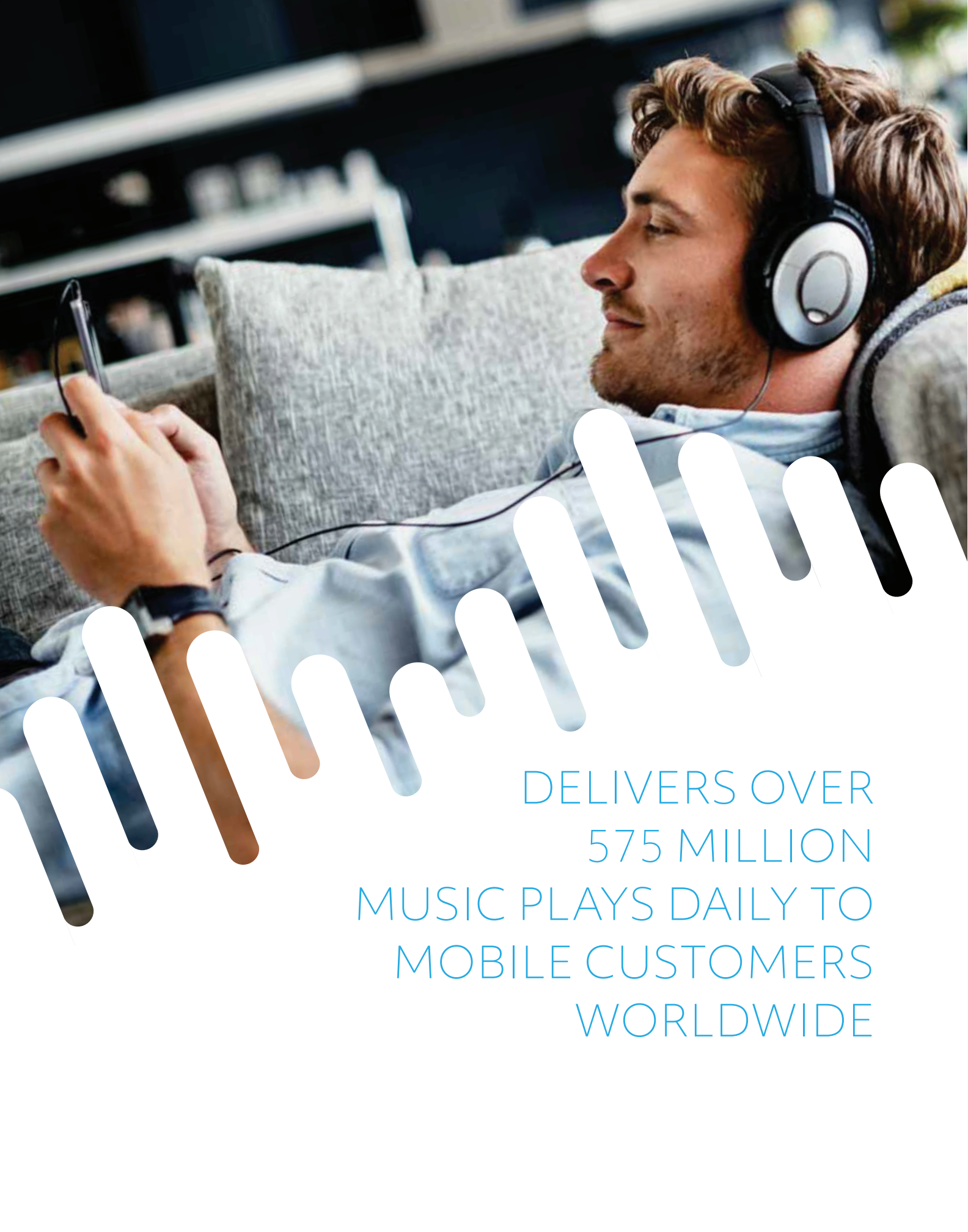


onmobile



2017
ANNUAL
REPORT





DELIVERS OVER
575 MILLION
MUSIC PLAYS DAILY TO
MOBILE CUSTOMERS
WORLDWIDE

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Product KPIs



1
BILLION
RBT
Listeners



21
MILLION
Mobile
Entertainment
Subscribers



214
BILLION
RBTs
Played



73
MILLION
RBT
Users



₹30
Mobile
Entertainment
ARPU

Financial KPIs



Zero Debt



PAT at ₹141Mn
(FY16 loss at ₹277Mn)



Net cash from operations ₹902 Mn





Chairman & CEO's Message

Dear Shareholders,

2016-17 was an eventful year for OnMobile. We consolidated our leadership position in Mobile Entertainment and launched ONMO, our direct to consumer brand. The year ended with revenue of ₹7202 million, EBITDA of ₹1001 million and a cash position of ₹3061 million. The subscriber base for Ringback Tones now stands at 73 million.

As 2017-18 unfolds we are well positioned as a global leader in Mobile Entertainment and Sound. With half of our revenue coming from Mobile Entertainment & Lifestyle and the other half from RBT and Sound, we believe the company has a well-balanced portfolio with a clear focus and strategy in each sector.

Offering compelling services to mobile operators since 2000, our sales effort remains carrier driven with 86 mobile operators across 55 countries. Over the next three years, we should expect new sales related to Mobile Entertainment and

traditional RBT to grow by double digits. Additionally, the launch of ONMO suite of products in the USA and India will make an immense revenue contribution. To deliver on that growth and address the specific needs of each market, Ignacio Martin Velasco was named President & COO Europe and Americas and Sanjay Bhambri was named President & COO India, Asia, Middle East and Africa. Despite the two regions, global objectives are clear across the company to ensure that our 1037 employees work together as one group.

Lastly, I want to reiterate that I am very optimistic about our short and long term plans. Although in the last year there were many local challenges in the industry, I strongly believe in the global Mobile Entertainment market. We are at the center of it, well equipped and poised for growth.

François-Charles Sirois
Executive Chairman & Chief Executive Officer

President & COO's Message



Dear Shareholders,

The year gone by has been an exciting one for us at OnMobile. Our focus was on building our capabilities to reach out to consumers directly and truly become global leaders in Mobile Entertainment and Sound. We also did extensive work on rejuvenating the existing carrier services business.

However, the year was not without challenges. Demonetization of the Indian currency, impending mergers in the industry, the disruption caused by new entrant offering free services in India and unstable political and economic conditions in several markets of ours, were some

of the key challenges the region had to contend with.

I'm glad that we not only navigated through these challenging times but also made rapid strides in growing our consumer base. Our flagship product Ringback Tones grew its consumer base by 9% over last year to 62 million in the region. OnMobile had significant new business wins for Ringback Tones in the region, which included leading mobile operators in Nigeria and India.

Some of the key trends observed in the region include improved affordability of data, availability of low-cost devices and better network coverage, which has aided better mobile data growth. This augurs well for the launch of our direct to consumer apps.

I am eagerly looking forward to the launch of our new consumer apps under our consumer brand ONMO. This new product offering has been designed keeping the emerging consumer expectations in mind. I am confident that this initiative would help us revive the existing business and create new categories.

As I look back, I would like to extend my gratitude to our customers, partners, shareholders and colleagues for their unshakable faith in OnMobile. I strongly believe they are our greatest strength and I look forward to their continued support for an eventful year ahead.

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

President & COO's Message

Dear Shareholders,

In 2016-17 we have completed a successful year for our business operations and, even more importantly, set the foundation for new exciting times in our Western Markets.

In Europe, we have significantly increased our revenues and margins for the fourth consecutive year, mainly driven by the Mobile Entertainment business in Spain. New technology implementation such as NBS (New Billing System) and tactical solutions for Wi-Fi traffic monetization have boosted our traffic and conversions. An enhanced content strategy based on a new variety of categories, exclusivity and an outstanding user experience will further improve the service to even higher standards.

New Customer Wins in Italy (RBT and Mobile Entertainment in a top operator) and Greece (RBT) will extend our leadership position in South Europe.

In Americas, OnMobile has taken a definitive step towards the direct to consumer market by launching our first branded mobile app in the United States. Our exclusive deal with one of the top four telecom operators in the country, marks a new phase in the evolution of our company. In addition to offering a refreshing user interface for our app, we have provided features that are in line with the evolving trends in the market such as unlimited access to content at a single subscription price, own content creation from available music tones, and non-music content, offering a wide variety of choices for subscribers to personalize.

The increase in smartphone share, mobile internet penetration and Data plan subscribers in Latin



America will lead to interesting opportunities for our company. This region showed a strong performance in Central America in RBT and Oi Brazil, where OnMobile more than doubled the RBT base. Also, our B2B App was launched successfully across all markets in Latin America.

OnMobile's new exciting play on D2C business and strong partnerships with carriers across the region will enable development of more innovative solutions for our consumers and become the right ingredients for a promising road ahead.

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

Corporate Information and Board of Directors

Board of Directors

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

Board Committees

Audit Committee

Sanjay Baweja	Chair
Rajiv Khaitan	Member
Chris Arsenault	Member

Nomination and Compensation Committee

Nancy Cruickshank	Chair
Sanjay Kapoor	Member
Chris Arsenault	Member

Stakeholders Relationship Committee

Rajiv Khaitan	Chair
Sanjay Baweja	Member
Sanjay Kapoor	Member

Corporate Social Responsibility Committee

Chris Arsenault	Chair
Rajiv Khaitan	Member
Nancy Cruickshank	Member

Risk Management Committee

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

* The constitution of the Board and Committees is as on July 27, 2017

Company Secretary

P V Varaprasad

Statutory Auditors

Deloitte Haskins & Sells (Retiring)
B S R & Co. LLP

Internal Auditors

Grant Thornton India LLP

Bankers

Kotak Mahindra Bank Limited
HSBC
Citibank N A
ICICI Bank Limited
State Bank of India
IDBI Bank Limited
Punjab National Bank
Axis Bank Limited
HDFC Bank Limited
Banco Santander, S.A
BBVA Banco Continental, Peru
Bank of Cyprus
Banco de Chile
Banca Popolare Di Milano
Eco Bank
Banco De America Central
Banco De La Produccion Produbanco SA
RBL Bank Ltd

Registered Office

Tower#1, 94/1C & 94/2,
Veerasandra Village, Attibele Hobli,
Anekal Taluk, Electronic City Phase-1,
Bangalore-560100, Karnataka, India
T +91 80 4009 6000; F + 91 80 4009 6009
CIN: L64202KA2000PLC027860
E: investors@onmobile.com
www.onmobile.com

Registrar and Share Transfer Agent

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

Subsidiaries and Branches of the Company

I. List of Subsidiaries of the Company

OnMobile Global Limited has the following Subsidiary Companies as on March 31, 2017:

Sl. No	Name of the Subsidiary Company	Country
1	OnMobile Singapore Pte. Ltd.	Singapore
2	PT OnMobile Indonesia	Indonesia
3	OnMobile SA (Erstwhile Telisma SA)	France
4	OnMobile Europe BV	Netherlands
5	OnMobile USA LLC	USA
6	Servicios De Telefonía OnMobile SA De CV	Mexico
7	OnMobile Servicios Corporativos De Telefonía SA De CV	Mexico
8	OnMobile Global SA	Argentina
9	OnMobile De Venezuela CA	Venezuela
10	OnMobile Brasil Sistemas De Valor Agregado Para Comunicaciones Moveis Ltda.	Brazil
11	OnMobile Global for Telecommunication Services	Egypt
12	OnMobile Uruguay SA	Uruguay
13	OnMobile Senegal SARL	Senegal
14	OnMobile Mali SARL	Mali
15	OnMobile Bangladesh Private Limited	Bangladesh
16	OnMobile Kenya Telecom Limited	Kenya
17	OnMobile Telecom Limited	Malawi
18	OnMobile Costa Rica OBCR, SA	Costa Rica
19	OnMobile Global Spain, SL	Spain
20	OnMobile Tanzania Telecom Limited	Tanzania
21	OnMobile Zambia Telecom Limited	Zambia
22	OnMobile Uganda Limited	Uganda

Sl. No	Name of the Subsidiary Company	Country
23	OnMobile Madagascar Telecom Limited	Madagascar
24	OnMobile Rwanda Telecom Limited	Rwanda
25	OnMobile Nigeria Telecom Limited	Nigeria
26	OnMobile Ghana Telecom Limited	Ghana
27	OnMobile Global Solutions Canada Limited	Canada
28	OnMobile Telecom (SL) Limited	Sierra Leone
29	OnMobile Global Italy SRL	Italy
30	OnMobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	Turkey
31	OnMobile Portugal SGPS, Unipessoal LDA	Portugal
32	OnMobile Telecom Burkina Faso, SARL	Burkina Faso
33	OnMobile Live Inc.	USA
34	OnMobile Global Czech Republic SRO	Czech Republic
35	FoneStarz Media Group Limited	UK
36	2DayUK Limited	UK
37	FoneStarz Limited	UK
38	FoneStarz Media Limited	UK
39	FoneStarz Media (Licensing) Limited	UK
40	Daius Limited	UK
41	Livewire Mobile (Australia) Pty Limited	Australia
42	OnMobile Global Limited Colombia SAS	Colombia
43	OnMobile Global South Africa (PTY) Ltd.	South Africa
44	OnMobile Latam Holdings, SL	Spain

II. List of Branches / Representative offices of the Company

Along with the above said subsidiary companies, OnMobile Global Limited has the following Branches/Representative offices as on March 31, 2017:

Sl No.	Branch Locations
1	Mumbai, India
2	Gurgaon, India
3	Dhaka, Bangladesh
4	Kuala Lumpur, Malaysia
5	St. Ives, UK
6	Rosebank, South Africa
7	Dubai, UAE
8	Aggona, Sri Lanka
9	Bucharest, Romania
10	Nicosia, Cyprus
11	Guatemala City, Guatemala
12	Kathmandu, Nepal
13	Milan, Italy

Sl No.	Branch Locations
14	Dar Es Salam, Tanzania
15	Santiago, Chile
16	Panama City, Panama
17	Guayaquil, Ecuador
18	Managua, Nicaragua
19	San Salvador, EL Salvador
20	Lima, Peru
21	Bangalore (SEZ), India
22	Noida (SEZ), India
23	Niamey, Niger
24	Democratic Republic of Congo
25	Doha, Qatar
26	Conakry, Guinea Republic

Contact Information

ASIA-PACIFIC

INDIA

BANGALORE

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

OnMobile Global Ltd (Branch)

OnMobile Global Limited (Branch)

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

MUMBAI

OnMobile Global Limited (Branch)

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

GURGAON

OnMobile Global Limited (Branch)

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

BANGLADESH

OnMobile Bangladesh Private Limited

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

OnMobile Global Limited (Branch)

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

SRI LANKA (Branch)

OnMobile Global Limited (Branch)

No. 20/A, Walpola Road, Aggona

AUSTRALIA

Livewire Mobile (Australia) Pty Limited

St. Martins Tower, Level 9, 31 Market Street,
Sydney, NSW 2000

MALAYSIA (Branch)

OnMobile Global Limited (Branch)

802, 8th Floor, Block C, Kelana Square, 17, Jalan SS7/26,
47301 Petaling Jaya, Selangor Darul Ehsan

INDONESIA

PT OnMobile Indonesia

GD. Mayapada Tower, 11 Suit 01B, J1.Jend, Sudirman Kav
28, Karet, Setiabudi, Jakarta Selatan 12920, Indonesia

SINGAPORE

OnMobile Singapore Pte. Ltd.

