

Ref: 8K/CHN/2019-20/E050**18th November 2019**

The Deputy General Manager, Department of Corporate Services, Bombay Stock Exchange Ltd, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.	The General Manager, Listing Department, National Stock Exchange Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai 400 051
Scrip Code: 512161 - ISIN NO-INE650K01021	EQ- 8KMILES – ISIN NO- INE650K01021

Dear Sir/Madam,

Sub: Intimation of resignation of Statutory Auditors

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we inform you that the Company has received the Resignation letter from M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors (Firm Registration No. 117366W/W-100018) of the Company on 15th November 2019 after the business hours. The copy is enclosed for your reference.

Please take a note of the above at your end.

Thanking You,

Yours Truly,

For 8K Miles Software Services Limited**Diya Venkatesan**
Company Secretary

Annexure A¹

Format of information to be obtained from the statutory auditor upon resignation

1	Name of the listed entity/ material subsidiary	8K Miles Software Services Limited (the "Company")
2	Details of the statutory auditor	
	a. Name	Deloitte Haskins & Sells LLP, Chartered Accountants Firm Registration No. 117366W/W-100018
	b. Address	ASV N Ramana Tower, 52, Venkatnarayana Road, T. Nagar, Chennai 600 017
	c. Phone number	+91 80 6188 6101
	d. Email	vbalaji@deloitte.com
3	Details of association with the listed entity/ material subsidiary	
	a. Date on which the statutory auditor was appointed	Annual General Meeting held on: 30 September 2017
	b. Date on which the term of the statutory auditor was scheduled to expire	Appointed to audit financial statements for a period of 5 years from the year ended 31 March 2018 to 31 March 2022
	c. Prior to resignation, the latest audit report/limited review report submitted by the auditor and date of its submission.	Audit for the year ended 31 March 2019, vide audit report dated 02 November 2019.
4	Detailed reasons for resignation	Considering the significance and gravity of the matters, including, <i>inter alia</i> , the concerns relating to revenue recognition, management override of controls, the material weakness noted in the Company's internal financial controls over financial reporting, the management imposed scope limitation on the audit of subsidiaries and providing other information, the non-receipt of the forensic investigation report, etc. as reported by us in our Audit Reports containing

¹ This Annexure A forms part of the letter of resignation as statutory auditors dated 07 November 2019 from Deloitte Haskins & Sells LLP (FRN 117366W/W-100018) to 8K Miles Software Services Limited.

		<p>a disclaimer of opinion on the standalone and consolidated financial statements of the Company for the year ended 31 March 2019.</p> <p>The matters referred by us brought into question the responses of the Management and our ability to rely on the information and explanations provided by them, including the representations they were making.</p> <p>Further and in addition to the aforesaid reference may be made to the following documents:</p> <ul style="list-style-type: none"> (a) Our Resignation Letter attached (Annexure I); (b) Matters reported under the Basis for Disclaimer of Opinion section; (c) Paragraph 1 reported under Report on Other Legal and Regulatory Requirements section; (d) The Basis for Adverse Opinion section in Annexure A relating to internal financial controls over financial reporting in our Independent Auditor's Report issued on the standalone and consolidated financial statements; and (e) Annexure B relating to matters to be reported under the Companies (Auditors Report) Order, 2016 of the Independent Auditor's Report on the standalone financial statements, of the Company for the year ended 31 March 2019 (Annexures II and III). <p>Considering all the above extraneous facts and circumstances and further since some of the factors required to be evaluated by us as per our Firms' policy for continuance of our engagement with the Company as the statutory auditors are not met, we have expressed our inability to continue as auditors of the Company. Attention is also invited to our comments in clause 7 below.</p>
5	<p>In case of any concerns, efforts made by the auditor prior to resignation (including approaching the Audit Committee/Board of Directors along with the date of communication made to the Audit Committee/Board of Directors)</p>	<p>We had communicated to the Audit Committee certain matters which gave us reason to believe that suspected offences involving fraud have been committed in the Company. Pursuant to the above observations, we had requested the Audit Committee of the Company to provide their</p>

