (other than Anchor Investors) are required to mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

Copies of the ASBA Forms and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres and at our Registered Office. Electronic copies of the ASBA Forms will also be available for download on the websites of the Stock Exchanges, namely, NSE (www.nseindia.com) and BSE (www.bseindia.com), at least one day prior to the Bid/Offer Opening Date. Anchor Investor Application Forms shall be available at the offices of the BRLMs at least one day prior to the Anchor Investor Bidding Date.

All Bidders (other than Anchor Investors) shall ensure that their Bids are made on ASBA Forms bearing the stamp of a Designated Intermediary and submitted at the Bidding centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Additionally, ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and ASBA Forms that do not contain such details are liable to be rejected. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Form for various categories of Bidders is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis **	White
Non-Residents including Eligible NRIs, FVCIs, FPIs and registered multilateral and bilateral development financial institutions applying on a repatriation basis **	Blue
Anchor Investors***	[●]

* *Excluding electronic Bid cum Application Forms.*

** *Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).*

*** *Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs.*

Designated Intermediaries (other than SCSBs) shall submit/ deliver ASBA Forms to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or the Escrow Collection Bank.

Who can Bid?

In addition to the category of Bidders set forth in the sub-section titled "*– Part B – General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue*" on page 383, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- FPIs, other than Category III FPIs;
- Category III FPIs who are foreign corporates or foreign individuals only under the Non-Institutional Portion
- Scientific and/or industrial research organisations in India, which are authorised to invest in equity shares; and
- Any other person eligible to Bid in this Offer, under the laws, rules, regulations, guidelines and polices applicable to them.

Participation by associates and affiliates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLMs and the Syndicate Members may subscribe to or purchase Equity Shares in the Offer, in the QIB Portion or in Non-Institutional Portion as may be applicable to such Bidders. Such Bidding and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The BRLMs and any persons related to the BRLMs (other than mutual funds sponsored by entities related to the BRLMs), the Syndicate Members, our Promoters, Promoter Group and any persons related to them cannot apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid in whole or in part, in either case, without assigning any reason thereof.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of ASBA Forms from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a non-repatriation basis should authorise their SCSB to block their NRO accounts for the full Bid Amount.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form for non-residents, while Eligible NRIs Bidding on a non-repatriation basis are advised to use the ASBA Form for residents.

Bids by FPIs

On January 7, 2014, SEBI notified the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 ("**SEBI FPI Regulations**") pursuant to which the existing classes of portfolio investors, namely, Foreign Institutional Investors and Qualified Foreign Investors were subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. Furthermore, RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by our Board, followed by a special resolution passed by the Shareholders and subject to prior intimation to RBI. For calculating the aggregate holding of FPIs in our company, holding of all registered FPIs shall be included. In terms of the above-mentioned provisions of the FEMA Regulations, the existing individual and aggregate investment limits for FPIs in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments ("**ODIs**"). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments in our Company.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the GoI from time to time. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents. FPIs are required to Bid through the ASBA process to participate in the Offer.

An FPI shall issue ODIs only to those subscribers which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III FPI and unregulated broad based funds, which are classified as Category II FPIs by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms and (iii) such offshore derivative instruments shall not be issued to or transferred to persons who are resident Indians or NRIs and to entities beneficially owned by resident Indians or NRIs. An FPI is also required to ensure that no further transfer of offshore derivative instrument issued by or on behalf of it is made in compliance with specified conditions.

Bids by SEBI registered VCFs, AIFs and FVCIs

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "**SEBI VCF Regulations**") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, *inter alia* prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid without assigning any reason therefor.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 are broadly set forth below:

(i) equity shares of a company: the lower of 10% of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/ investment assets in case of a general insurer or a reinsurer;
(ii) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
(iii) the industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (i), (ii) or (iii) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time.

Bids by provident funds/ pension funds

In case of Bids made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, the Company reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.

(v) Our Company and the Selling Shareholder, in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

  (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;

  (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and

  (c) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum allotment of ₹ 50 million per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchange.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

(ix) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(x) The BRLMs, our Promoters, members of the Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLMs) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLMs and made available as part of the records of the BRLMs for inspection by SEBI.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

(xii) For more information, see *"Offer Procedure - Part B: General Information Document for Investing in Public Issues - Section 7: Allotment Procedure and Basis of Allotment – Allotment to Anchor Investor"* on page 408.

Payment by Anchor Investors into the Escrow Account

Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT) for payment of their Bid Amounts in the Escrow Account in favour of:

(i) In case of resident Anchor Investors: [●]

(ii) In case of non-resident Anchor Investors: [●]

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholder, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from Anchor Investors.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserve the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Reserve Bank of India Master Direction (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA Bids.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), Systemically Important Non-Banking Financial Companies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason.

The Company, in consultation with the BRLMs, in its absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney with the Bid cum Application Form, subject to such terms and conditions that the Company and the BRLMs deem fit, without assigning any reasons therefore.

In accordance with existing regulations, OCBs cannot participate in the Offer.

Pre-Offer Advertisement

Pursuant to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement in [●] editions of [●], an English daily newspaper, [●] editions of [●], a Hindi daily newspaper and [●] editions of [●], a Marathi daily newspaper ([●] being the regional language in the state where our Registered Office is located), each with wide circulation, respectively. In the pre- Offer advertisement, we shall state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

Information for Bidders

In addition to the instructions provided to Bidders set forth in the sub-section titled "– *Part B – General Information Document for Investing in Public Issues*" on page 381, Bidders are requested to note the following additional information in relation to the Offer.

1. The relevant Designated Intermediary will enter each Bid option into the electronic Bidding system as a separate Bid and generate an acknowledgement slip ("**Acknowledgement Slip**"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three Acknowledgement Slips for each Bid cum Application Form. It is the Bidder's responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/ Allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

2. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholder and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the Selling Shareholder, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

3. In the event of an upward revision in the Price Band, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 200,000 (for Retail Individual Bidders) if such Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted to the same Designated Intermediary to whom the original Bid was submitted. In case the Bid Amount for any Bid under the Retail Portion exceeds ₹ 200,000, due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Bidder does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.

4. In the event of a downward revision in the Price Band the Retail Individual Bidders who have bid at the Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after Allotment is finalised.

5. Any revision of the Bid shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Bid.

In addition to the information provided in the sub-section titled "*Part B – General Information Document for Investing in Public Issues – Interest and Refunds*" on page 409.