8 Shenton Way #21-07 AXA Tower, Singapore 068811

MIDDLE EAST AND AFRICA

DUBAI (Branch)

OnMobile Global Limited (Branch)

#1803, 18th Floor, Al Shatha Tower, Dubai Media City, Dubai

TANZANIA

OnMobile Global Limited (Branch)

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

OnMobile Tanzania Telecom Limited

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

EGYPT

OnMobile Global for Telecommunication Services

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

MALAWI

OnMobile Telecom Limited

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

MALI

OnMobile Mali SARL

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

ZAMBIA

OnMobile Zambia Telecom Limited

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

UGANDA

OnMobile Uganda Limited

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

RWANDA

OnMobile Rwanda Telecom Limited

C/o, PKF Rwanda Ltd , Plot 9901, Off Nyarutarama Road,
P.O Box 341, Kigali, Rwanda

GHANA

OnMobile Ghana Telecom Limited

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

BURKINA FASO

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

SOUTH AFRICA

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

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

SENEGAL

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

KENYA

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

MADAGASCAR

OnMobile Madagascar Telecom Limited
Immeuble ARO Ampefiloha I Esc A Porte A 402 Antananarivo
101 Madagascar

NIGERIA

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

SIERRA LEONE

OnMobile Telecom (SL) Limited
#12, Wilberforce Street, Regent House, Freetown

NIGER (Branch)

OnMobile Global Limited SA (Branch)
BVD Mali Bérou, rue YN 125 BP 11160 Niamey Niger

DEMOCRATIC REPUBLIC OF CONGO (Branch)

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

QATAR (Branch)

OnMobile Global Limited (Branch)
P. O. Box 164

CONAKRY, GUINEA REPUBLIC - (Branch)

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

EUROPE

FRANCE

OnMobile SA (Erstwhile Telisma SA)
6 rue Duret, 75116 Paris – France

ITALY

OnMobile Global Limited (Branch)
Milano (MI) Corso Plebisciti 8 cap 20129
OnMobile Global Italy SRL
Via Felice Casati 20 - 20124 Milan (Italy)

NETHERLANDS

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

ROMANIA (Branch)

OnMobile Global Limited-India Sucursala Bucuresti (Branch)
Bucharest, District 1, 15-17 Helesteului Street, Semi-
basement within Room 2, Office 1

PORTUGAL

OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da
Madeira)
Rua dos Ilhéus numero 6, freguesia de S. Pedro, 9000-176
Funchal

CZECH REPUBLIC

OnMobile Global Czech Republic SRO
Jugoslávská 620/29, Vinohrady, Postal Code 120 00, Prague 2

UNITED KINGDOM

OnMobile Global Limited (Branch)
Ground Floor Suite 2, Clare Hall, Parsons Green, St. Ives,
Cambridgeshire, PE 27 4WY

2DayUK Limited
505 Pinner Road, Harrow, Middlesex , HA2 6EH

FoneStarz Media Limited
505 Pinner Road, Harrow, Middlesex, HA2 6EH

Daius Limited
505 Pinner Road, Harrow, Middlesex, HA2 6EH

FoneStarz Media Group Limited
505 Pinner Road, Harrow, Middlesex, HA2 6EH

FoneStarz Limited
505 Pinner Road, Harrow, Middlesex, HA2 6EH

FoneStarz Media (Licensing) Limited
505 Pinner Road, Harrow, Middlesex, HA2 6EH

TURKEY

OnMobile Turkey Telekomunikasyon Sistemleri Limited
Şirketi
Veko Giz Plaza Meydan Sk. N. 3/45 K.14 Oda.1407 Maslak
Sarıyer, Istanbul

CYPRUS (Branch)

OnMobile Global Limited (Branch)
Lampousas, 1, P.C. 1095, Nicosia, Cyprus

SPAIN

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

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

NORTH AMERICA

USA

OnMobile USA LLC
55, Merrick Way, Suite 220, Coral Gables, Florida 33134

OnMobile Live Inc.
55, Merrick Way, Suite 220, Coral Gables, Florida 33134

MEXICO

OnMobile Servicios Corporativos De Telefonía SA De CV
Paseo de la Reforma No. 505 P-31, Col. Cuauhtemoc, Del.
Cuauhtemoc, CP. 06500, México, D.F.

Servicios De Telefonía OnMobile SA De CV
Paseo de la Reforma No. 505 P-31, Col. Cuauhtemoc, Del.
Cuauhtemoc, CP. 06500, México, D.F.

CANADA

OnMobile Global Solutions Canada Limited
630 Boulevard René-Levesque, West, Suite 2780, Montreal
Quebec, H3B-1S6

CENTRAL AMERICA

COSTA RICA

OnMobile Costa Rica OBCR, SA
San Jose, Santa Ana Pozos, Centro Empresarial Forum Uno
Torre G Segundo Piso

NICARAGUA (Branch)

OnMobile Global Limited Sucursal Nicaragua (Branch)
Edificio CAR III, 5to Piso. Modulo, M.5-4, Managua,
Nicaragua, Central America

EL SALVADOR (Branch)

OnMobile Global Limited Sucursal El Salvador (Branch)
Calle La Mascota, Col San Benito, Casa 533, San Salvador

GUATEMALA (Branch)

Servicios De Telefonía OnMobile, Sociedad Anonima De
Capital Variable (Branch)
14 Calle Edificio Murano Center Nivel 8 of 803 3-51 Zona 10
Guatemala

PANAMA (Branch)

OnMobile Global Limited (Branch)
CA Legal Services, Global Bank Tower, Calle 50, Floor 24th,
Office 2401, Panama, Republic of Panama

LATIN AMERICA

VENEZUELA

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

CHILE (Branch)

OnMobile Global Limited – Agencia En Chile (Branch)
Av. Providencia No. 329, P.6, Santiago, Chile– 13

ECUADOR (Branch)

OnMobile Global Limited (Branch)
Junin 114 y Malecon Simon Bolivar Edif. Torres del Rio, piso 6
ofc. 8 Guayaquil – Ecuador

COLOMBIA

OnMobile Global Limited Colombia SAS
Carrera 16 No. 93-92 Bogotá, Colombia

BRAZIL

OnMobile Brasil Sistemas De Valor Agregado Para
Comunicações Móveis Ltda.
City of São Paulo, State of São Paulo, Brazil, at Rua Arizona,
1.422, 10º andar, Conjuntos 1 a 6, Cidade Monções, CEP
04567-003

ARGENTINA

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

URUGUAY

OnMobile Uruguay SA
Bulevar Artigas 1100
CP 11300 - Montevideo – Uruguay

PERU (Branch)

OnMobile Limited Sucursal Peruana
Calle Donatello Nr. 206, San Borja, Lima 41, Peru

Report on Corporate Governance

CORPORATE GOVERNANCE

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

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

BOARD OF DIRECTORS

The OnMobile Board consists of Executive and Non-Executive directors. The Non-Executive directors consist of eminent professionals from business and finance. The Company does not have any nominee director. The Board consisted of 6 Directors as on March 31, 2017 of which the Chairman of the Board is an Executive Director. The composition of the Board is in conformity with Regulation 17 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sl.No	Name	Designation
1	François-Charles Sirois	Executive Chairman and CEO
2	Rajiv Khaitan	Independent Director
3	Nancy Cruickshank	Independent Director
4	Sanjay Baweja	Independent Director
5	Nehchal Sandhu	Independent Director
6	Pascal Tremblay	Independent Director

None of the Directors are related to each other.

Note: Rajiv Pancholy resigned from the Board w.e.f Feb 23, 2017 and as CEO w.e.f. Feb 28, 2017. Pascal Tremblay resigned from the Board w.e.f. May 26, 2017. Chris Arsenault was appointed as Additional Director w.e.f. May 26, 2017 and is proposed to be appointed as an Independent Director at the forthcoming AGM.

MEETINGS OF THE BOARD

The Board meets at least four times in a year with the intervening period between two Board meetings of not more than one hundred and twenty days. The annual calendar of meetings is tentatively determined at the beginning of each year. During the year ended March 31, 2017, the Board met five times as given below:

Details of Board meetings held during the year

Sl. No.	Date of Board Meeting	Board Strength	Directors present*
1	May 30, 2016	7	7
2	July 30, 2016	7	6
3	November 11, 2016	7	7
4	February 9, 2017	7	6
5	February 23, 2017	7	6

* excluding the participation either through video or audio conference and not counted for quorum.

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

DETAILS OF DIRECTORS AND THEIR ATTENDANCE

Name of Director	Position	Category	Attendance in Board Meetings		Attendance in last AGM	Other Boards			
			Held	Attended *		Directorships in Indian public companies+	Directorships all around the world ++	Committee Chairmanships #	Committee Memberships# (including Chairmanships)
François-Charles Sirois ¹	Executive Chairman and CEO	Executive Director	5	5	Yes	Nil	13	Nil	Nil
Rajiv Pancholy ²	Managing Director & CEO	Executive Director	5	4	Yes	Nil	3	Nil	Nil
Rajiv Khaitan	Director	Independent	5	5	Yes	3	8	2	4
Nancy Cruickshank	Director	Independent	5	5	No	Nil	4	Nil	Nil
Sanjay Baweja	Director	Independent	5	5	Yes	8	16	1	2
Nehchal Sandhu	Director	Independent	5	5	Yes	Nil	1	Nil	1
Pascal Tremblay ³	Director	Independent	5	3	No	Nil	23	Nil	1

+ Excluding directorships in OnMobile Global Limited and its subsidiaries.

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

Memberships/Chairmanships of only Audit Committee and Stakeholders Relationship Committee in public companies (listed and unlisted) including OnMobile Global Limited.

* Excluding the participation through either video or audio conferencing, not counted for quorum.

¹ François-Charles Sirois was re-designated as 'Executive Chairman and CEO' w.e.f Mar 1, 2017.

² Rajiv Pancholy resigned from the Board w.e.f Feb 23, 2017 and as CEO w.e.f Feb 28, 2017.

³ Pascal Tremblay resigned from the Board w.e.f May 26, 2017.

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

François-Charles Sirois is the President and CEO of Telesystem, a global media and technology holding company. He is also the President and Chief Executive Officer of OnMobile Systems Inc., the largest shareholder of OnMobile. François-Charles has more than 15 years of experience in corporate mergers, acquisitions and financing. His entrepreneurship expertise and talent for developing successful joint ventures with innovative partners have enabled Telesystem to leverage the momentum in the media and technology industry. Before joining Telesystem, François-Charles founded and helmed up2 technologies, Microcell i5 and Masq. He was appointed as the Additional Director on the Board of the Company on June 26, 2014 and his appointment was approved by the shareholders as a Non-Executive Director at the meeting held on September 10, 2014. François-Charles was later appointed as an Executive Chairman of the Company for a period of five years effective from November 1, 2014. François-Charles is appointed as CEO and re-designated as 'Executive Chairman and CEO' of OnMobile w.e.f March 01, 2017. As on March 31, 2017, François-Charles Sirois is on the Board of following other companies:

1. OnMobile Systems Inc.
2. Telesystem Ltd.

3. Stingray Digital Group Inc.
4. Zone3 Inc.
5. Telesystem Media Inc.
6. iPerceptions Inc.
7. Telesystem Energy Ltd.
8. CVTCORP Transmission Inc.
9. Interset Software, Inc.
10. OnMobile Global Solutions Canada Limited
11. OnMobile USA LLC
12. OnMobile Live Inc.