		<p>replies or observations to the aforesaid matters for us to consider the same as part of our audit.</p> <p>Thereafter, the Audit Committee appointed an external firm of Chartered Accountants to carry out an investigation.</p> <p>We were informed that as on the date of our audit report, the investigation report of the external firm of Chartered Accountants was not received by the Company and, hence, the same was not made available to us.</p> <p>We had also communicated from time to time various information and clarifications that were required for the purposes of our audit with some of the members of the Board and the Audit Committee, some of which were significant information and were pending to be received as on the date of our audit report. The circumstances described above, as well as those described below, make it impossible for us to continue as auditors of the Company.</p>
6	In case the information requested by the auditor was not provided, then following shall be disclosed	
	a. <i>Whether the inability to obtain sufficient appropriate audit evidence was due to a management-imposed limitation or circumstances beyond the control of the management.</i>	The inability to obtain sufficient appropriate audit evidence was due to management imposed limitation except for the non-availability of the investigation report of the external firm of Chartered Accountants with respect to the matters reported under Section 143(12) of the Companies Act, 2013 (the "Act"), which we were informed was not received by the Company on the date of our audit report and hence, the same was not made available to us.
	b. <i>Whether the lack of information would have significant impact on the financial statements/results.</i>	Yes
	c. <i>Whether the auditor has performed alternative procedures to obtain appropriate evidence for the purposes of audit/limited review as laid down in SA 705 (Revised)</i>	Considering the nature of the information required and which was not made available by the management, it was not possible to perform alternate procedures.
	D <i>Whether the lack of information was prevalent in the previous reported</i>	In the previous year ended 31 March 2018, the audit of the subsidiaries was performed

	<p><i>financial statements/results. If yes, on what basis the previous audit/limited review reports were issued.</i></p>	<p>by other auditors, and there were no adverse comments regarding availability of information by the auditors of those subsidiaries. With respect to the Company, we were able to obtain the necessary information for the purpose of performing our audit in the previous year ended 31 March 2018.</p> <p>For the year ended 31 March 2019, considering the significance of the subsidiaries in the consolidated financial statements of the Company, our terms of engagement for the audit of the consolidated financial statements of the Company included the management's responsibility to provide us access, at all times, to the records of all the subsidiaries of the Company in so far as it relates to the consolidation of its financial statements as envisaged in the Act. However, the Company did not provide us the access to the records and books of account of 8K Miles Software Services FZE, a wholly owned subsidiary of the Company.</p> <p>Further, as mentioned in clause 4 above, the audit for the year ended 31 March 2019 had management imposed scope limitations in performing the audit.</p>
7	<p>Any other facts relevant to the resignation</p>	<p>The results for the quarter ended June 30, 2019 are also past due. It may be noted the Company has not published unaudited / unreviewed results for the quarter ended June 30, 2019. Until the same results for the quarter ended June 30, 2019 are finalised, the results for the half year ended September 30, 2019 would also not be available for issuance.</p> <p>In view of our disclaimer of opinion report on the financial statements for the year ended 31 March 2019, and pending resolution of the matters reported by us until the date of our report (2 November 2019) on those financial statements and considering the significance and gravity of our observations in the aforesaid report, the financial results for the quarter ended 30 June 2019 and half year ended 30 September 2019 would also be</p>

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		<p>dependent on the resolution of the aforesaid matters.</p> <p>The above factors and the reasons for resignation explained in clause 4 above make it untenable and practically impossible for us to perform any work with respect to the results for the quarter ended June 30, 2019 and half year ended September 30, 2019 as on the date of our resignation.</p>
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Declaration

1. *We hereby confirm that the information given in this letter and its attachments is correct and complete.*
2. *We hereby confirm that there is no other material reason other than those provided above for my resignation/ resignation of my firm.*

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018



V. Balaji
Partner
Membership No. 203685

Date: Bengaluru
Place: 07 November, 2019

Encl:
Annexure I : Resignation Letter

Annexure II : Independent Auditor's Report on the standalone financial statements of the Company for the year ended 31 March 2019 dated 02 November 2019

Annexure III : Independent Auditor's Report on the consolidated financial statements of the Company for the year ended 31 March 2019 dated 02 November 2019