Signing of the Underwriting Agreement and the RoC Filing

Our Company and the Selling Shareholder intend to enter into an Underwriting Agreement with the Underwriters after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

GENERAL INSTRUCTIONS

In addition to the general instructions provided in the sub-section titled "*Part B – General Information Document for Investing in Public Issues*" on page 381, Bidders are requested to note the additional instructions provided below.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time.
6. With respect to the ASBA Bids, ensure that the ASBA Form is signed by the account holder in case the applicant is not the ASBA Account holder. Ensure that you have mentioned the correct ASBA Account number in the ASBA Form;
7. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
8. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
9. Ensure that you request for and receive a stamped Acknowledgement Slip of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary as proof of registration of the Bid cum Application Form;
10. Ensure that you have funds equal to the Bid Amount in the ASBA Account with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
11. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process for any other purpose;
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised Acknowledgement Slip;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the

State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same;

14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
16. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
17. Ensure that you tick the correct investor category and the investor status, as applicable, in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
18. Ensure that for Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the electronic system of the Stock Exchanges by the relevant Designated Intermediary match with the DP ID, Client ID and PAN available in the Depository database;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in).
23. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form; and
24. In relation to the ASBA Bids, ensure that you have correctly signed the authorisation/undertaking box in the ASBA Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid or revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount by cheques and demand drafts or in cash, by money order or by postal order or by stockinvest;
5. Do not send ASBA Forms by post. Instead submit the same to only a Designated Intermediary;
6. Do not Bid on a physical ASBA Form that does not have the stamp of a Designated Intermediary;
7. Anchor Investors should not Bid through the ASBA process;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not Bid for a Bid Amount exceeding ₹ 200,000 for Bids by Retail Individual Bidders;
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

11. Do not submit the General Index Registration (**“GIR”**) number instead of the PAN;
12. Do not submit the Bids without instructions to block funds equivalent to the Bid Amount in the ASBA Account;
13. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
14. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
16. If you are a Non-Institutional Bidder or Retail Individual Bidder, do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date;
17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
18. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
19. Do not submit more than five ASBA Forms per ASBA Account;
20. Do not submit ASBA Bids to a Designated Intermediary at a location other than the Bidding Centres;
21. Do not submit ASBA Bids to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in); and

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

In addition to the instructions for completing the Bid cum Application Form provided in the sub-section titled “*Part B – General Information Document for Investing in Public Issues – Applying in the Issue – Instructions for filling the Bid cum Application Form/ Application Form*” on page 384, Bidders are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Bids must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).

2. ASBA Bids must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Red Herring Prospectus and in the ASBA Form.

3. Bids on a repatriation basis shall be in the names of individuals, or in the name of Eligible NRIs or FPIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees. Bids by Eligible NRIs for a Bid Amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Designated Date and Allotment

(a) Our Company will ensure that the Allotment and credit to the successful Bidder’s depositary account will be completed within six Working Days, or such period as may be prescribed by SEBI, of the Bid/Offer Closing Date or such other period as may be prescribed.

(b) Equity Shares will be Allotted only in the dematerialised form to the Allottees.

(c) Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in the sub-section titled "*Part B – General Information Document for Investing in Public Issues – Issue Procedure in Book Built Issue – Rejection and Responsibility for Upload of Bids – Grounds for Technical Rejections*" on page 402, Bidders are requested to note that Bids may be rejected on the following additional technical grounds.

1. Bid submitted without payment of the entire Bid Amount;

2. Bids submitted by Retail Individual Bidders which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids by HUFs not mentioned correctly as given in the sub-section titled " – *Who can Bid?*" on page 368;

5. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

6. Bids submitted without the signature of the First Bidder or sole Bidder;

7. With respect to ASBA Bids, the ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

8. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;

9. GIR number furnished instead of PAN;

10. Bids by Retail Individual Bidders with Bid Amount for a value of more than ₹ 200,000;

11. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

12. Bids by Bidders (who are not Anchor Investors) accompanied by cheques or demand drafts;

13. Bids accompanied by stockinvest, money order, postal order or cash;

14. Bids by persons in the United States other than 'qualified institutional buyers' (as defined in Rule 144A of the Securities Act); and

15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/Offer Closing Date, and Bids by Retail Individual Bidders uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, two agreements had been signed among the Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated July 10, 2018 among NSDL, the Company and the Registrar to the Offer.
- Agreement dated June 26, 2018 among CDSL, the Company and Registrar to the Offer.

The above information is given for the benefit of Bidders. Our Company and the Selling Shareholder, our Directors, the officers of our Company and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- That if the Company and/or any of the Selling Shareholder does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

- That if our Company and/or the Selling Shareholder withdraw the entire or portion of the Offer after the Bid/Offer Closing Date, our Company shall be required to file an updated offer document or a fresh offer document with the RoC/ SEBI, as the case may be, in the event our Company or the Selling Shareholder subsequently decides to proceed with the Offer;

- That the complaints received in respect of the Offer shall be attended to by the Company expeditiously and satisfactorily;

- That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by SEBI;

- if Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 15 days from the Bid/Offer Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders as per applicable laws;

- That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit of refund;

- That the certificates of the securities or refund orders to Eligible NRIs shall be despatched within specified time;

- That except for the Fresh Issue, no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded / unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;

- That adequate arrangement shall be made to collect all Bid cum Application Forms; and

- That we shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

UNDERTAKINGS BY THE SELLING SHAREHOLDER

The Selling Shareholder confirms and undertakes the following:

- That it is the legal and beneficial owner of the Offered Shares;
- That the Offered Shares (a) have been held by it for a minimum period in compliance with Regulation 26(6) of the SEBI ICDR Regulations; (b) are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances; and (c) shall be in dematerialised form at the time of transfer;
- It shall not have recourse to the proceeds of the Offer for Sale until the final listing and trading approvals from all the Stock Exchanges where listing is proposed have been obtained;
- That it shall provide all reasonable cooperation as requested by the Company in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of the Equity Shares offered by them pursuant to the Offer;
- That it shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by them and being offered pursuant to the Offer;
- That it shall take all such steps as may be required to ensure that the Offered Shares are available for transfer in the Offer for Sale, free and clear of any encumbrance, within the timelines specified under applicable law; and
- That it has authorised the Company Secretary and Compliance Officer for the Offer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offered Shares and it shall extend reasonable cooperation to our Company and the BRLMs in the regard.

Utilisation of Offer proceeds

The Company and the Selling Shareholder specifically confirm and declare that all monies received out of this Offer shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

Withdrawal of the Offer

Our Company and the Selling Shareholder in consultation with the BRLMs, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company. The BRLMs through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC and the Stock Exchanges.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Offer.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations, 2009").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus ("RHP")/Prospectus filed by the Issuer with the Registrar of Companies ("RoC"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the abridged prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLMs to the Issue and on the website of Securities and Exchange Board of India ("SEBI") at www.sebi.gov.in.

For the definitions of capitalised terms and abbreviations used herein Bidders/Applicants may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (the "Companies Act") as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues - Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process **("Book Built Issue")** or undertake a Fixed Price Issue **("Fixed Price Issue").** An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/ Issue Opening Date, in case of an FPO.

The Floor Price or the Issue Price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and abridged prospectus or RHP/Prospectus for details of the Bid/ Issue Period. Details of Bid/ Issue Period are also available on the website of Stock Exchange(s).