Rajiv Khaitan is the Senior Partner of Khaitan & Co. Rajiv has over 30 years of experience in general legal practice with focus on business laws and currently leads the corporate and commercial laws practice at Bangalore. He advises on all aspects of Business including business laws and regulations, corporate governance and finance, structuring, taxation, negotiation of commercial contracts, securities laws and takeover and listing regulations, mergers and acquisitions both in India and overseas, foreign exchange regulations, foreign investment regulations, investment and transaction structuring, business combinations, strategic alliances, competition laws, trade laws, foreign collaborations, India entry strategies, private equity investments, promoter,

investment and shareholder agreements, intellectual property laws, protection and licensing, technology licensing and transfer, retailing, franchising, consumer protection laws, packaging laws, labour laws, real estate and dispute resolution. Rajiv holds a Bachelor of Commerce degree and an LLB from the Calcutta University. As per the provisions of Companies Act, 2013, Rajiv was appointed as an Independent Director at the Annual General Meeting held on September 10, 2014 to hold office for a period of three years up to the date of the AGM to be held during the calendar year 2017. The Board of Directors have recommended for re-appointment of Rajiv Khaitan for a further period of 3 years and approval of the shareholders is being sought for the same at the AGM being held on September 6, 2017. As on March 31, 2017, Rajiv Khaitan is on the Board of the following other companies:

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

Nancy Cruickshank is the Founder & CEO of MyShowcase Ltd, a new kind of online & direct Beauty retailer that champions female entrepreneurialism. She is actively involved in building a new distribution channel for innovative beauty brands via a growing base of female Stylists or entrepreneurs. Nancy Cruickshank is a serial entrepreneur herself and has an advisory role in a number of companies. Having graduated from Leeds University with History Honors degree, she started life working for Condé Nast in marketing and advertising on titles such as Vogue and World of Interiors, becoming commercial director of Condé Nast online in 1995 – the start of a career with the digital world at its core. In 2001, she launched Handbag.com - the pioneering fashion and beauty portal which she sold to Hearst in 2006. She stayed on after the buy-out to oversee their portfolio of web properties including cosmopolitan.co.uk, netdoctor.co.uk, menshealth and Handbag.com, which under her leadership grew its audience to over 1.3 million women per month. In 2008 she joined VideoJug, the market-leading How To website, as Global CEO and in May 2009 moved to the Telegraph Media Group (TMG) as Executive Director, Digital Development where her focus was on growing TMG's digital proposition and revenues. From April 2012 to March 2013, she was the Launch CEO of Weve, leading a team that secured clearance from the EC for the UK's leading mobile operators (EE, Vodafone and Telefonica) to launch a media & mCommerce JV in the UK. As per the provisions of Companies Act, 2013, Nancy Cruickshank was appointed as an Independent Director at the Annual General Meeting held on September 10, 2014 to hold office for a period of three years up to the date of the AGM to be held during the calendar year 2017. The Board of Directors have recommended for re-appointment of Nancy Cruickshank for a further period of 3 years and the approval of the shareholders is being sought for the same at the AGM

being held on September 6, 2017. As on March 31, 2017, Nancy Cruickshank is on the Board of the following other companies:

1. MyShowcase Ltd
2. SEUK
3. Carlsberg

Sanjay Baweja is currently the Chief Financial Officer (CFO) of Suzlon Energy Ltd., leading renewable energy solutions providers in the world. At Suzlon, he is part of the core strategic think tank of the company that defines the strategic roadmap for increased profitability and contributes to overall organizational development. He was previously CFO of Flipkart and prior to that the Global CFO for Tata Communications. With over three decades of experience across diverse industries, Sanjay Baweja has worked with several iconic brands including Emaar MGF Land Limited as Executive President for Corporate Affairs and Chief Risk Officer, Bharti Airtel, Xerox Modicorp, Digital Equipment and Ballarpur Industries. He holds a Bachelor's degree in Commerce from Delhi University. He is a Fellow member of the Institute of Chartered Accountants of India and Associate member of the Institute of Cost and Works Accountant of India. As per the provisions of Companies Act, 2013, Sanjay Baweja was appointed as an Independent Director at the Annual General Meeting held on September 8, 2015 to hold office for a period of three years up to the date of the AGM to be held during the calendar year 2018. As on March 31, 2017, Sanjay Baweja is on the Board of the following other companies:

1. Bhartiya International Limited
2. Vignaharta Renewable Energy Limited
3. Manas Renewables Limited
4. Varadvinayak Renewables Limited
5. Vakratunda Renewables Limited
6. Sirocco Renewables Limited
7. Gale Solarfarms Limited
8. Tornado Solarfarms Limited
9. Suzlon Energy Limited, Mauritius
10. Sure Power LLC
11. Suzlon Wind Energy Limited, UK
12. AE Rotor Holding B.V., Netherlands
13. Tarilo Holding BV, Netherlands
14. Valum Holdings B.V., Netherlands
15. Suzlon Wind Energy South Africa Pty. Ltd., South Africa

Nehchal Sandhu is a security professional with over 40 years of experience in a variety of roles. In his most recent role as Dy. National Security Adviser, he contributed towards briefings of the highest levels of Government, led efforts towards instituting a national cyber security framework and built international relationships towards ensuring a more robust response to international terrorism and curbing terror financing, cross border drug flows, and money laundering. He contributed in large measure to the formulation of India's approach to Internet governance. Prior to that, he had a 34

year career in the National Security Service, during the last two years of which he headed the Service. As head of the Service and thus as a member of the highest echelon of Government, contributed to modification of National Crisis Management Plans, shepherded processes for strengthening of national security structures and promoted seamless cooperation between provincial security structures that report to political dispensations of different hues. In the latter half of his career in the Service, he led implementation of innovative approaches to resource management, overhauled and modernized the internal communication infrastructure, set up a system for sharing and analyzing information located in geospatially dispersed databases running on legacy systems, made seminal contributions towards the creation of a new regulatory environment, and created abiding relationships with telecom service providers. In the mid 1990s, he served for more than 3 years in India's High Commission in Ottawa servicing liaison arrangements with the Canadian Foreign Office and the Royal Canadian Mounted Police. In his early career in the mid 1970s, as a covenanted officer responsible for prevention and detection of crime, introduced neighbourhood watch schemes in rural areas, set in place refined trans-jurisdictional patrolling plans, and implemented concepts of scientific Police investigation leading to a higher detection and prosecution success rate. Nehchal Sandhu holds an Honors degree at the Bachelor's level in Chemistry from St Stephen's College, Delhi University. As per the provisions of Companies Act, 2013, Nehchal Sandhu was appointed as an Independent Director at the Annual General Meeting held on September 8, 2015 to hold office for a period of three years up to the date of the AGM to be held during the calendar year 2018. As on March 31, 2017, Nehchal Sandhu is a member of Saket Hospital Committee of Gujarmal Modi Hospital and Research Centre for Medical Sciences and Advisor on the Financial Services Vulnerability Committee of HSBC Global.

Chris Arsenault is a senior executive with over 20 years of general management experience in high technology industries, with extensive experience in business development, strategic planning, sales, marketing and communications. Chris is the cofounder, President & CEO of iNovia Capital, a Venture Capital firm launched in 2007 with now over a half a billion under management. Chris currently serves as a director on the boards of AppDirect, LightSpeed Retail, Poka, Well.ca, and until recently Luxury Retreats (recently acquired by Airbnb). Chris is an active board member of Réseau Capital, and a proud Charter Member of Silicon Valley based C100. Before launching iNovia Capital in 2007, he first joined MSBi Capital in 2002 and, prior to that, had founded, co-founded or funded a number of Software, Mobile and Consumer Internet technology start-up companies, including two spin-offs of telecom giants Microcell and Teleglobe. Chris' entrepreneurial and investment experience includes several notable exits that generated large shareholder returns, such as Luxury Retreats, Localmind, Airborne Entertainment, Copernic Technologies, Wanted Technologies, and SIT Inc. His work in the mid-90's as Founder and CEO of SIT provided him with the opportunity to play an important part in the initial growth of the Internet. As one of Netscape's first external partners and integrators,

SIT's security products and dial-up technology eventually grew to become an integral part of Netscape's deployment. SIT, after the winding-up of its Ste-Foy offices, was sold to Ubizen of Belgium in 1999 for €42 million. Chris is also proud to have been instrumental in the creation of the ENABLIS Entrepreneurial Network, a \$30+ million G8-sponsored venture capital seed fund. Chris Arsenault was appointed as an Additional Director on the Board of the Company effective May 26, 2017. As per the provisions of Companies Act, 2013, approval of the shareholders is being sought for appointment of Chris Arsenault as an Independent Director at the Annual General Meeting held on September 6, 2017 to hold office for a period of 3 years up to the date of the AGM to be held during the calendar year 2020. As on March 31, 2017, Chris Arsenault is on the Board of the following other companies:

1. iNovia Capital Inc.
2. iNovia Capital GP-III Inc.
3. iNovia Capital US Inc.
4. AppDirect Inc.
5. Lightspeed POS Inc.
6. Poka Inc.
7. Well.ca Inc.
8. Gamerizon Studio Inc.

COMMITTEES OF THE BOARD

For the year ended March 31, 2017, the Board has five Committees – the Audit Committee, the Nomination and Compensation Committee, the Stakeholders Relationship Committee, the Corporate Social Responsibility Committee and the Risk Management Committee. The constitution and terms of reference of the Board Committees are decided by the Board from time to time. Meeting of each Board Committee is convened by the respective Committee Chairman. The role and composition of these committees, including the number of meetings held during the financial year and the related attendance are as follows:

1. Audit Committee

Composition

The audit committee consists of the following three (3) directors of whom all the members including the chairman are independent directors. As on March 31, 2017, the Committee consisted of:

1. Sanjay Baweja - Chair
2. Rajiv Khaitan
3. Pascal Tremblay

All the members of the Audit Committee including its Chairman have accounting and financial expertise. The Company Secretary acts as secretary to the committee.

The Audit Committee was re-constituted w.e.f May 26, 2017 and as on date the Committee comprises of Sanjay Baweja as Chair and Rajiv Khaitan, Chris Arsenault as members.

Terms of Reference

The terms of reference of the Audit Committee include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses /application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor auditor's independence and performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing with management, performance of statutory and internal auditors, adequacy of internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc., of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Meetings

During the financial year ended March 31, 2017, four meetings of the audit committee were held. The details of the same are as follows:

Sl. No.	Name of the Director	Meetings/Attendance			
		30-May-2016	29-July-2016	11-Nov-2016	9-Feb-2017
1	Sanjay Baweja-Chair	Present	Present	Present	Present
2	Rajiv Khaitan- Member	Present	Present	Present	Present
3	Pascal Tremblay-Member	Absent	Absent	Present	Absent

2. Nomination and Compensation Committee

Composition

As on March 31, 2017, this committee consisted of the following three (3) directors:

1. Nancy Cruickshank - Chair
2. Nehchal Sandhu
3. Pascal Tremblay

All the three members including the chairperson are Independent directors.

The Nomination and Compensation Committee was re-constituted w.e.f May 26, 2017 and as on date the Committee comprises of Nancy Cruickshank as Chair and Nehchal Sandhu, Chris Arsenault as members.

Terms of Reference

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

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

Meetings

During the financial year ended March 31, 2017, five meetings of the Nomination and Compensation Committee were held. The details of the same are as follows:

Sl. No	Name of Director	Meetings/Attendance				
		30-May-2016	29-Jul-2016	11-Nov-2016	9-Feb-2017	23-Feb-2017
1	Nancy Cruickshank -Chair	Present	Present	Present	Present	Present
2	Nehchal Sandhu- Member	Present	Present	Present	Present	Present
3	Pascal Tremblay- Member	Present	Absent	Present	Absent	Present

Remuneration Policy

The Nomination and Remuneration policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 forms part of the Directors report. The Company's remuneration policy is based on the performance of the individual employee and the success of the Company. Through its compensation program, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay and sharing of wealth through the Company's stock options. Individual performance pay is determined by combination of individual and business performance of the Company. The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and performance incentives (variable component) to its Managing/ Whole time Directors. Annual increments are decided by the Nomination and Compensation Committee/ Board of Directors. The shareholders at the Annual General Meeting held on September 8, 2015 approved the payment of remuneration to the non-executive directors, in addition to the sitting fees to be paid for attending the meetings of the Board or Committees thereof, in aggregate not exceeding an amount equal to 5% of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013 or ₹ 11 million, whichever is higher for each financial year commencing on or after April 1, 2015 and the said remuneration be paid in such amount, proportion and manner as may be decided by the Board of

Directors of the company from time to time. Apart from the said remuneration the non-executive directors are also entitled to a sitting fee of ₹ 100,000/- per meeting for attending the Board and Committee meetings.

Details of Remuneration paid to Executive Directors / Non-Executive Directors during the financial year 2016-17

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

Service contracts, notice period, severance fees

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

Non-Executive / Independent Directors' Compensation and Disclosures

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

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

Stock Options to the Directors

As on March 31, 2017, the details of stock options held by the directors are given below:

Sl. No	Name of the Director	Category	ESOP Plan	Grant date	No. of options	Grant Price	Outstanding options	No. of shares held	Remarks
1.	Rajiv Pancholy	Executive Director	Plan II, 2010	30-Oct-14	40,000	33.08	40,000	Nil	346,728 stock options have been cancelled on account of resignation in February 2017
			Plan I, 2012	30-Oct-14	613,272	33.08	613,272		
2.	Rajiv Khaitan	Independent Director	Plan III, 2008	15-May-13	25,000	40.05	25,000	Nil	Stock options granted much before notification of Companies Act, 2013

No stock options were granted to any other Director.

3. Stakeholders Relationship Committee

Composition

As on March 31, 2017, the Committee consisted of the following three (3) directors:

1. Rajiv Khaitan- Chair
2. Nehchal Sandhu
3. Sanjay Baweja

All the three members including the chairman are independent directors.

The main objective of the Committee is to specifically look into the redressal of grievances of security holders and issues

Meetings

During the financial year ended March 31, 2017, four meetings of the Stakeholders Relationship Committee were held. The details of the same are as follows:

Sl No.	Name of Director	Meetings/Attendance			
		30-May-2016	30-July-2016	11-Nov-2016	9-Feb-2017
1	Rajiv Khaitan- Chair	Present	Present	Present	Present
2	Nehchal Sandhu- Member	Present	Present	Present	Present
3	Sanjay Baweja- Member	Present	Present	Present	Present

The particulars of shareholder's complaints received and disposed off during the financial year 2016-17 are as follows:

Name of non-executive director heading the Committee	Rajiv Khaitan- Independent Director
Name and Designation of Compliance Officer	P V Varaprasad, Company Secretary
Number of shareholder complaints received during the year	21
Number of shareholder complaints resolved during the year	21
Number of shareholder complaints pending	Nil
Number of pending share transfers	Nil

Reconciliation of Share Capital Audit

The Company conducts a share capital audit on a quarterly basis in accordance with requirements of Securities and Exchange Board of India (Depositories and Participants) Regulations 1996 and SEBI Circular No. D&CC/FITTC/CIR- 16/2002 dated December 31, 2002 and SEBI Circular No. CIR/MRD/DP/30/2010 dated September 6, 2010. The Reconciliation of Share Capital Audit Report obtained from M/s Hegde & Hegde, Company Secretaries, which has been submitted to the Stock Exchanges within the stipulated period, certifies that the equity shares of the Company held in the dematerialized form and in the physical form confirms to the issued and paid up equity share capital of the Company.

Secretarial Compliance Certificate

As per the provisions of Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained the Secretarial Compliance

pertaining to allotment or transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

Terms of Reference

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

1. To approve and register, transfer and/or transmission of all classes of shares;
2. To look into the redressal of shareholder and investor complaints like non-transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc and
3. To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

Certificate on half yearly basis from Parameshwar. G. Hegde of Hegde & Hegde, Practicing Company Secretaries to the effect that all transfers of shares held in physical form are effected within stipulated time. The certificate has been submitted to the Stock Exchanges within the prescribed time.

4. Corporate Social Responsibility Committee

Composition

As on March 31, 2017, the Corporate Social Responsibility Committee consisted of three (3) directors.

1. Pascal Tremblay-Chair
2. Nancy Cruickshank
3. Rajiv Khaitan

All the three members including the Chairman are independent directors.

The Corporate Social Responsibility Committee was re-constituted w.e.f May 26, 2017 and as on date the Committee comprises of Chris Arsenault as Chair and Rajiv Khaitan, Nancy Cruickshank as members.

Terms of Reference

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

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

1. The Committee shall formulate and recommend to the Board, a 'Corporate Social Responsibility Policy' ('CSR Policy') which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013.
2. The Committee shall recommend the amount of expenditure to be incurred on the activities referred in the CSR Policy.
3. The Committee shall monitor the CSR Policy of the company from time to time.
4. The Committee will be responsible for reviewing and overseeing CSR Policy and political and environmental trends and public policy issues that affect or could affect the company's business activities, performance, public image and responsibilities under Indian Law.
5. The Committee will provide overview of and make recommendations to the Board regarding the company's

response to shareholder proposals that relate to corporate social responsibility issues.

6. The Committee will assist the Board in determining how the company can anticipate and adjust to corporate social responsibility and public policy trends in order to more effectively achieve its goals.
7. The Committee will offer advice and counsel to management regarding the effectiveness of the company's corporate social responsibility programs and corporate citizenship.
8. The Committee will also undertake such additional activities as the Committee may from time to time determine or as may otherwise be required by law, the company's articles of association, or directive of the Board.
9. The Committee will make regular reports to the Board and will recommend any proposed actions to the Board for approval as necessary. The Committee will review and reassess the adequacy of these terms of reference at least annually and recommend any proposed changes to the Board for approval.
10. The Committee will at least annually evaluate its own performance to determine whether it is functioning effectively.

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

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

Meetings

During the financial year ended March 31, 2017, the Committee met four times. The details of the same are as follows:

SI No.	Name of Director	Meetings/Attendance			
		30-May-2016	30-July-2016	11-Nov-2016	9-Feb-2017
1	Pascal Tremblay- Chair	Present	Absent	Present	Absent
2	Nancy Cruickshank- Member	Present	Present	Present	Present
3	Rajiv Pancholy- Member	Present	Present	Present	Present
4	Rajiv Khaitan- Member*	NA	NA	NA	NA

Not Applicable (NA)

* Rajiv Khaitan was appointed as a member in the Committee w.e.f March 24, 2017

5. Risk Management Committee

As on March 31, 2017, the committee consisted of (4) four directors of whom three directors were independent directors including the Chairman.

Composition

The members of the Committee are:

1. Nehchal Sandhu - Chair
2. Sanjay Baweja

3. Nancy Cruickshank
4. François-Charles Sirois

The main objective of the Risk Management Committee is to assist the Board with regard to the identification, evaluation and mitigation of operational, strategic and external environment risks. The Committee has overall responsibility for monitoring and approving the risk policies and associated practices of the Company. The risk management committee is also responsible for reviewing and approving risk disclosure statements in any public documents or disclosures.

Terms of Reference

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

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

Meetings

During the financial year ended March 31, 2017, the Committee met four times. The details of the same are as follows:

Sl No.	Name of Director	Meetings/Attendance			
		30-May-2016	29-July-2016	11-Nov-2016	9-Feb-2017
1	Nehchal Sandhu- Chair	Present	Present	Present	Present
2	Nancy Cruickshank- Member	Present	Present	Present	Present
3	Rajiv Khaitan- Member#	Present	Present	Present	Present
4	Sanjay Baweja- Member	Present	Present	Present	Present
5	François-Charles Sirois-Member*	NA	NA	NA	NA

Not Applicable (NA)

* François-Charles Sirois was appointed as a member in the Committee w.e.f March 24, 2017

Rajiv Khaitan ceased to be a member in the Committee w.e.f March 24, 2017

INDEPENDENT DIRECTORS

As on March 31, 2017 the Board consists of 5 Independent Directors, out of them one is woman Director. The Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel to discuss matters pertaining to Company's affairs, evaluation of performance of the Board and their own performance and place their views regarding governance of the Company at the Board. During the year, separate meetings of the Independent Directors were held on May 30, 2016, November 11, 2016 and February 09, 2017 without the presence of any other director/management personnel.

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

Role, duties and responsibilities of Independent Directors

The Independent Directors, along with other Directors are also

responsible for meeting the following objectives of the Board:

1. Compliance with the requirements of Companies Act, 2013,
2. Discharge of "Responsibilities of the Board" as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,
3. Accountability under the Director's Responsibility Statement,
4. Overseeing the enforcement of high standards of values and ethical conduct of business,
5. Overseeing the Company's contribution to enhancing the quality of life of communities,
6. Abide by the 'Code for Independent Directors' under Schedule IV of Companies Act, 2013 and the duties of directors provided under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Familiarization programme for Independent Directors

Company has in place a familiarization programme for Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates and business model of the Company. A copy of the familiarization programme for Independent Directors and the details of familiarization programme imparted to independent directors during FY 2016-17 is available on the website at the below link:

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

SUBSIDIARY COMPANIES

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

The Company has also formulated a policy for determining the Material Subsidiary which stipulates inter-alia:

1. Disposal of Material Subsidiary: The Company, without the prior approval of the members by Special Resolution, shall not:
 - a. dispose shares in Material Subsidiaries that reduces its shareholding (either on its own or together with other subsidiaries) to less than 50%; or

- b. cease the exercise of control over the Subsidiary; or
 - c. sell, dispose or lease the assets amounting to more than twenty percent of the assets of the material subsidiary
2. One Independent Director of the Company shall be a director on the Board of the Material Non-Listed Indian Subsidiary Company.
 3. The Audit Committee of Board of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary Company on an annual basis.
 4. The minutes of the Board Meetings of the unlisted subsidiary companies shall be placed before the Board of the Company on a periodical basis.
 5. The management shall periodically bring to the attention of the Board of Directors of the Company, a statement of all Significant Transactions and Arrangements entered into by the unlisted subsidiary company.
 6. The management shall present to the Audit Committee annually the list of such subsidiaries together with the details of the materiality defined herein. The Audit Committee shall review the same and make suitable recommendations to the Board including recommendation for appointment of Independent Director in the Material Non-Listed Indian Subsidiary.

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

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

GENERAL BODY MEETINGS

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

Financial Year	Venue	Date and Time	Special Resolutions passed
2013-14	Hotel Royal Orchid, adjoining KGA Golf course, HAL Airport Road, Bangalore – 560 008	September 10, 2014 at 10.00 a.m.	<ol style="list-style-type: none"> 1. Appointment of Rajiv Pancholy as Managing Director. 2. Payment of revised remuneration to Chandramouli Janakiraman
2014-15	Hotel Royal Orchid, adjoining KGA Golf course, HAL Airport Road, Bangalore – 560 008	September 8, 2015 at 10.00 a.m.	<ol style="list-style-type: none"> 1. Appointment of François-Charles Sirois as Executive Chairman of the Company 2. Revision of remuneration to Rajiv Pancholy, Managing Director and CEO of the Company 3. Payment of remuneration to non-executive directors of the Company
2015-16	The Ritz-Carlton Hotel, 99, Residency Road, Ashok Nagar, Bengaluru, Karnataka-560 025	September 14, 2016 at 3.00 p.m.	<ol style="list-style-type: none"> 1. Appointment of Rajiv Pancholy, Managing Director and CEO of the Company as Director/Manager/Consultant/Employee in OnMobile Global Solutions Canada Limited, wholly owned subsidiary of the Company 2. Appointment of François-Charles Sirois, Executive Chairman of the Company as Director/Manager/Consultant/Employee in OnMobile Global Solutions Canada Limited, wholly owned subsidiary of the Company

During the year ended March 31, 2017, no special resolutions were passed through postal ballot

DISCLOSURES

(1) Related Party Transactions

There are no materially significant related party transactions with the promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large. Transaction with the related parties is disclosed in the financial statements in Note No. 35 for the year ended March 31, 2017. The detailed information on materially significant related party transactions is in AOC-2 attached to the Board's Report. The Company has formulated a policy on dealing with Related Party Transactions. The same is available on the website at the below link:

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

(2) Non-compliances

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

(3) Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Part C of Schedule V of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee. The said mechanism has provided protection to whistleblower from adverse personnel action. The details of establishment of such mechanism are disclosed on the below link:

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

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

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

- Modified opinion(s) in Audit Report: Company's financial statements have unmodified audit opinions.
- Separate posts of Chairman and CEO: The Company does not carry multiple businesses. Accordingly, the Company has appointed Francois Charles Sirois, Executive Chairman as Chief Executive Officer and re-designated as 'Executive Chairman and CEO' of the Company w.e.f. March 1, 2017.

- Reporting of Internal Auditor: The Internal Auditors of the Company directly report to the Audit Committee.

(6) Accounting Treatment in preparation of Financial Statements

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

(7) Code of Conduct

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

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

All Board Members and senior management personnel have confirmed compliance with the Code of Conduct for the financial year 2016-17. A declaration to this effect signed by the Executive Chairman and CEO of the Company is attached.

(8) Compliance of Prohibition of Inside Trading Regulations

The Company has comprehensive guidelines on prohibiting insider trading and the Company has adopted (i) the Code of conduct to regulate, monitor and report trading by insiders and (ii) the Code of practices & procedures for fair disclosures of unpublished price sensitive information as notified by SEBI.

MANAGEMENT DISCUSSION AND ANALYSIS

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

CEO AND CFO CERTIFICATION

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

AUDITORS' CERTIFICATION ON CORPORATE GOVERNANCE

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

In addition to the auditor's certificate, a certificate of compliance from Independent Practising Company Secretary as stipulated under the Regulations, is also obtained and attached to the Annual Report.

MEANS OF COMMUNICATION

Quarterly results: The Company's quarterly results are

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

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

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

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

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

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

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

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

GENERAL SHAREHOLDER INFORMATION

Registrar and Share Transfer Agents

Karvy Computershare Private Limited, having its registered office at Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, India are the Registrars for the Demat segment and also the share transfer agents of the company, to whom communications regarding share transfer and dematerialization/rematerialisation requests must be addressed. All matters connected with share transfer, transmission, dividend payment are handled by the share

transfer agent. Share transfers are processed within 15 days of lodgment.

Information in respect of remittance into Investor Education and Protection Fund

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

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

CONTACT INFORMATION

Registered and Corporate Office:

OnMobile Global Limited

Tower#1, 94/1C & 94/2,
Veerasandra Village, Attibele Hobli,
Anekal Taluk, Electronic City Phase-1,
Bangalore-560100, Karnataka, India
T + 91 80 40096000; F + 91 80 4009 6009
CIN: L64202KA2000PLC027860
<http://www.onmobile.com>

Other Locations

MUMBAI: iThink Techno Campus, Office No 809, Supremus-E Wing, Kanjurmarg (East), Mumbai, Maharashtra 400042. Phone: 022 2578 9555

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

SEZ Office- BANGALORE

RMZ Eco world, Building # 1, 4th Floor, SEZ – Varthur Hobli, Devarabeesanahalli Village, Outer Ring Road, Bangalore – 560103.