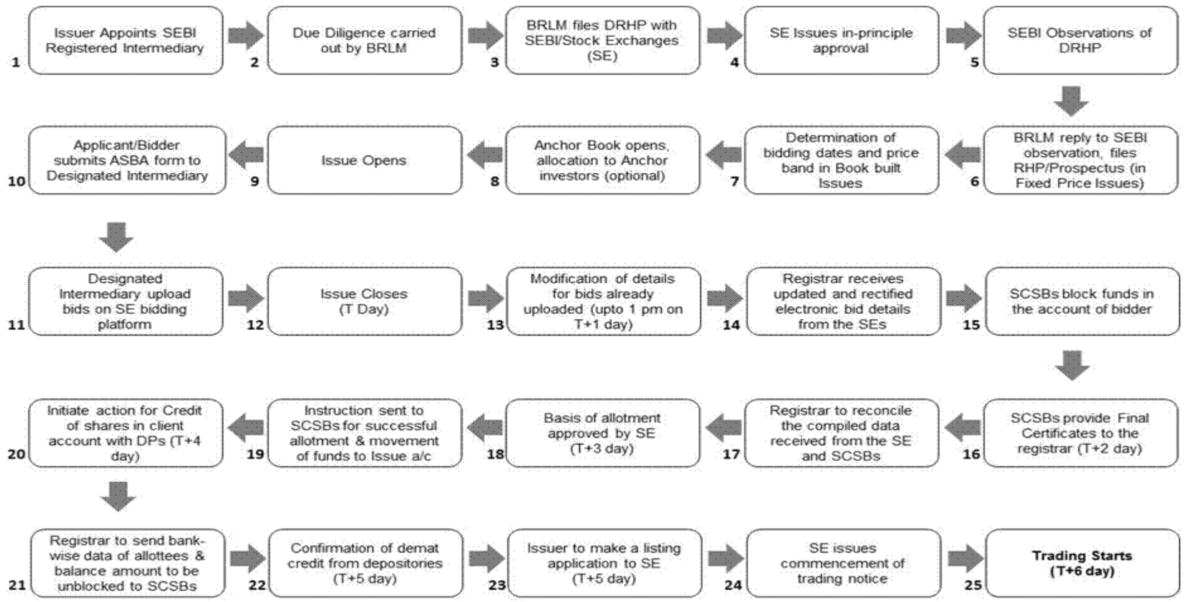
In case of a Book Built Issue, the Issuer may close the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

  (i) Step 7: Determination of Issue Date and Price
  (ii) Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries.



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law.

Furthermore, certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta.* The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta"*. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- Scientific and/or research organisations authorised in India to invest in the Equity Shares;
- FPIs (other than Category III FPIs) bidding under the QIBs category;
- Category III FPIs bidding under the Non-Institutional Bidders category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Offer, under the laws, rules, regulations, guidelines and policies

applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form (*i.e.,* in case of Anchor Investors, the Anchor Investor Application Form, and in case of Bidders other than Anchor Investors, the ASBA Forms) either bearing the stamp of a Designated Intermediary as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified cum Bid cum Application Form, bearing the stamp of the Designated Intermediary as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
NRIs, FVCIs and FPIs	Blue
Anchor Investors (where applicable)	As specified by the Issuer

Securities issued in an IPO can only be in dematerialised form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM / APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : .... Contact Details: .... CIN No ....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**ESCROW BANK/SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

6. INVESTOR STATUS

- ☐ Individual(s) - IND
- ☐ Hindu Undivided Family* - HUF
- ☐ Bodies Corporate - CO
- ☐ Banks & Financial Institutions - FI
- ☐ Mutual Funds - MF
- ☐ Non-Resident Indians - NRI (Non-Repatriation basis)
- ☐ National Investment Fund - NIF
- ☐ Insurance Funds - IF
- ☐ Insurance Companies - IC
- ☐ Venture Capital Funds - VCF
- ☐ Alternative Investment Funds - AIF
- ☐ Others (Please specify) - OTH

* HUF should apply only through *Karta* (*Application by HUF would be treated on par with Individual*)

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED

INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) | Bank & Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

Stamp & Signature of SCSB Branch

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address : .... Contact Details: .... CIN No	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✔ tick)
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

- NRI Non-Resident Indian(s) (Repatriation basis)
- FII FII or Sub-account not a Corporate/Foreign Individual
- FIISA FII Sub-account Corporate/Individual
- FVCI Foreign Venture Capital Investor
- FPI Foreign Portfolio Investors
- OTH Others (Please Specify)________

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date : __________	3)	

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

ASBA Bank A/c No. ______

Bank & Branch ______

Acknowledgement Slip for Bidder

Bid cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

4.1.1 **FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT**

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Offer only for correspondence(s) related to the Offer and for no other purposes.

(c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders

(d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialised form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 **FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT**

(a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to the Offer.

(d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4 **FIELD NUMBER 4: BID OPTIONS**

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/ Issue Opening Date in case of an IPO, and at least one Working Day before Bid/ Issue Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))

(c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot:** The Issuer, in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer and the Selling Shareholders on basis of such minimum application value.

(e) **Allotment:** The allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(b) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.

(d) RII may revise or withdraw their bids till closure of the bidding period. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the

Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bidding Date and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Allocation Price is lower than the Anchor Investor Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Anchor Investor Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Anchor Investor Offer Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Issue size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of bidders may refer to (Section 5.6 (e))

4.1.4.2 **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

  (i) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

  (ii) For Bids from Mutual Funds submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

  (i) Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

  (ii) Bids by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

(iii) Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

(iv) Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Offer portion in public category.

4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.

(b) Upto 60% of the QIB Category can be allocated by the Issuer and the Selling Shareholders, on a discretionary basis subject to the criteria of minimum and maximum number of anchor investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in the Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked on the basis of the authorization in the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked accordingly for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.

(c) All Bidders (except Anchor Investors) are required to Bid through the ASBA process.

(d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 **Instructions for Anchor Investors:**

(a) Anchor Investors may submit their Bids with a BRLM.

(b) Payments by Anchor Investors are required to be made through direct credit, RTGS or NEFT.

(c) The Escrow Collection Bank shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 **Payment instructions for ASBA Bidders**

(a) Bidders may submit the ASBA Form either

(i) in electronic mode through the internet banking facility offered by an SCSB authorising blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

(iii) in physical mode to any Designated Intermediary.

(b) ASBA Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

(d) Bidders shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bid cum Application Forms can be submitted.

(f) Bidders should submit the Bid cum Application Form only at a Bidding Centre i.e to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

(g) ASBA Bidders bidding through a Designated Intermediary other than an SCSB should note that the ASBA Forms submitted to the Designated Intermediary may not be accepted by the Designated Intermediary, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary to deposit Bid cum Application Forms.