Representing Officers of the Company

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

Company Secretary and Compliance Officer

P V Varaprasad - Company Secretary

T: + 91 80 4009 6000

F: + 91 80 4009 6009

E: investors@onmobile.com

Investor Relations – Institutional

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

Public Relations

Madhusudan N - Vice President, Marketing
 T: + 91 80 4009 6000
 F: + 91 80 4009 6009
 E: madhusudan.narayanan@onmobile.com

Listing details	<p>The shares of the Company are listed on: BSE Limited Phiroze Jheejheebhouy Towers, Dalal Street, Fort, Mumbai – 400 001</p> <p>National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051</p> <p>The Company has paid the listing fees at both the exchanges for the FY 2017-18 and complied with the listing requirements.</p>	
Stock code	National Stock Exchange of India Limited (NSE) –ONMOBILE BSE Limited (BSE) – 532944	
Forthcoming Annual General Meeting (AGM)	The Seventeenth Annual General Meeting (AGM) of the Members of OnMobile Global Limited will be held on Wednesday, September 6, 2017 at Hotel Royal Orchid, adjoining KGA Golf course, HAL Airport Road, Bangalore-560 008 at 11:00 a.m.	
Financial Calendar (tentative and subject to change)	Event	Likely Board Meeting Schedule
	Financial reporting for the quarter ending June 30, 2017	End of July 2017/ Beginning of August 2017
	Financial reporting for the quarter ending September 30, 2017	End of October 2017/ Beginning of November 2017
	Financial reporting for the quarter ending December 31, 2017	End of January 2018/ Beginning of February 2018
	Financial reporting for the quarter/year ending March 31,2018	End of May 2018
Book Closure Date(s)	From August 31, 2017 to September 6, 2017 (both days inclusive)	
Dividend Payment Date	within 30 days from the date of AGM	
Registrars And Share Transfer Agents	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No. 31-32, Gachibowli Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032 T +91 40 6716 2222 F +91 40 2342 0814 Email id: einward.ris@karvy.com	
Depository System	Currently 99.84% of the Company's share capital is held in dematerialised form. For any assistance in conversion of the physical shares to demat form or vice versa, the investors may approach Karvy Computershare Private Limited at the addresses mentioned above.	
Email ID of Grievance Redressal Division	einward.ris@karvy.com investors@onmobile.com	

Distribution Schedule

Distribution of Shareholding as on 31/03/2017 (TOTAL)						
Sl. No.	Category (Amount)	No. of Holders	% To Holders	No. of shares held	Amount(₹)	% To Equity
1	1 - 5,000	30,338	84.42	4,098,597	40,985,970.00	3.93
2	5,001 - 10,000	2,537	7.06	2,064,415	20,644,150.00	1.98
3	10,001 - 20,000	1,302	3.62	1,998,742	19,987,420.00	1.92
4	20,001 - 30,000	480	1.34	1,249,702	12,497,020.00	1.20
5	30,001 - 40,000	218	0.61	794,074	7,940,740.00	0.76
6	40,001 - 50,000	232	0.65	1,107,724	11,077,240.00	1.06
7	50,001 - 100,000	377	1.05	2,850,906	28,509,060.00	2.73
8	100,001 and above	454	1.26	90,185,930	901,859,300.00	86.43
	TOTAL:	35,938	100.00	104,350,090	1,043,500,900.00	100.00

Shareholding Pattern as on March 31, 2017

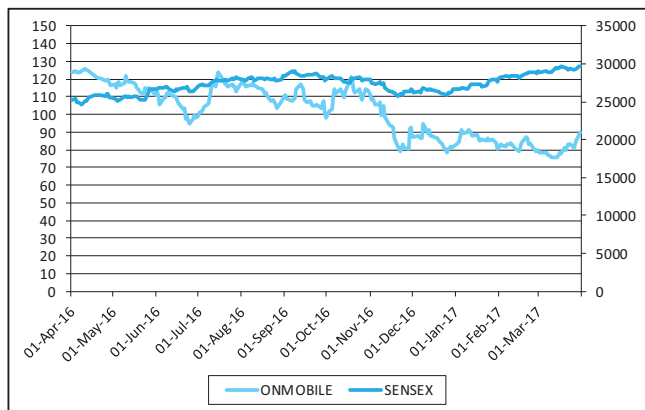
Description	No. of shareholders	Total shares	% to equity
Promoter and Promoter group	1	50,923,703	48.80
Mutual Funds /UTI	1	451,800	0.43
Financial Institutions /Banks	4	275,159	0.26
Foreign Portfolio Investors	47	10,185,574	9.76
Bodies Corporate	577	8,545,498	8.19
Individuals	34,629	32,509,032	31.15
Foreign Nationals	15	30,840	0.03
Clearing Members	174	370,402	0.35
Non Resident Indians	487	1,054,881	1.01
Trusts	3	3,201	0.00
TOTAL	35,938	104,350,090	100.00

Stock Market Data

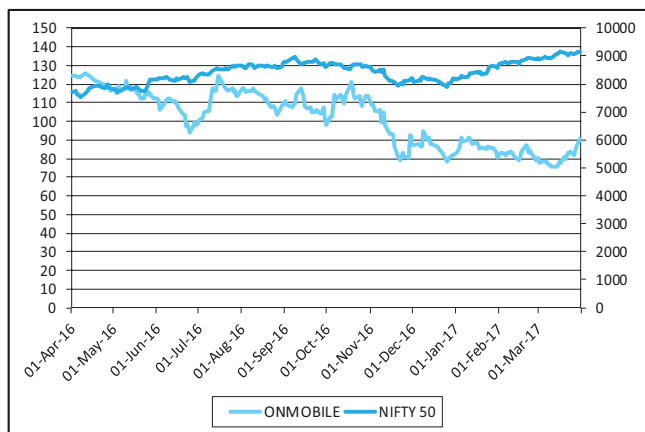
Monthly high and low quotes during each month in the financial year 2016-17 as well as the volume of shares traded on NSE and BSE are as below:

Financial Year 2016-17	BSE			NSE		
	High (₹)	Low (₹)	Total Traded Quantity	High (₹)	Low (₹)	Total Traded Quantity
April	127.00	115.40	545,872	126.95	115.00	3,704,350
May	123.50	105.60	882,009	123.45	105.70	5,471,997
June	116.50	91.00	1,669,442	114.25	90.60	10,252,990
July	128.70	99.20	3,073,348	128.45	98.95	11,166,033
August	122.00	100.90	989,704	122.25	100.80	5,339,127
September	121.55	90.00	1,596,291	121.70	96.75	6,921,587
October	126.50	100.30	3,812,541	126.65	100.00	18,813,779
November	113.90	77.80	3,991,859	114.40	77.85	10,541,160
December	97.55	78.20	1,903,529	97.70	78.10	9,131,667
January	93.15	80.00	1,505,969	92.95	80.00	6,894,211
February	87.70	76.40	1,561,748	87.55	76.25	7,558,764
March	91.60	75.00	3,076,143	91.40	75.15	14,523,922

OnMobile Global Limited vs BSE (Sensex)



OnMobile Global Limited vs NSE (Nifty)



Investor Grievance and Share Transfer

The Company has a Stakeholders Relationship Committee of the Board to examine and redress shareholders' and investor complaints. The status on share transfers is reported to the Board by the Company Secretary. Details of complaints received and their nature is provided below. The Company Secretary receives the share transfers and reports the same to the committee at their meeting. For matters regarding shares transferred in physical form, share certificates, dividends, change of address, etc., shareholders should communicate with Karvy Computershare Private Limited, our Registrar and Share transfer agent. The address is given in the section on 'Shareholder information'. For shares transferred in electronic form, after confirmation of sale/purchase

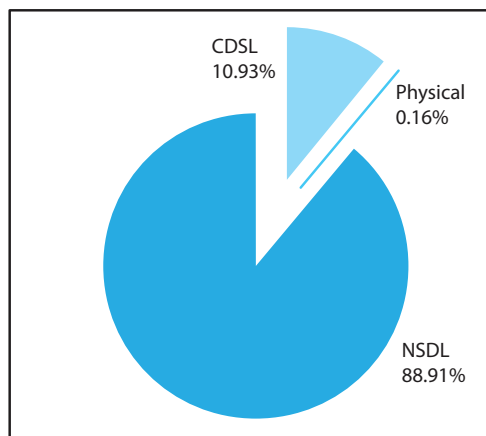
transaction from the broker, shareholders should approach the depository participant with a request to debit or credit the account for the transaction. The depository participant will immediately arrange to complete the transaction by updating the account. There is no need for separate communication to register the share transfer.

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

Sl. No.	Description	Received	Resolved	Pending
1	Non receipt of electronic credits	0	0	0
2	Non receipt of annual reports	12	12	0
3	Non receipt of dividend warrants	9	9	0
4	Non receipt of Refund orders	0	0	0
5	Non receipt of securities	0	0	0
6	SEBI (stock option's related)	0	0	0
TOTAL		21	21	0

Dematerialization of Shares

The Company's shares are admitted into both the depositories viz., National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2017, 99.84% of the Company's shares are held in electronic form.



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

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

**TO THE MEMBERS OF
ONMOBILE GLOBAL LIMITED**

1. This certificate is issued in accordance with the terms of our engagement letter dated October 17, 2016.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of OnMobile Global Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by

the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2017.

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

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji

Partner

(Membership No. 203685)

Bengaluru,
July 28, 2017

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

The Board of Directors
OnMobile Global Limited,
Electronic City,
Bangalore.

We have examined all relevant records of **ONMOBILE GLOBAL LIMITED** (CIN: L64202KA2000PLC027860) (the Company), for the purpose of certifying compliance of the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year ended March 31, 2017.

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

On the basis of our findings recorded in the annexed report from the examination of the records produced and explanations and information furnished to us, in our opinion the Company has complied with the requirements of Corporate Governance as stipulated in Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year ended March 31, 2017.

P.G. HEGDE

Hegde & Hegde

Company Secretaries

C.P.No.640

Place: Bangalore
Date: May 26, 2017.

Declaration by the Executive Chairman and CEO under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding compliance with Code of Conduct

In accordance with Regulation 34(3) and Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has in respect of the year ended March 31, 2017, received from its Board members as well as senior management personnel affirmation as to compliance with the Code of Conduct.

Place: London
Date: May 26, 2017

François-Charles Sirois
Executive Chairman and CEO

CEO and CFO Certification

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

1. We have reviewed the balance sheet and profit and loss account (consolidated and unconsolidated), and all its schedules and notes on accounts, as well as the cash flow statements, and the directors report;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
3. Based on the information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations;
4. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
5. We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
6. We have indicated to the auditors and the Audit Committee:
 - (i) Significant changes in the internal control over financial reporting during the year;
 - (ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee have a significant role in the Company's internal control system over financial reporting.

François-Charles Sirois
Executive Chairman and CEO

Praveen Kumar KJ
Chief Financial Officer

Date: May 26, 2017
Place: London

Directors' Report

Dear Shareholders,

The Directors are pleased to present the 17th Annual Report on the business and operations of the Company together with the audited financial statements for the year ended March 31, 2017.

RESULTS OF OPERATIONS FOR THE YEAR 2016-17

Summary of the operations of the Company on standalone basis for the financial year 2016-17 is as follows:

(In ₹ Million)

Particulars	2016-17	2015-16
Revenue from operations	3,049.98	3,331.55
Earnings before other income, depreciation and amortization, finance charges, Exceptional item and tax	72.50	341.34
Exceptional item	116.56	2.46
Profit/(Loss) before other income, depreciation and amortization, finance charges and tax	(44.06)	338.88
Profit/(Loss) before tax	490.48	146.99
Profit/(Loss) for the year	426.28	(21.25)
Total Comprehensive Income for the year	377.02	1.44
Equity Share Capital	1,043.50	1,081.11
Other Equity	5,741.07	5,899.91
Networth	6,784.57	6,981.02
Net Block	334.61	279.65
Net Current Assets	2,879.58	3,399.89
Cash and Cash Equivalents	768.96	840.92
Earnings/ (Loss) per share (Diluted) (In ₹)	4.04	(0.19)

BUSINESS PERFORMANCE / FINANCIAL OVERVIEW

Standalone Financials

During 2016-17, the Company recorded net revenue of ₹ 3,049.98 million, as compared to ₹ 3,331.55 million in 2015-16. The Profit/(Loss) after tax of the Company is ₹ 426.28 million in 2016-17 as compared to ₹ (21.25) million in 2015-16. The diluted earnings/(Loss) per share (EPS) is ₹ 4.04 per share as compared to ₹ (0.19) per share in 2015-16.

Consolidated Financials

During 2016-17, the Company recorded consolidated net revenue of ₹ 7,202.36 million, as compared to ₹ 8,157.43 million in 2015-16. The consolidated Profit/(Loss) after tax of the Company for the year 2016-17 is ₹ 140.90 million as

compared to ₹ (276.83) million in 2015-16. The consolidated diluted earnings/(Loss) per share (EPS) for the year 2016-17 is ₹ 1.34 as compared to ₹ (2.53) per share in 2015-16.

Appropriations

Dividend

Your directors are pleased to recommend the following dividend for the financial year ended March 31, 2017 which is payable on obtaining the shareholders' approval in the 17th Annual General Meeting scheduled for September 6, 2017:

Particulars of dividend	Par value (₹)	Per-centage	Dividend amount per equity share (₹)	Date of recommendation	Book Closure Date
Final Dividend	10.00	15%	1.50	May 26, 2017	August 31, 2017 to September 6, 2017 (both days inclusive)

The total dividend payout amount for the year inclusive of dividend distribution tax will be ₹ 188.39 million.

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

After providing for the dividend, the Company proposes to retain ₹ 2,951.41 million in the Statement of Profit and Loss. The Company is not proposing to transfer any amount to reserves from the profits of the financial year 2016-17.

Liquidity

As on March 31, 2017 the Company had liquid assets including investments in fixed deposits and mutual funds of ₹ 1,696.07 million.

BUY BACK

The Board of Directors at their meeting held on February 4, 2016 approved buyback of equity shares of the Company from the open market through the Stock Exchange Mechanism up to an aggregate amount of ₹ 70 crores subject to a maximum of 5,600,000 equity shares.

The buyback offer opened on February 22, 2016 and the Company had bought back 1,532,594 equity shares during FY 2015-16 and the Company bought back the balance 4,067,406 equity shares during the year under review and the buyback offer closed on June 27, 2016. The last lot of extinguishment of equity shares in connection with the Buyback completed on July 4, 2016. As a result of this Buy Back, the issued and paid-up share capital of the Company had reduced from 109,643,996 shares to 104,043,996 shares as on July 4, 2016.

CHANGES TO THE SHARE CAPITAL

During the year under review, the Company allotted 306,094 equity shares (including bonus shares) on the exercise of stock options under its various Employee Stock Option Plans.

As a result of the aforesaid buyback and the allotment of equity shares under ESOPs, the issued and paid-up share capital of the Company as on March 31, 2017 stands at ₹1,043,500,900.

SIGNIFICANT EVENTS: 2016-17

Launch of consumer brand ONMO

On October 19th, 2016, OnMobile Global Limited, unveiled its new consumer brand, ONMO, and showcased some of its new products that will use sound to enrich communication, expression, and discovery. With this OnMobile, plans to engage with consumers directly, offering a suite of universally recognizable apps and services to its customers worldwide. Building upon its competency it has introduced a new generation of Apps that positions OnMobile as a powerhouse in sound-based communication category. Having made significant investments in core technology, product development, processes and people OnMobile is ready to serve consumers directly.

INFORMATION ABOUT SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES

As on March 31, 2017, the Company has 44 subsidiaries.

During the year 2016-17, the following branches of OnMobile Global Limited were closed:

1. **Australia** (closed w.e.f 6th December 2016);
2. **Spain** (closed w.e.f 20th December 2016)

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

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

NEW LOCATIONS

During the year under review, the branch of the Company located in Sri Lanka shifted to new address. Similarly, there has been a change in the registered office address of Singapore PTE Ltd., the subsidiary of the Company. The new addresses can be seen under Contact Information section.

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

There have been no material changes for the period between end of the financial year 2016-17 and the date of this report affecting the financial position of the Company.

OPERATIONAL EFFICIENCY

OnMobile operations team continues its efforts to improve the efficiencies. Due to automation of tasks over the last 4 quarters, TATs have improved drastically. Monitoring systems are in place to ensure 95% of the issues are proactively identified and fixed with an aim to maximize monetization. The Delivery, Operations and Engineering teams jointly drove the following efforts:

ISO Certification

OnMobile continues to strive for process excellence. Operations team has ensured successful Surveillance Audit for the year 2017 in our effort to ensure that we retain our ISO 27001:2013 certification from UKAS. The Client Delivery units, platforms, products and support functions were audited extensively under the ISO 27001:2013 standards framework by DNV. This is an endorsement of the efforts that have gone into continued improvement of processes.

Automation & Optimization

We continue our efforts towards automation of repetitive tasks. Processes have been mapped to systems to make them measurable in terms of quantity and time. Data points were used to create dashboards and track team / system performances and drive improvements. Few more processes have been put under quality audit and improvement plan.

Operations team

The Operations team has been Centralized under Global Support & Operations team. This is an extension of the scope of earlier GNOC – which was monitoring and L1 support to complete Operations support. We have been able to reduce on repetitive work across multiple regions. This consolidation has helped in improving issue resolution time due to cross learning.

INFRASTRUCTURE

OnMobile is having with more than 40 offices across the globe and 2.25 lakh square feet of office space. The offices are categorized as virtual office, business centers and owned/leased offices. OnMobile headquarters in Electronic city, Bangalore is the largest facility with 1.30 lakh square feet of office space. All the OnMobile facilities are well equipped with good Infrastructure & working atmosphere and high level of security and safety competency. Regular and planned preventive measures are in place to avoid downtime and to ensure business continuity. We operate the facilities in a manner that complies with local laws and regulations.

OnMobile services to customers PAN India. It has 9 regional warehouses catering to internal hardware movement and supporting operations of more than 2,500 internal IT servers across India. OnMobile is a truly global company which is

spread over 55 countries and enjoys long-term partnerships with global telecom operators.

CORPORATE SOCIAL RESPONSIBILITY

As a responsible organization, we strongly believe in contributing to the society. Hence, in line with our corporate philosophy, we tied up with an NGO – Society to Aid the Hearing Impaired (SAHI), which helps those suffering from auditory impairment. In addition to providing financial support, we conducted 3 hearing screening camps at Vemulla, Chevella and Mahabubnagar in the state of Telangana for SAHI which had an involvement of 400 children. We distributed a total of 51 aids and identified those who need to undergo surgeries for their betterment. We also successfully conducted 2 Cochlear Implant Surgeries that helped restore the hearing ability of the affected individuals. This surgery replaces the function of a damaged ear.

To go a step further and encourage our employees to contribute towards a cause that they feel passionate about, we introduced a policy which enables them to take 2 days off in a year for the same.

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

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

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

RESEARCH AND DEVELOPMENT

During the fiscal year ending March 31, 2017, OnMobile has completed the development of the SPARK platform for ringback tones and has deployed it in the United States for the launch of its new direct-to-consumer app, ONMO Express. OnMobile has also developed a new music discovery platform which is the core of its new service, ONMO Discover, also being launched in the United States. OnMobile has worked extensively on its new mobile content platform, SPACE, which is used for delivering mobile content portals such as mobile news and mobile games services.

During 2016-17, the engineering and research and development team has been more focused with dedicated teams on specific areas of expertise. The team in Bangalore is focused on ringback tone and billing infrastructure, the team in France is focused on mobile application development while the team in United Kingdom is focused on mobile content delivery platform.

The mobile content platform

The development team in St-Ives, United Kingdom has been structured to work on the new SPACE platform, which is a highly-scalable and flexible mobile content delivery platform. This platform is currently used by several operators in Europe and a new version of the platform is being developed. It will

be hosted in the cloud and will be able to serve any operator worldwide.

Mobile applications

This year, there has been many updates on the mobile applications delivered to the operators and the 2 direct-to-consumer apps, Onmo Express and Onmo Discover have been developed and delivered in 2017.

Sound expertise

As OnMobile is looking for new ways to use sound as a means of communication, we have invested in strengthening our audio expertise and made research on audio transformation, editing and enhancement to provide end-user with new capabilities.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance. The Company meets the standards and guidelines set by the Securities and Exchange Board of India on corporate governance and have implemented all the stipulations prescribed. A detailed report on Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report. Certificate(s) from the Auditors of the Company, Deloitte Haskins & Sells, Chartered Accountants and Hegde & Hegde, Practicing Company Secretaries, confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

BUSINESS RESPONSIBILITY REPORT

The Company has prepared Business Responsibility Report in line with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is annexed to this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Executive Chairman and CEO

François-Charles Sirois, Executive Chairman was appointed as Chief Executive Officer and re-designated as 'Executive Chairman and Chief Executive Officer' of the Company w.e.f March 1, 2017 by the Board of Directors at their meeting held on February 23, 2017.

Re-appointments

Pursuant to the provisions of Section 149 of Companies Act, 2013, Rajiv Khaitan and Nancy Cruickshank were appointed as Independent Directors for a period of three years. The said period is coming to an end at the ensuing Annual General Meeting (AGM). It is proposed to re-appoint them as Independent Directors of the Company for a further period of three years at the forthcoming AGM.

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

Inductions

Chris Arsenault was appointed as an Additional Director of the Company by the Board w.e.f May 26, 2017 and he shall hold office until the date of the ensuing AGM.

It is proposed to appoint him as Independent Director pursuant to Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 at the forthcoming AGM.

Resignations

Rajiv Pancholy has resigned as Managing Director of the Company and from the Board of Directors w.e.f February 23, 2017. He resigned from the position of Chief Executive Officer w.e.f February 28, 2017.

Pascal Tremblay resigned from the directorship of the Company w.e.f May 26, 2017.

AUDITORS' APPOINTMENT

In terms of provisions of Section 139 of the Companies Act 2013 and the rules made thereunder M/s Deloitte Haskins & Sells, the Statutory Auditors of the Company retire at the conclusion of the 17th Annual General Meeting and having completed their term, are not eligible for re-appointment. Therefore pursuant to the provisions of the said Act and rules, the Board of Directors, on recommendation of the Audit Committee, have recommended appointment of M/s BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as Statutory Auditors of the Company in place of M/s Deloitte Haskins & Sells, retiring Statutory Auditors, to hold office from the conclusion of this Annual General Meeting to the conclusion of the 22nd Annual General Meeting to be held in calendar year 2022 subject to ratification of their appointment at every Annual General Meeting on the remuneration to be fixed by the Board of Directors in consultation with the Auditors from time to time.

The Company has obtained consent and certificate from M/s BSR & Co. LLP, Chartered Accountants pursuant to section 139 of the Companies Act 2013, to the effect that their appointment, if made, will be within the limits fixed and in accordance with the provisions of the Act and the rules made there under.

SECRETARIAL AUDIT

The Board of Directors of the Company had appointed Parameshwar G Hegde of Hegde & Hegde, Practicing Company Secretaries to conduct the Secretarial Audit pursuant to the provisions of Section 204 of the Companies Act, 2013 for the financial year ended March 31, 2017 and the Secretarial Audit Report is appended as **Annexure X**.

COMMENTS ON AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by Statutory Auditors of the Company in the Audit Report and by the Secretarial Auditor in the Secretarial Audit Report for the financial year ended March 31, 2017.

MCA Inspection

Inspection of books of accounts and other records of the Company under Section 206 read with Section 207 was carried out by the Ministry of Corporate Affairs, Government of India during the audit period and the company has received a Preliminary Findings (PF) letter No ROCB/KT/INSP/027860/2017 dated April 25, 2017 from the Inspection officer, Deputy Registrar of Companies, directing the company to reply to certain non-compliances of provisions of Companies Act, 1956/2013 noticed during the inspection. The Company vide letter dated May 12, 2017 furnished the responses to the said PF Letter.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

NUMBER OF MEETINGS OF THE BOARD

The Board met five times during the financial year 2016-17 viz., May 30, 2016, July 30, 2016, November 11, 2016,

February 9, 2017 and February 23, 2017. The maximum interval between any two meetings did not exceed 120 days.

COMMITTEES OF THE BOARD

As on March 31, 2017, the Board had five Committees:

1. Audit Committee
2. Nomination and Compensation Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance" as part of this Annual Report.

BOARD INDEPENDENCE

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

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

- a) Rajiv Khaitan
- b) Nancy Cruickshank
- c) Sanjay Baweja
- d) Nehchal Sandhu
- e) Pascal Tremblay*
- f) Chris Arsenault#

* Resigned from the Board w.e.f. May 26, 2017.

Appointed as Additional Director by the Board w.e.f. May 26, 2017 and approval of the shareholders for appointment as Independent Director is being sought at the forthcoming Annual General Meeting.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of the loans and guarantees given and the investments made pursuant to Section 186 of the Companies Act, 2013 are given below:

Sl. No	Name of the entity	Relation	Amount ₹ (in Million)	Particulars of loans, guarantees and investments	Purpose for which the loan, guarantee and investment are proposed to be utilised
1.	OnMobile Global for Telecommunication Services, Egypt	Subsidiary	0.3	Investment in share capital	Working capital
2.	OnMobile USA LLC.	Subsidiary	76.30	Loans provided	Working capital of its subsidiary
3.	OnMobile USA LLC.	Subsidiary	81.13	Loans provided	Working capital of its subsidiary
4.	OnMobile USA LLC.	Subsidiary	33.32	Loans provided	Working capital of its subsidiary

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

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is appended in **Annexure III** to this report.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Company, being a service provider organization, most of the information as required under Section 134(3)(m) read with Companies (Accounts) Rules, 2014 is not applicable. However, the Company endeavors to effectively utilize

and conserve energy by using improved technology in its infrastructure such as lightings and paper usage.

FOREIGN EXCHANGE EARNINGS AND OUTGO

(In ₹ Million)

Description	Year ended	
	March 31, 2017	March 31, 2016
Foreign exchange earnings	1,831.34	2,138.68
Foreign exchange outgo	883.36	980.47

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern

status and Company's operations in future. Details of pending litigations and tax matters are disclosed in the financial statements.

DIVIDEND DISTRIBUTION POLICY

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

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

RISK MANAGEMENT POLICY

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

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

VIGIL MECHANISM

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

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

The Company is in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder. No complaints requiring any enquiry or action under the said Act and Rules have been received during the year under review.

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

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

An external expert 'Optimum Talent' had been engaged to complete the evaluation process. Nomination and Compensation Committee in consultation with the external expert formulated criteria for evaluation of performance

in alignment with 'Guidance Note on Board Evaluation' issued by Securities and Exchange Board of India. A survey questionnaire had been circulated to all the Board members with set of questions to assess the performance under each of the following categories:

1. Board as a whole
2. Committees of the Board
3. Individual Directors and Chairperson

The Board reviewed and analyzed the responses to the questionnaire and accordingly completed the Board evaluation process for the financial year 2016-17.

EXTRACT OF ANNUAL RETURN

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

PARTICULARS OF EMPLOYEES

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

A statement showing details of every employee employed throughout the financial year and in receipt of remuneration of ₹1.02 crore or more per annum or employed for part of the year and in receipt of ₹ 8.5 lakh or more per month under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as **Annexure VII (B)** to Directors report.

FIXED DEPOSITS

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

EMPLOYEE STOCK OPTION SCHEMES

Pursuant to the provisions of Section 62(1)(b) read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, the Company approved following Employee Stock Option Schemes i.e. Employee Stock Option Plan-I, 2003, Employee Stock Option Plan-II, 2003, Employee Stock Option Plan-III, 2006, Employee Stock Option Plan-I, 2007, Employee Stock Option Plan-II, 2008, Employee Stock Option Plan-III, 2008, Employee Stock Option Plan-IV, 2008, Employee Stock Option Plan-I, 2010, Employee Stock Option Plan-II, 2010 ; Employee Stock Option Plan I, 2011, Employee Stock Option Plan I, 2012 and Employee Stock Option Plan I, 2013 for granting stock options to its employees.