(h) **ASBA Bidders bidding directly through the SCSBs** should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids on the Stock Exchange platform and such bids are liable to be rejected.

(l) Upon submission of a completed Bid cum Application Form each ASBA Bidder may be deemed to have agreed to block the entire Bid Amount and authorised the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/ Issue Closing Date.

4.1.7.3 **Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.4 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Offer may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the ASBA Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Bidders should ensure that they receive the Acknowledgment Slip duly signed and stamped by the relevant Designated Intermediary for submission of the ASBA Form.

(b) All communications in connection with Bids/Applications made in the Offer should be addressed as under:

  (i) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Offer.

  (ii) In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.

  (iii) In case of queries relating to uploading of Bids by a Designated Intermediary other than an SCSB, the Bidders/Applicants should contact the relevant Designated Intermediary.

  (iv) Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLMs in case of any other complaints in relation to the Offer.

(d) The following details (as applicable) should be quoted while making any queries –

  (i) full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application.

(ii) name and address of the Designated Intermediary where the Bid was submitted; and

(iii) The ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/ Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

(a) During the Bid/ Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise or withdraw their bids till closure of the bidding period.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

COMMON BID REVISION FORM | **XYZ LIMITED - INITIAL PUBLIC ISSUE - R**
Address : .... Contact Details: .... CIN No ....
FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
Mr. / Ms.
Address
Email
Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) 8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please✓tick)
Option 1					
(OR) Option 2	OLD BID				
(OR) Option 3					

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) 8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please✓tick)
Option 1					
(OR) Option 2	REVISED BID				
(OR) Option 3					

6. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT PART PAYMENT
Additional Amount Paid (₹ in figures) (₹ in words)
ASBA Bank A/c No.
Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date :	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue 1) 2) 3)	

TEAR HERE

LOGO

XYZ LIMITED
BID REVISION FORM - INITIAL PUBLIC ISSUE - R
Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID
PAN of Sole / First Bidder

Additional Amount Paid (₹) Bank & Branch
ASBA Bank A/c No.
Stamp & Signature of SCSB Branch
REVISED BID
Received from Mr./Ms.
Telephone / Mobile Email

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares		REVISED BID	
Bid Price			
Additional Amount Paid (₹)			

ASBA Bank A/c No.
Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE
PLEASE FILL IN BLOCK LETTERS
TEAR HERE

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT AND DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 AND 5: BID OPTIONS REVISION 'FROM' AND 'TO'

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding may be unblocked after finalisation of the basis of allotment.

4.2.3 FIELD 6: PAYMENT DETAILS

(a) All Bidders/Applicants are required to authorise that the full Bid Amount (less Discount (if applicable) is blocked in the ASBA Accounts. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder/Applicant may issue instructions to block the revised amount based on cap of the revised

Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of bidding may be unblocked after finalisation of the basis of allotment.

4.2.4 **FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT AND DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY AND AMOUNT**

(a) The Issuer may mention Price or Price band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot:** The Issuer, in consultation with the Lead Managers to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

(i) All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.

(ii) For applications from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

(i) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

(ii) Applications by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

(iii) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Offer portion in public category.

4.3.3 **FIELD NUMBER 5: CATEGORY OF APPLICANTS**

(a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in the Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

(a) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Issue.

(b) Application Amount cannot be paid through cheques and demand drafts or in cash, through money order or through postal order or through stock invest.

4.3.5.1 **Payment instructions for ASBA Applicants**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

4.3.5.2.1 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

4.3.5.2 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Offer, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Offer may authorise blocking of an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS AND ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 and 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

4.4.1 **Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Application by Anchor Investors	To the Book Running Lead Managers at the locations specified in the Anchor Investor Application Form
Applications by other Bidders	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres, or the RTA at the Designated RTA Location or the DP at the Designated CDP Locations. (b) To the Designated branches of the SCSBs

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.

(c) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorised the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(d) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid-cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Offer Price is finalised after the Bid/ Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Offer, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/ Issue Period, Bidders/Applicants may approach the Designated Intermediaries to submit and register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Managers to register their Bids.

(b) In case of Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(d) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediaries may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Issue.

(b) On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Draft Red Herring Prospectus and the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The Designated Intermediaries are given up to one day after the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange(s) send the bid information to the Registrar for validation of the electronic bid details with the Depository's records.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/ Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the bidding centres during the Bid/ Issue Period.

5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until the Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account upon or after finalisation of the basis of allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION AND RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to

(i) the Bids accepted by the Designated Intermediaries,

(ii) the Bids uploaded by the Designated Intermediaries, or

(iii) the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) the BRLMs and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIIs and RIIs Bids can be rejected on technical grounds listed herein.

Any RIB whose Bid has not been considered for Allotment, due to failures on the part of the SCSB may seek redressal from the concerned SCSB within three months of the listing date in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the Designated Intermediaries or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various placed in this GID:-

(a) Bid/Applications accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB;

(b) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(c) Bids/Applications by OCBs;

(d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form;

(f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(h) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

(i) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(j) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(k) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(l) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;

(m) Bids/Applications at Cut-off Price by NIIs and QIBs;

(n) The amounts mentioned in the Bid cum Application Form/Application Form do not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(o) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(p) Submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;

(q) Bids not uploaded in the Stock Exchanges bidding system

(r) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

(s) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(t) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/ Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

(u) Inadequate funds in the bank account to block the Bid/Application Amount specified in the ASBA

Form at the time of blocking such Bid/Application Amount in the bank account;

(v) Where no confirmation is received from SCSB for blocking of funds;

(w) Bids/Applications by Bidders (other than Anchor Investors) that are not submitted through ASBA process;

(x) ASBA Bids/Applications submitted to a Designated Intermediary at locations other than the Bidding Centres, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;

(y) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(z) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in the Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.

(b) Under-subscription in any category (except for the QIB Portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB category is not available for subscription to other categories.

(c) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should *note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes bidding by Anchor Investors.*

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLMs may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding ("Alternate Book Building Process").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/ Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through a Designated Intermediary.

ASBA Applicants may submit an Application Form either in physical form to any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date.

In a fixed price Issue, allocation in the offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP / Prospectus. Bids received from QIBs bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the Issuer, in consultation with the BRLMs, subject to compliance with the following requirements:

(i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;

(ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

(iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor; and
- a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores, and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum allotment of ₹ 5 crores per such Anchor Investor.

(iv) An Anchor Investor shall make an application of a value of at least ₹10 crores in the Offer.

(b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the Anchor Investor Issue Price is higher than the Anchor Investor Allocation Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Anchor Investor Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) **In the event the Anchor Investor Issue Price is lower than the Anchor Investor Allocation Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS) AND NIIs IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorised according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Bank shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to unblock funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/ Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING AND COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/ Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with the Depositories, and dispatch the Allotment Advice within six Working Days of the Bid/ Offer Closing Date.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of such period, be jointly and severally liable to repay the money, with interest at rates prescribed under applicable law.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than five lakh rupees but which may extend to fifty lakh rupees and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than fifty thousand rupees but which may extend to three lakh rupees, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCIPTION

If the Issuer does not receive a minimum subscription of 90% of the Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, without interest take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Issue Closing Date and repay, without interest, all subscription amounts received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

If such money is not refunded to the Bidders/Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the

RHP/Prospectus.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to allot at least 75% of the Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **In case of ASBA Bids:** Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Accounts of unsuccessful Bidders and also for any excess amount blocked on Bidding/Application.