All the schemes endeavor to provide incentives and retain employees who contribute to the growth of the Company. A summary disclosure in compliance with Companies (Share Capital and Debentures) Rules, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014, forms part of this report as **Annexure IX**

and the complete details have been disclosed under Notes to the financial statements which form part of the Annual Report. During the year under review, there has been no variation in the terms of ESOP schemes.

ACKNOWLEDGMENTS

The Board of Directors takes this opportunity to express their appreciation to the customers, shareholders, investors, vendors and bankers who have supported the Company during the year. The Directors place on record their appreciation to the OnMobilians at all levels for their contribution to the Company. The Directors would like to make a special mention of the support/co-operation extended by the various departments of the Government of India, particularly the Special Economic Zone, the Service Tax and Income Tax Departments, the Customs and Excise

departments, the Ministry of Commerce, the Department of Telecommunications, the Reserve Bank of India, Ministry of Corporate Affairs, Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Ltd, National Securities Depository Limited and Central Depository Services (India) Limited and look forward to their support in all future endeavors.

For and on behalf of the Board of Directors

François-Charles Sirois
Executive Chairman and CEO

Place: London
Date: May 26, 2017

Annexures to the Board's Report

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

FORM AOC-1

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies											
Part "A": Subsidiaries											Amt in INR Millions
Entity Name	Reporting Currency & Exchange Rate as on 31st March 2017	Share Capital (2)	Reserves & Surplus (2)	Total Assets (2)	Total Liabilities (Excl Share Capital & Reserves and Surplus) (2)	Turnover (1)	Investments	Profit / (Loss) before taxation (1)	Provision for taxation (1)	Profit / (Loss) after taxation (1)	% of Share-holding
OnMobile Singapore Pte. Ltd.	1 SGD = INR 46.409	208.14	88.21	411.82	115.46	105.77	-	1.77	-	1.77	100%
PT OnMobile Indonesia	1 IDR = INR 0.005	4.41	(2.44)	5.26	3.29	-	-	(7.56)	0.22	(7.78)	100%
Servicios De Telefonía OnMobile Sa De Cv	1 MXN = INR 3.457	6.33	(113.42)	75.73	182.83	109.07	-	(46.90)	5.36	(52.26)	100%
OnMobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda.	1 BRL = INR 20.586	48.69	223.48	354.94	82.76	192.42	-	(5.63)	14.44	(20.07)	100%
OnMobile Global for Telecommunication Services	1 EGP = INR 3.568	0.18	(68.20)	213.17	281.19	175.45	-	(45.01)	(3.06)	(41.95)	100%
OnMobile Telecom Burkina Faso, S.A.R.L.	1 XOF = INR 0.105	0.10	(20.90)	23.20	44.00	10.41	-	(1.42)	-	(1.42)	100%
OnMobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	1 TRY = INR 17.806	0.18	(32.41)	8.86	41.10	6.02	-	(12.86)	-	(12.86)	100%
OnMobile Global Czech Republic S.R.O	1 CZK = INR 2.564	0.51	(14.89)	5.69	20.06	6.42	-	(1.42)	0.10	(1.52)	100%
OnMobile Live Inc	1 USD = INR 64.85	64.85	(1,422.96)	249.54	1,607.66	231.02	-	(289.31)	-	(289.31)	100%
Fonestarz Media Group Limited	1 GBP = INR 80.914	0.00	59.50	247.11	187.62	492.00	-	(29.05)	(0.94)	(28.11)	100%
OnMobile Kenya Telecom Limited	1 KES = INR 0.631	39.21	(42.51)	84.58	87.89	38.55	-	1.07	0.05	1.01	100%
OnMobile Telecom Limited	1 MWK = INR 0.089	0.51	(8.56)	19.98	28.02	9.30	-	(0.22)	1.80	(2.02)	100%
OnMobile Mali SARL	1 XOF = INR 0.105	-	(9.26)	5.96	15.22	-	-	(0.35)	-	(0.35)	100%
OnMobile Senegal SARL	1 XOF = INR 0.105	-	(14.07)	12.60	26.67	-	-	(0.67)	-	(0.67)	100%

Part "A": Subsidiaries											
Entity Name	Reporting Currency & Exchange Rate as on 31st March 2017	Share Capital (2)	Reserves & Surplus (2)	Total Assets (2)	Total Liabilities (Excl Share Capital & Reserves and Surplus) (2)	Turnover (1)	Investments	Profit / (Loss) before taxation (1)	Amt in INR Millions		
									Provision for taxation (1)	Profit / (Loss) after taxation (1)	% of Shareholding
OnMobile Servicios Corporativos De Telefonía S.A. DE C.V.	1 MXN = INR 3.457	-	3.87	7.59	3.72	34.54	-	2.41	1.00	1.42	100%
OnMobile Costa Rica OBCR, S.A.	1 CRC = INR 0.116	-	3.14	13.86	10.71	28.71	-	1.84	0.57	1.28	100%
OnMobile Ghana Telecom Limited	1 GHS = INR 14.59	1.48	(17.69)	10.60	26.81	3.17	-	(3.01)	1.00	(4.02)	100%
OnMobile Madagascar Telecom Limited	1 MGA = INR 0.02	0.89	(5.03)	8.21	12.36	1.48	-	(0.21)	0.04	(0.25)	100%
OnMobile Nigeria Telecom Limited	1 NGN = INR 0.206	0.51	(23.03)	137.02	159.54	124.36	-	(19.03)	7.60	(26.63)	100%
OnMobile Rwanda Telecom Limited	1 RWF = INR 0.079	0.04	(12.23)	9.28	21.48	4.39	-	(1.99)	0.66	(2.66)	100%
OnMobile Uganda Limited	1 UGX = INR 0.018	11.54	(27.47)	19.10	35.03	21.89	-	0.44	9.90	(9.46)	100%
OnMobile Zambia Telecom Limited	1 ZMK = INR 0.007	5.47	(8.76)	30.22	33.51	20.82	-	3.02	0.24	2.79	100%
OnMobile Telecom Sierra Leone Limited	1 SLL = INR 0.009	0.58	(10.67)	7.20	17.29	2.38	-	(5.96)	0.02	(5.99)	100%
OnMobile Uruguay SA	1 UYU = INR 2.31	-	(4.76)	5.49	10.25	13.79	-	1.82	0.68	1.15	100%
OnMobile Global Solutions Canada Limited	1 CAD = INR 48.595	0.49	2.85	19.72	16.38	29.39	-	1.40	0.03	1.38	100%
OnMobile Global SA	1 ARS = INR 4.21	9.19	(112.86)	172.88	276.55	75.91	-	24.18	8.65	15.53	100%
OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira)	1 EUR = INR 69.289	0.69	(4.74)	0.13	4.17	-	-	(0.21)	-	(0.21)	100%
OnMobile Europe B.V.	1 EUR = INR 69.289	452.36	31.06	485.04	1.61	-	-	6.41	0.42	5.99	100%
OnMobile S.A. (erstwhile Telisma S.A.)	1 EUR = INR 69.289	3.46	219.27	266.25	43.52	142.32	-	(6.36)	-	(6.36)	100%
OnMobile USA LLC	1 USD = INR 64.85	130.35	(43.06)	1,902.40	1,815.11	254.31	-	30.51	0.00	30.51	100%
OnMobile De Venezuela C.A.	1 USD = INR 64.85	2.26	(255.95)	12.86	266.55	4.72	-	(7.51)	-	(7.51)	100%
OnMobile Bangladesh Private Limited	1 BDT = INR 0.808	5.82	189.85	432.76	237.10	526.00	-	193.25	67.79	125.46	100%
OnMobile Global Spain S.L.	1 EUR = INR 69.289	66.59	355.25	1,417.76	995.93	2,651.02	-	170.53	42.58	127.94	100%

Part "A": Subsidiaries											
Entity Name	Reporting Currency & Exchange Rate as on 31st March 2017	Share Capital (2)	Reserves & Surplus (2)	Total Assets (2)	Total Liabilities (Excl Share Capital & Reserves and Surplus) (2)	Turnover (1)	Investments	Profit / (Loss) before taxation (1)	Amt in INR Millions		
									Provision for taxation (1)	Profit / (Loss) after taxation (1)	% of Share-holding
OnMobile Global Italy SRL	1 EUR = INR 69.289	0.69	(2.15)	0.17	1.63	-	-	(1.15)	-	(1.15)	100%
OnMobile Tanzania Telecom Limited	1 TZS = INR 0.029	-	(4.69)	2.00	6.69	-	-	(1.49)	0.61	(2.10)	100%
OnMobile Latam holding S.L	1 EUR = INR 69.289	0.69	(0.21)	0.48	-	-	-	(0.01)	-	(0.01)	100%
OnMobile Global South Africa (PTY) LTD	1 ZAR = INR 4.861	0.00	(2.00)	58.07	60.07	37.50	-	4.96	(0.04)	5.00	100%
OnMobile Global Limited Colombia S.A.S	1 COP = INR 0.023	12.51	(31.12)	13.03	31.64	7.48	-	(8.46)	-	(8.46)	100%

Note

- (1) Converted at monthly average exchange rates
- (2) Converted based on the exchange rates as on March 31, 2017
- (3) Total Dividend from the subsidiaries was INR 237.08 Million during the year
- (4) Investments exclude investments in subsidiaries
- (5) The following companies are yet to commence operation:
 - (a) OnMobile Global Italy SRL
 - (b) OnMobile Latam holding S.L
- (6) Above financials are prepared as per the Generally Accepted Accounting Principles (GAAP) of the respective countries
- (7) The reporting period for all the subsidiaries was March 31, 2017

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates	Mobile Voice Konekt Private Limited
1. Latest audited Balance Sheet Date	31st March 2017
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	5,000
Amount of Investment in Associates/Joint Venture	INR 50,000
Extend of Holding %	50%
3. Description of how there is significant influence	Shareholding greater than 20%
4. Reason why the associate/joint venture is not consolidated	Not Applicable
5. Networth attributable to Shareholding as per latest audited Balance Sheet	Nil
6. Profit / (Loss) for the year	INR (1436)
i. Considered in Consolidation	INR (1436)
ii. Not Considered in Consolidation	-

Note: The company had no Joint Ventures during the FY16-17

Annexure II

Nomination & Remuneration Policy

1. Introduction

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

2. Objective

The Nomination and Compensation Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The key objectives of the Committee would be:

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

3. Definitions

“**Listing Regulations**” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

“**Board**” means Board of Directors of the Company.

“**Directors**” means Directors of the Company.

“**Key Managerial Personnel**” means

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

“**Senior Management**” means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

4. Role of Committee

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

The Committee shall:

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

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

i. Appointment criteria and qualifications

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

ii. Term / Tenure

- a) Managing Director/Whole-time Director:
The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) Independent Director:
 - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible

for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

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

iii. Evaluation

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

iv. Removal

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

v. Retirement

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

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

i. General:

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Nomination and

Compensation Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Nomination and Compensation Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

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

a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to Provident Fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If any Whole-time Director draws or receives,

directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

iii. Remuneration to Non- Executive / Independent Director:

a) Remuneration / Commission:

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

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Currently, the maximum amount prescribed by the Central Government is ₹100,000 per meeting of the Board or Committee thereof.

c) Commission:

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

d) Stock Options:

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

Notes:

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

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

The remuneration payable to all the non-executive directors shall not exceed 1% of the net profits of the Company, if there is a managing or whole time Director. As there is a Managing Director and an Executive Chairman in the Company, the applicable limit is 1% of the net profit. Any payment exceeding 1%, would require the approval of the shareholders subject to the overall limit of 11%.

However, the Company in general meeting may, with the approval of the Central Government, authorise the payment of remuneration exceeding 11% of the net profits of the company, subject to the provisions of Schedule V.

5. Charter of the Nomination and Compensation Committee:

5.1 Composition:

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

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

5.2 Meetings:

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

5.3 Authority:

The Committee will have the authority:

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

5.4 Terms of Reference:

1. Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
2. The Committee will make recommendations to the Board regarding the size and composition of the Board and develop and recommend to the Board the Criteria (such as independence, experience relevant

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

This Policy is placed on the website of the Company at www.onmobile.com.

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

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014-AOC-2)

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

There were no contracts or arrangements or transactions entered in the year ended March 31, 2017 which were not at arm's length basis.