(b) **In case of Anchor Investors:** Within six Working Days of the Bid/ Issue Closing Date may dispatch refunds for all amounts payable to unsuccessful Anchor Investors.

(c) In case of Anchor Investors, the Registrar to the Issue may obtain from the Depositories the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Selling Shareholders, the Registrar to the Issue, the Escrow Collection Bank, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

(d) In the case of Bids from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer and the Selling Shareholders may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Electronic modes of making refunds to Anchor Investors

The payment of refund to Anchor Investors, if any, may be done through various modes as mentioned below:

(a) **NACH—**Payment of refund would be done through NACH for Bidders/Applicants having an account at any of the centres specified by the RBI where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Bidders/Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where the Bidder/Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;

(b) **NEFT—** Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investor's bank is NEFT enabled and has been assigned the Indian Financial System Code **("IFSC"),** which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **Direct Credit—** Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account; and

(d) **RTGS—** Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc., Anchor Investors may refer to RHP/Prospectus.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted by the Anchor Investor to the Escrow Collection Bank.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at rates prescribed under applicable laws if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working days of the Bid/Issue Closing Date.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time. In case of inconsistency in the description of a term mentioned herein below and the description ascribed to such term in the Draft Red Herring Prospectus, the description as ascribed to such term in the Draft Red Herring Prospectus shall prevail.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Allotment in terms of the Red Herring Prospectus and Prospectus.
Escrow Account	An account opened with the Escrow Collection Bank and in whose favour the Anchor

Term	Description
	Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by the Issuer, in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by ASBA Bidders/Applicants to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB.
Application Supported by Blocked Amount Form/ASBA Form	An application from, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder/Applicant
ASBA Bidder/Applicant	Prospective Bidders/Applicants in the Issue who Bid/apply through ASBA
Banker(s) to the Issue / Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/ Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bidding Date by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid / Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Closing Date
Bid/ Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date
Bid/ Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Period
Bidder/Applicant	Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made

Term	Description
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
Book Running Lead Managers/ BRLMs/ Book Running Lead Managers/ Lead Managers/ LMs	The Book Running Lead Managers/ Book Running Lead Managers to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Managers should be construed to mean the Lead Managers or LMs
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	Note or intimation of allocation of Equity Shares sent to each Anchor Investor who has been allocated Equity Shares after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Category III FPI	FPIs who are registered as “Category III foreign portfolio investors” under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Companies Act	The Companies Act, 1956 or the Companies Act, 2013, as the context requires.
Cut-off Price	Issue Price, finalised by the Issuer, in consultation with the Book Running Lead Managers, which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (other than Anchor Investors) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations where Bidders can submit the ASBA Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Issue Account in terms of the Red Herring Prospectus or the amounts blocked by the SCSBs are transferred from the ASBA Accounts of successful Allottees to the Public Issue Account, following which the board of directors may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale.
Designated Intermediaries	The Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect ASBA Forms from the ASBA Bidders, in relation to the Issue
Designated RTA Locations	Such locations where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a

Term	Description
	price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Managers, the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPI	Foreign portfolio investor registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Managers.
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Portion (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NACH	National Automated Clearing House, a consolidated system of ECS.
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Non-Institutional Investors or NIIs	All Bidders/Applicants, including Category III FPIs, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FVCIs registered with SEBI and FPIs
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general

Term	Description
	permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholders
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price. The Offer Price may be decided by the Issuer, in consultation with the Book Running Lead Managers
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer, in consultation with the Book Running Lead Managers and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer, in consultation with the Book Running Lead Managers, finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	A bank account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Portion	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013 which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/ Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Refunds through electronic transfer of funds	Refunds through NACH, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate.
Registrar to the Issue /RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than ₹ 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building process to modify the

Term	Description
	quantity of Equity Shares and/or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centres
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Managers and the Syndicate Member(s)
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Managers and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	Working Day" means all days, other than the second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to the time period between (a) announcement of Price Band; and (b) Bid/ Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is governed by the provisions of the FEMA Regulations. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The DIPP makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA Regulations. In case of any conflict, the FEMA Regulations prevail. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DIPP issued the Consolidated Foreign Direct Investment Policy notified by the D/o IPP F. No. 5(1)/2017-FC-1 dated August 28, 2017 which with effect from August 28, 2017 (the "**FDI Policy**"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect prior to August 28, 2017. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI and the RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations the main provisions of our Articles of Association relating to, among others, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles of Association and capitalised or defined terms herein have the same meaning given to them in our Articles of Association. Subject to our Articles of Association, any words or expression defined in the Companies Act, 2013 shall, except so where the subject or context forbids; bear the same meaning in these Articles of Association.

Article	Particulars
SHARE CAPITAL AND VARIATION OF RIGHTS	
4.	(a) Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting to give to any person the option to call for or be allotted shares of any class of the Company. (b) The authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause- V of Memorandum with power to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division. (c) The Share Capital of the Company may be classified into Shares with differential rights as to Dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time. (d) If at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of the Sections 106 and 107 of the Companies Act, 1956 or the Act, as the case may be, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued Shares of that class, or with the sanction of a Special Resolution passed at a separate meeting of the holders of the Shares of that class. (e) To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued Shares of the class in question. **Creation or issue of further Shares ranking pari passu** (f) The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking pari passu therewith. **Issuance of Preference Shares** (g) Subject to the provisions of Section 55 of the Act, any Preference Shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of such Preference Shares may, by Special Resolution, determine.
ADRs/GDRs	
6.	The Company shall, subject to the applicable provisions of the Act, compliance with all Laws and the consent of the Board, have the power to issue ADRs or GDRs on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include at the discretion of the Board, limitations on voting by holders of ADRs or GDRs, including without limitation, exercise of voting rights in accordance with the directions of the Board.

Article	Particulars
ALTERATION OF SHARE CAPITAL	
7.	(i) The Company, subject to provisions of these Articles and Section 61 of the Act, in General Meeting may from time to time, alter the conditions of its Memorandum as follows, that is to say, it may: - a. increase its Share Capital by such amount as it thinks expedient; b. Consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares; c. Sub-divide its existing shares of any of them into shares of smaller amount that is fixed by the Memorandum so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived. d. Cancel any shares, which at the date of the passing of the resolution e. have not been taken or agreed to be taken by the person and diminish the amount of its Share Capital by the amount of the shares so cancelled. (ii) Subject to the provisions of Sections 66 of the Act, Board may accept from any member the surrender on such terms and conditions as shall be agreed of all or any of his shares. (iii) A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.
REDUCTION OF SHARE CAPITAL	
8.	The Company may, subject to the applicable provisions of the Act and the Companies Act, 1956, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law.
POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES	
9.	Pursuant to a resolution of the Board, the Company may purchase its own Equity Shares or other Securities, as may be specified by the MCA, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with Law.
SHARES CERTIFICATES	
10.	a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014. b) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the Memorandum or after allotment or transfer within such time as may be prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Act. c) Every person after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided— (i) one certificate for all his shares without payment of any charges; or (ii) several certificates, each for one or more of his shares, upon payment of such fee as may be prescribed under applicable law for each certificate after the first. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon. d) The Company shall permit the shareholders for sub-division/consolidation of share certificates. e) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer or in case of sub-division or consolidation of share certificates, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of such fee as may be prescribed under the applicable law. f) Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any

Article	Particulars
	share except an absolute right to the entirety thereof in the registered holder. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders. The provisions of Articles 10(a) and 10(b) shall *mutatis mutandis* apply to Debentures of the Company.
SHARES AT THE DISPOSAL OF THE DIRECTORS	
11.	(a) Subject to Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par at such time as they may, from time to time, think fit. (b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator. (c) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof. (d) In accordance with Section 56 and other applicable provisions of the Act and the Rules: (i) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the shares certificate(s), provided that if the composition of the Board permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or an executive Director(s). Particulars of every share certificate issued shall be entered in the Register of Shareholders against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge of such fee as may be prescribed under the Applicable Law. (ii) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within such time as may be prescribed under applicable law, of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 10 above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders. (iii)The Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot. (iv)A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.
CALLS ON SHARES	
13.	(a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, by a resolution passed at a

Article	Particulars
	meeting of the Board of Directors, (and not by circular resolution) make such calls as it thinks fit upon the members in respect of all monies unpaid on the Shares (whether on account of the nominal value of the Shares or by way of premium) held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors. (b) A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed. The Board making a call may by resolution may determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board making such calls. (c) Not less than thirty days' notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof. (d) If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account of the nominal value of the share or by way of premium, every such amount or installments shall be payable as if it were a call duly made by the Board, on which due notice had been given, and all the provisions contained herein, or in the terms of such issue, in respect of calls shall relate and apply to such amount or installments accordingly. (e) If the sum called in respect of a share is not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installments shall fall due, shall pay interest for the same at the rate of 10 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board shall also be at liberty to waive payment of any such interest wholly or in part. (f) The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified. (g) The Board, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance, the Board may (until the same would, but for such advance become presently payable) pay interest at such rate not exceeding, unless the Company in its General Meeting shall otherwise direct, 12% per annum, as may be agreed upon between the Board and the member paying the sum in advance but shall not in respect of such advances confer a right in respect thereof to the Dividend or participate in profits. The Directors may at any time repay the amount so advanced. (h) The members shall not be entitled to any voting rights in respect of the moneys so paid by them until the same would, but for such payment, become presently payable. (i) Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided. (j) The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.
COMPANY'S LIEN	
14.	**Fully paid Shares will be free from all liens** a) The fully paid **Shares** will be free from all liens on any account whatsoever, while in the case of partly paid Shares, the Company's lien, if any, will be restricted to moneys called or payable at a fixed time in respect of such Shares. **First and paramount lien** b) The Company shall have a first and paramount lien— (i) on every Share (not being a fully paid-up Share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that Share and shall extend to all Dividends payable and bonuses

Article	Particulars
	declared from time to time in respect of such Shares; and (ii) on all Shares (not being fully paid Shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company, as per the provisions of the Act.: *Provided that* the Board of Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article. **Powers of the Company to sell the Shares under lien** c) The Company may sell, in such manner as the Board of Directors thinks fit, any Shares on which the Company has a lien: *Provided that* no sale shall be made— (i) unless a sum in respect of which the lien exists is presently payable; or (ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency. d) To give effect to any such sale, the Board of Directors may authorise some person to transfer the Shares sold to the purchaser thereof. (i) The purchaser shall be registered as the holder of the Shares comprised in any such transfer. (ii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. e) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. f) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the person entitled to the Shares at the date of the sale.The Company shall keep a book to be called the “register of transfer” and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.
FORFEITURE OF SHARES	
15.	(a) If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board may during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share. (b) On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt. (c) The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited. (d) If the requirements of any such notice as, aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. (e) When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

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	(f) A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit. (g) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all monies, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares. (h) The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved. (i) (i) A duly verified declaration in writing that the declarant is a director, the manager or the Secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share; (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of; (iii) The transferee shall thereupon be registered as the holder of the share; and (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share. (j) The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified. (k) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser‘s name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
FURTHER ISSUE OF SHARES	
16.	(a) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered— (i) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:- • the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined; • the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause 1 above shall contain a statement of this right; • after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not dis-advantageous to the Shareholders and the Company; (ii) to employees under a scheme of Employees' Stock Option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or (iii)to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (a) or clause (b) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules. (b) The notice referred to in sub-clause 1 of clause (a) of sub-article (i) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

Article	Particulars
	(c) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company: Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting. The provisions contained in this Article shall be subject to the provisions of the Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Companies Act, 1956.
TRANSFER AND TRANSMISSION OF SHARES	
17.	(a) A common form of transfer shall be used as per the provisions of the Act or any other applicable law. (b) The Company shall maintain a "Register of Transfers" and shall record therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form. (c) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply. (d) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act. (e) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice. (f) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Shareholders in respect thereof. (g) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a newspaper circulating in the city, town or village in which the Office of the Company is situated to close the transfer books, the Register of Shareholders and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient. (h) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty)days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal. Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. (i) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien. (j) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several

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	Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.
	(k) (i) On the death of a Shareholder, the survivor or survivors where the Shareholder was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares. (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
	(l) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.
	(m) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.
	(n) Subject to the provisions of Articles, any person becoming entitled to a share in consequence of the death or insolvency of a Shareholder may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either: (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
	(o) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Shareholder had not occurred and the notice or transfer were a transfer signed by that Shareholder.
	(p) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company. Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.
	(q) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may require to show the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
	(i) Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the

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	registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares. (ii) In case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply. (r) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act. (s) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and Debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading. (t) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Shareholders), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit. (u) The provision of these Articles shall subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.
CAPITALISATION OF PROFITS	
18.	(a) (i) The Company in general meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividend and in the same proportions. (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to other applicable provisions, either in or towards: (A) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively; (B) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Shareholders in the proportions aforesaid; (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B); (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares; (E) The Board shall give effect to the resolution passed by the Company in pursuance of this Article. (b) (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall: (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and (b) generally do all acts and things required to give effect thereto. (ii) The Board shall have power: (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares; (iii) Any agreement made under such authority shall be effective and binding on such Shareholders.

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DEMATERIALIZATION OF SECURITIES	
19.	(a) De-materialization: Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize or rematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act and the rules framed thereunder, if any. (b) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act . (c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles. (d) Options for investors Every person subscribing to securities offered by the Company shall have the option to receive security certificates, hold, or deal in the securities with a depository. Such a person, who is the Beneficial Owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the Beneficial Owner of the security. (e) Securities in depositories to be in fungible form All securities held by a depository shall be in electronic form and the certificates in respect thereof shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the Beneficial Owners. (f) Rights of depositories and Beneficial Owners: (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the Beneficial Owner. (ii) Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it. (g) Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the depository shall be deemed to be a member of the Company. The Beneficial Owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository. (h) Service of documents - Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs. (i) Transfer of securities - Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a depository. (j) Allotment of securities dealt with in a depository - Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities. (k) Distinctive numbers of securities held in a depository - Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.

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	(l) Register and Index of Beneficial owners - The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles with details of shares held in physical and dematerialized forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall have the power to keep in any state or country outside India. (m) Company to recognise the rights of registered holders as also the Beneficial Owners in the records of the depository. (n) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the register of members as the holder of any share, as also the Beneficial Owner of the shares in records of the depository as the absolute owner thereof as regards receipt of Dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.
NOMINATION BY SECURITY HOLDERS	
20.	(a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death. (b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders. (c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014. (d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority. (e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.
NOMINATION IN CERTAIN OTHER CASES	
21.	Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.
BORROWING POWERS	
23.	(a) Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by

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	receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this or any other Company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of the Company and its free reserves. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors. (b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by Applicable Law, if any, within the limits prescribed. (c) To the extent permitted under the Applicable Law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and he same shall be in the interests of the Company. (d) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.
CONVERSION OF SHARES INTO STOCK AND RECONVERSION	
24.	(a) The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa. (b) The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations, under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose. (c) The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the Dividends and profits of the Company and its assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. (d) Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.
PASSING RESOLUTION BY POSTAL BALLOT	
33.	(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot. (b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as

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	prescribed under Section 110 of the Act and specifically the Companies (Management and Administration) Rules, 2014, as amended from time.
VOTE OF MEMBERS	
34.	(a) Subject to any rights or restrictions for the time being attached to any class or classes of shares,— (i) on a show of hands, every member present in person shall have one vote; and (ii) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity Share Capital of the Company. (b) A member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once. (c) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members. (d) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. (e) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. (f) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien. (g) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive and every vote not disallowed at such meeting shall be valid for all purposes.
PROXY	
35.	(a) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power a authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. (b) An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105. (c) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.
E-VOTING	
36.	The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014 or any other Law, if applicable to the Company. Company will follow the following procedure namely: (a) the notices of the meeting shall be sent to all the members, Auditors of the company, or directors either (i) by registered post or speed post; or (ii) through electronic means like registered e-mail id; (iii)through courier service; (b) the notice shall also be placed on the website of the company, if any and of the agency forthwith after it is sent to

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	the members. (c) the notice of the meeting shall clearly mention that the business may be transacted through electronic voting system and the company is providing facility for voting by electronic means. (d) the notice shall clearly indicate the process and manner for voting by electronic means and the time schedule including the time period during which the votes may be cast and shall also provide the login ID and create a facility for generating password and for keeping security and casting of vote in a secure manner. (e) the company shall cause an advertisement to be published, not less than five days before the date of beginning of the voting period, at least once in a vernacular newspaper in the principal vernacular language of the district in which the registered office of the company is situated, and having a wide circulation in that district, and at least once in English language in an English newspaper having a wide circulation in that district, about having sent the notice of the meeting and specifying therein, inter alia, the following matters, namely:- (i) statement that the business may be transacted by electronic voting; (ii) the date of completion of sending of notices; (iii) the date and time of commencement of voting through electronic means; (iv) the date and time of end of voting through electronic means; (v) the statement that voting shall not be allowed beyond the said date and time; (vi) website address of the company and agency, if any, where notice of the meeting is displayed; and (vii) contact details of the person responsible to address the grievances connected with the electronic voting (f) the e-voting shall remain open for not less than one day and not more than three days: Provided that in all such cases, such voting period shall be completed three days prior to the date of the general meeting. (g) the Board shall appoint one scrutinizer, who may be chartered Accountant in practice, Cost Accountant in practice, or Secretary in practice or an advocate, but not in employment of the company and is a person of repute who, in the opinion of the Board can scrutinize the e-voting process in a fair and transparent manner. (h) the scrutinizer shall, within a period of not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman. (i) subject to receipt of sufficient votes, the resolution shall be deemed to be passed on the date of the relevant general meeting of members.
BOARD OF DIRECTORS	
37.	(a) Until otherwise determined by Special Resolution of the number of Directors of the Company shall not be less than three or more than twelve. (b) The Company in General Meeting may from time to time increase or reduce the number of Directors within the limits fixed by Article 37(a). (c) The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended and the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. .
POWER OF THE BOARD TO KEEP A FOREIGN REGISTER	
45.	The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of in any country outside India a branch register of beneficial owners residing outside India/a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
DIVIDENDS AND RESERVE	
71.	(a) The Company in general meeting may declare Dividends, but no Dividend shall exceed the amount recommended by the Board. (b) Subject to the provisions of section 123, the Board may from time to time pay to the Shareholders such interim

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	Dividends as appear to it to be justified by the profits of the Company. (c) (i) The Board may, before recommending any Dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising Dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit. (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. (d) (i)Subject to the rights of persons, if any, entitled to shares with special rights as to Dividends, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the Dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, Dividends may be declared and paid according to the amounts of the shares. (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share (iii) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid; but if any share is issued on terms providing that it shall rank for Dividend as from a particular date such share shall rank for Dividend accordingly. (e) The Board may deduct from any Dividend payable to any Shareholder all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company. (f) (i) Any Dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Shareholders, or to such person and to such address as the holder or joint holders may in writing direct. (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. (g) Any one of two or more joint holders of a share may give effective receipts for any Dividends, bonuses or other monies payable in respect of such share. (h) Notice of any Dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act. (i) No Dividend shall bear interest against the Company.
UNPAID OR UNCLAIMED DIVIDEND	
77.	(a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of Dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "Unpaid Dividend of "AFFLE (INDIA) LIMITED ". (b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-Section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund". (c) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law. If any Shares stands in the name of two or more Persons, the Person first named in the register shall, as regards payment of dividend or bonus or service of notice and all or any other matters connected with the Company, except voting at meetings be treated as the holders of the Shares but the joint holders of a Share shall be severally as well as jointly liable for the payment of all installments and call due in respect of such Shares and for all the other incidence thereof according to the Company's Regulations.
CAPITALISATION OF PROFITS	
78.	(a) The Company may in a General Meeting, upon recommendation of the Board, resolve: (i) That it is desirable to capitalise any part of the amounts for the time being standing to the credit of the

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	Company's reserve accounts or to the credit of the profit and loss accounts or ; and (ii) That such sum be accordingly set free for distribution in the manner specified in clause (b) amongst the members who would have been entitled thereto if distributed by way of Dividend and in the same proportion. (b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (c) either in or towards: (i) Paying up any amount for the time being unpaid on shares held by such members respectively; or (ii) Paying up in full unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportion aforesaid; or (iii) Partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (c) A share premium account and a capital redemption fund may be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares. <u>Powers of Directors for declaration of Bonus</u> (d) Whenever such a resolution as aforesaid shall have been passed by the Board shall: (i) make all appropriations and applications of the undistributed profits to be capitalised thereby and issue of fully paid shares or Debentures, if any; and (ii) generally do all acts and things required to give effect thereto. (e) The Board shall have full power : (i) to make such provision, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fraction; and also (ii) to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid up of any further shares or Debentures of which they may be entitled upon such capitalisation or as the case may require, for the payment of by the Company on their behalf, by the application thereto of their respective proportion of the profits resolved to be capitalised or the amounts or any part of the amounts remaining unpaid on the shares. (f) Any agreement made under such authority shall be effective and binding on all such members.
DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP	
79.	Subject to the provisions of Chapter XX of the Act and rules made thereunder: (a) If the Company shall be wound up, the Liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. (b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders.
INSPECTION BY SHAREHOLDERS	
82.	The register of charges, register of investments, Register of Shareholders, books of accounts and the minutes of the meetings of the Board and Shareholders shall be kept at the Office of the Company and shall be open, during Business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge. In the event such Shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed Rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.
SECRECY	
83.	(a) No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public. (b) Every Director, Managing Director, Manager, Secretary, Auditor, trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the

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	Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Draft Red Herring Prospectus), which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, and the Prospectus, delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at our Registered Office from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

Material Contracts

1. Offer Agreement dated July 14, 2018 amongst our Company, the Selling Shareholder and the BRLMs.

2. Registrar Agreement dated July 14, 2018 amongst our Company, the Selling Shareholder and Registrar to the Offer.

3. Escrow Agreement dated [●] amongst our Company, the Selling Shareholder, the BRLMs, the Escrow Collection Banks and the Registrar to the Offer.

4. Share Escrow Agreement dated [●], amongst our Company, the Selling Shareholder and the Share Escrow Agent.

5. Syndicate Agreement dated [●] amongst our Company, the Selling Shareholder, the BRLMs and the Syndicate Members.

6. Underwriting Agreement dated [●] amongst our Company, the Selling Shareholder, the BRLMs and the Syndicate Members.

7. Agreement dated July 10, 2018, amongst NSDL, our Company and the Registrar to the Offer.

8. Agreement dated June 26, 2018, amongst CDSL, our Company and the Registrar to the Offer.

9. Business transfer agreement dated July 1, 2018 between Affle Global and Affle International.

10. Share purchase and shareholders' agreement dated July 12, 2018 entered into amongst Malabar India Fund Limited, Affle Holdings and our Company.

11. Share purchase and shareholders' agreement dated July 12, 2018 entered into amongst Malabar Value Fund, Affle Holdings and our Company.

Material Documents

1. Certified copies of our Memorandum and Articles of Association, as amended till date.

2. Certified copies of the certificates of incorporation dated August 18, 1994, September 29, 2006 and July 13, 2018.

3. Resolution of our Board dated July 14, 2018 authorising the Offer.

4. Resolution of the Shareholders dated July 14, 2018, under section 62(1)(c) of the Companies Act, 2013 authorising the Offer.

5. Resolution of our Board dated July 14, 2018, approving this Draft Red Herring Prospectus.

6. Resolution of our Board dated July 14, 2018, taking on record the Offer for Sale.

7. Consent letter/ authorisation of the board of directors of the Selling Shareholder, as applicable, for participation in the Offer for Sale, as detailed in *"The Offer"* on page 67.

8. Copies of annual reports, including auditor's reports of audited financial statements of our Company for Fiscal Years 2014, 2015, 2016, 2017 and 2018.

9. Examination report of our Statutory Auditor, S. R. Batliboi & Associates LLP, Chartered Accountants dated July 14, 2018 on the Restated Financial Statements included in this Draft Red Herring Prospectus.

10. Statement of special tax benefits from our Statutory Auditor, S. R. Batliboi & Associates LLP, Chartered Accountants dated July 14, 2018.

11. Industry report titled "*Industry Insights on the Advertising and Ad Tech Market*" dated July 12, 2018, prepared by Frost & Sullivan.

12. Written consent from the Auditors namely, S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations and as "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an auditor and in respect of their examination reports dated July 14, 2018 on our Restated Ind AS Summary Statements and the Restated Indian GAAP Summary Statements, and their report dated July 14, 2018 on the Statement of Tax Benefits included in this Draft Red Herring Prospectus.

13. Consents of the Banker to our Company, BRLMs, Syndicate Members, Registrar to the Offer, Escrow Collection Bank(s), Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Frost & Sullivan, legal counsel, Refund Bank(s) as referred to, in their respective capacities.

14. In-principle listing approvals dated [●] and [●] received from BSE and NSE, respectively.

15. Due diligence certificate dated July 14, 2018 to SEBI from the BRLMs.

16. SEBI observation letter [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required in the interest of our Company, or if required by other parties, without notification to the Shareholders, subject to compliance with the provisions contained in the Companies Act, 2013 and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the guidelines, or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules, guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTORS OF OUR COMPANY

Anuj Khanna Sohum
Chairman, Managing Director and Chief Executive Officer ______________________________

Anuj Kumar
Director and Chief Revenue & Operating Officer ______________________________

Kapil Mohan Bhutani
Director and Chief Financial & Operations Officer ______________________________

Charles Yong Jien Foong
Director ______________________________

Mei Theng Leong
Non-Executive Director ______________________________

Bijynath
Non-Executive Independent Director ______________________________

Naresh Chand Gupta
Non-Executive Independent Director ______________________________

Sudhir Jatia
Non-Executive Independent Director ______________________________

Sumit Mamak Chadha
Non-Executive Independent Director ______________________________

Vivek Narayan Gour
Non-Executive Independent Director ______________________________

Place: Gurgaon
Date: July 14, 2018

DECLARATION BY AFFLE HOLDINGS PTE. LTD., AS THE SELLING SHAREHOLDER

Affle Holdings Pte. Ltd. confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus specifically in relation to itself, as the Selling Shareholder, and the Equity Shares which are being offered by it by way of the Offer for Sale pursuant to the Offer, are true and correct.

For and on behalf of Affle Holdings Pte. Ltd.

Name: Anuj Khanna Sohum
Designation: Chairman, Founder and Director

Date: July 14, 2018