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

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2017 are as given in the table below

SI No	Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances
	(a)	(b)	(c)	(d)	(e)	(f)
1	OnMobile Singapore Pte. Ltd.	Transfer Pricing with Subsidiary	April 2016 to March 2017	Transfer Pricing revenue	At quarterly meetings	Nil
2	OnMobile Global for Telecommunication Services	Transfer Pricing with Subsidiary	April 2016 to March 2017	Transfer Pricing revenue	At quarterly meetings	Nil
3	OnMobile Nigeria Telecom Limited	Transfer Pricing with Subsidiary	April 2016 to March 2017	Transfer Pricing revenue	At quarterly meetings	Nil
4	OnMobile Global South Africa (PTY) Limited	Transfer Pricing with Subsidiary	April 2016 to March 2017	Transfer Pricing revenue	At quarterly meetings	Nil
5	OnMobile Ghana Telecom Limited	Transfer Pricing with Subsidiary	April 2016 to March 2017	Transfer Pricing revenue	At quarterly meetings	Nil
6	OnMobile Telecom (SL) Limited	Transfer Pricing with Subsidiary	April 2016 to March 2017	Transfer Pricing revenue	At quarterly meetings	Nil
7	OnMobile Rwanda Telecom Limited	Transfer Pricing with Subsidiary	April 2016 to March 2017	Transfer Pricing revenue	At quarterly meetings	Nil
8	OnMobile Uruguay S.A	Transfer Pricing with Subsidiary	April 2016 to March 2017	Transfer Pricing revenue	At quarterly meetings	Nil
9	OnMobile Telecom Limited.	Transfer Pricing with Subsidiary	April 2016 to March 2017	Transfer Pricing revenue	At quarterly meetings	Nil
10	OnMobile Costa Rica OBCR SA	Transfer Pricing with Subsidiary	April 2016 to March 2017	Transfer Pricing revenue	At quarterly meetings	Nil
11	OnMobile Zambia Telecom Limited	Transfer Pricing with Subsidiary	April 2016 to March 2017	Transfer Pricing revenue	At quarterly meetings	Nil
12	OnMobile Global Spain S.L.	Transfer Pricing with Subsidiary	April 2016 to March 2017	Transfer Pricing revenue	At quarterly meetings	Nil
13	OnMobile USA LLC	Transfer Pricing with Subsidiary	April 2016 to March 2017	Yield Support Cost	At quarterly meetings	Nil
14	OnMobile Kenya Telecom Limited	Transfer Pricing with Subsidiary	April 2016 to March 2017	Yield Support Cost	At quarterly meetings	Nil
15	OnMobile Global Solutions Canada Limited	Transfer Pricing with Subsidiary	April 2016 to March 2017	Yield Support Cost	At quarterly meetings	Nil
16	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	Allocation of Corporate Costs	April 2016 to March 2017	Corporate cost cross charged	At quarterly meetings	Nil
17	OnMobile Singapore Pte. Ltd.	Allocation of Corporate Costs	April 2016 to March 2017	Corporate cost cross charged	At quarterly meetings	Nil

SI No	Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances
	(a)	(b)	(c)	(d)	(e)	(f)
18	OnMobile Global Spain S.L.U	Allocation of Corporate Costs	April 2016 to March 2017	Corporate cost cross charged	At quarterly meetings	Nil
19	OnMobile Costa Rica OBCR, SA	Allocation of Corporate Costs	April 2016 to March 2017	Corporate cost cross charged	At quarterly meetings	Nil
20	OnMobile USA LLC	Transfer Pricing with Subsidiary	April 2016 to March 2017	Data centre costs cross charged.	At quarterly meetings	Nil
21	OnMobile Rwanda Telecom Limited	As per Loan Agreement	April 2016 to March 2017	Interest on Loan to Subsidiary	At quarterly meetings	Nil
22	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	As per Loan Agreement	April 2016 to March 2017	Interest on Loan to Subsidiary	At quarterly meetings	Nil
23	OnMobile USA LLC	As per Loan Agreement	April 2016 to March 2017	Interest on Loan to Subsidiary	At quarterly meetings	Nil
24	OnMobile Portugal SGPS	As per Loan Agreement	April 2016 to March 2017	Interest on Loan to Subsidiary	At quarterly meetings	Nil
25	OnMobile Global Czech Republic s.r.o.	As per Loan Agreement	April 2016 to March 2017	Interest on Loan to Subsidiary	At quarterly meetings	Nil
26	OnMobile Singapore Pte. Ltd.	Transfer Pricing with Subsidiary	April 2016 to March 2017	Manpower cross charge	At quarterly meetings	Nil
27	OnMobile Live Inc	On Actual cost basis	April 2016 to March 2017	SBLC amortization cost	At quarterly meetings	Nil
28	OnMobile S.A.	Allocation of Corporate Costs	April 2016 to March 2017	Travel - Sales and Marketing/Manpower cross charge	At quarterly meetings	Nil
29	OnMobile Singapore Pte. Ltd.	As per Group's RPT Policy	April 2016 to March 2017	Sale of Fixed Assets/ Office Supplies	At quarterly meetings	Nil
30	Rajiv Pancholy	Employment Contract	April 2016 to March 2017	Remuneration (including other benefits)	At quarterly meetings	Nil
31	Francois Charles Sirois	Employment Contract	April 2016 to March 2017	Remuneration (including other benefits)	At quarterly meetings	Nil
32	Praveen Kumar	Employment Contract	April 2016 to March 2017	Remuneration (including other benefits)	At quarterly meetings	Nil
33	Varaprasad	Employment Contract	April 2016 to March 2017	Remuneration (including other benefits)	At quarterly meetings	Nil

Annexure IV

Dividend Distribution Policy

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

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

1. Objectives

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

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

2. Definitions

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

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

'Company' means OnMobile Global Limited.

'Dividend' includes any interim dividend.

'Policy' means Dividend Distribution Policy.

3. Guidelines for distribution of dividend

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

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

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

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

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

Subject to the provisions of the Companies Act,

dividend shall be declared or paid only out of:

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

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

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

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

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

v. Provisions with regard to various classes of shares

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

4. Amendments

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

5. Dissemination of Policy

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

Annexure V

Risk Management Policy

1. Introduction

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

2. Objective

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

3. Definitions

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

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

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

"Policy" means Risk Management Policy.

4. Regulatory framework/requirement

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

4.1 Listing Regulations

Key functions of the Board

The Board should fulfil certain key functions, including:

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

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

The role of the Audit Committee shall include the following:

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

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

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

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

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

4.2 Companies Act, 2013

1. Provisions of the Section 134(3)

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

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

2. Provisions of the Section 177(4)

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

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

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

II. Role and functions:

The independent directors shall:

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

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

5. Charter of the Risk Management Committee

Charter of the Risk management Committee shall be as follows:

5.1 Purpose

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

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

5.2 Composition

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

5.3 Meetings and Quorum

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

5.4 Authority

The Committee shall have free access to management and management information. The Committee, at its sole authority, may seek the advice of outside experts or consultants where judged necessary.

5.5 Terms of reference

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

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

Annexure VI
Extract of Annual Return

Form No. MGT-9

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

Registration and Other Details

Corporate Identity Number (CIN) Of the Company	L 6 4 2 0 2 K A 2 0 0 0 P L C 0 2 7 8 6 0
Registration Date	September 27, 2000
Name of the Company	OnMobile Global Limited
Category / Sub-Category of the Company	Company Limited by shares Public non-government Company
Address of the Registered office and contact details	Tower#1, 94/1C & 94/2, Veerasandra Village, Attibele Hobli, Anekal Taluk, Electronic City Phase-1, Bangalore-560100, Karnataka, India Tel: 080 41806000 Fax: 080 41806009
Listed company (Yes/No)	Yes
Name Address and Contact details of Registrar and Transfer Agent,	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032 T +91 40 6716 2222 F +91 40 2342 0814

Principal Business Activities of the Company

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

Particulars of holding, subsidiary and associate companies

Sl. No.	Name of the Company	Country	Certificate of Incorporation No.	Holding/ Subsidiary/ Associate	% of holding as at March 31, 2017	Applicable Section
1	OnMobile Singapore Pte. Ltd.	Singapore	N/A	Subsidiary	100%	2(87)(ii)
2	PT OnMobile Indonesia	Indonesia	N/A	Subsidiary	100%	2(87)(ii)
3	OnMobile SA*	France	N/A	Subsidiary	100%	2(87)(ii)
4	OnMobile Europe BV	Netherlands	N/A	Subsidiary	100%	2(87)(ii)
5	OnMobile USA LLC	USA	N/A	Subsidiary	100%	2(87)(ii)
6	Servicios De Telefonía OnMobile SA De CV	Mexico	N/A	Subsidiary	100%	2(87)(ii)

Sl. No.	Name of the Company	Country	Certificate of Incorporation No.	Holding/ Subsidiary/ Associate	% of holding as at March 31, 2017	Applicable Section
7	OnMobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda.	Brazil	N/A	Subsidiary	100%	2(87)(ii)
8	OnMobile De Venezuela CA*	Venezuela	N/A	Subsidiary	100%	2(87)(ii)
9	OnMobile Global SA	Argentina	N/A	Subsidiary	100%	2(87)(ii)
10	OnMobile Uruguay SA	Uruguay	N/A	Subsidiary	100%	2(87)(ii)
11	OnMobile Senegal SARL	Senegal	N/A	Subsidiary	100%	2(87)(ii)
12	OnMobile Global for Telecommunication Services	Egypt	N/A	Subsidiary	100%	2(87)(ii)
13	OnMobile Mali SARL	Mali	N/A	Subsidiary	100%	2(87)(ii)
14	OnMobile Bangladesh Private Limited	Bangladesh	N/A	Subsidiary	100%	2(87)(ii)
15	OnMobile Servicios Corporativos De Telefonía SA De CV	Mexico	N/A	Subsidiary	100%	2(87)(ii)
16	OnMobile Kenya Telecom Limited	Kenya	N/A	Subsidiary	100%	2(87)(ii)
17	OnMobile Costa Rica OBCR, SA	Costa Rica	N/A	Subsidiary	100%	2(87)(ii)
18	OnMobile Telecom Limited	Malawi	N/A	Subsidiary	100%	2(87)(ii)
19	OnMobile Global Spain, SL	Spain	N/A	Subsidiary	100%	2(87)(ii)
20	OnMobile Uganda Limited	Uganda	N/A	Subsidiary	100%	2(87)(ii)
21	OnMobile Zambia Telecom Limited	Zambia	N/A	Subsidiary	100%	2(87)(ii)
22	OnMobile Madagascar Telecom Limited	Madagascar	N/A	Subsidiary	100%	2(87)(ii)
23	OnMobile Rwanda Telecom Limited	Rwanda	N/A	Subsidiary	100%	2(87)(ii)
24	OnMobile Nigeria Telecom Limited	Nigeria	N/A	Subsidiary	100%	2(87)(ii)
25	OnMobile Tanzania Telecom Limited	Tanzania	N/A	Subsidiary	100%	2(87)(ii)
26	OnMobile Ghana Telecom Limited	Ghana	N/A	Subsidiary	100%	2(87)(ii)
27	OnMobile Telecom Sierra Leone Limited	Seirra Leone	N/A	Subsidiary	100%	2(87)(ii)
28	OnMobile Global Solutions Canada Limited	Canada	N/A	Subsidiary	100%	2(87)(ii)
29	OnMobile Global Italy SRL	Italy	N/A	Subsidiary	100%	2(87)(ii)
30	OnMobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	Turkey	N/A	Subsidiary	100%	2(87)(ii)
31	OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira)	Portugal	N/A	Subsidiary	100%	2(87)(ii)
32	OnMobile Telecom Burkina Faso, SARL	Burkina Faso	N/A	Subsidiary	100%	2(87)(ii)
33	OnMobile Global South Africa (PTY) LTD	South Africa	N/A	Subsidiary	100%	2(87)(ii)
34	OnMobile Global Czech Republic SRO	Czech Republic	N/A	Subsidiary	100%	2(87)(ii)
35	OnMobile Live Inc.*	USA	N/A	Subsidiary	100%	2(87)(ii)
36	Fonestarz Media Group Limited*	UK	N/A	Subsidiary	100%	2(87)(ii)
37	2dayUK Limited*	UK	N/A	Subsidiary	100%	2(87)(ii)

Sl. No.	Name of the Company	Country	Certificate of Incorporation No.	Holding/ Subsidiary/ Associate	% of holding as at March 31, 2017	Applicable Section
38	Fonestarz Media (Licensing) Limited*	UK	N/A	Subsidiary	100%	2(87)(ii)
39	Daius Limited*	UK	N/A	Subsidiary	100%	2(87)(ii)
40	Fonestarz Limited*	UK	N/A	Subsidiary	100%	2(87)(ii)
41	Livewire Mobile (Australia) Pty Ltd*	Australia	N/A	Subsidiary	100%	2(87)(ii)
42	Fonestarz Media Limited*	UK	N/A	Subsidiary	100%	2(87)(ii)
43	OnMobile Global Limited Colombia SAS	Colombia	N/A	Subsidiary	100%	2(87)(ii)
44	OnMobile Latam Holdings, SL*	Spain	N/A	Subsidiary	100%	2(87)(ii)
45	Mobile Voice Konnect Private Limited	India	U72200KA2012PTC065880	Associate	50%	2(87)(ii)

* holding through step down subsidiary

SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category Of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the ending of the year				% change during the year
	Demat	Physical	Total Shares	% of total shares	Demat	Physical	Total Shares	% of total shares	
(A) Promoter and Promoter Group									
(1) Indian									
a) Individual /HUF	0	0	0	0	0	0	0	0	0
b) Central Government	0	0	0	0	0	0	0	0	0
c) State Government(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	0	0	0	0	0	0	0	0
e) Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total A(1) :	0	0	0	0	0	0	0	0	0
(2) Foreign									
a) NRIs Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	50,923,703	0	50,923,703	47.10	50,923,703	0	50,923,703	48.80	1.70
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total A(2) :	50,923,703	0	50,923,703	47.10	50,923,703	0	50,923,703	48.80	1.70
Total Shareholding of Promoters A=A(1)+A(2)	50,923,703	0	50,923,703	47.10	50,923,703	0	50,923,703	48.80	1.70
(B) Public Shareholding									
(1) Institutions									
a) Mutual Funds	35,000	0	35,000	0.03	451,800	0	451,800	0.43	0.40

Category Of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the ending of the year				% change during the year
	Demat	Physical	Total Shares	% of total shares	Demat	Physical	Total Shares	% of total shares	
b) Banks/ FI	546,182	0	546,182	0.51	275,159	0	275,159	0.26	-0.25
c) Central Government	0	0	0	0	0	0	0	0	0
d) State Government(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) Foreign Institutional Investors	11,493,042	0	11,493,042	10.63	10,185,574	0	10,185,574	9.76	-0.87
h) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
i) Others	0	0	0	0	0	0	0	0	0
Sub-Total B(1) :	12,074,224	0	12,074,224	11.17	10,912,533	0	10,912,533	10.46	-0.71
(2) Non-Institutions									
a) Bodies Corporate									
(i) Indian	11,514,008	0	11,514,008	10.65	8,069,246	0	8,069,246	7.73	-2.92
(ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
(i) Individuals holding nominal share capital up to ₹1 lakh	10,413,902	41,306	10,455,208	9.67	11,991,910	41,306	12,033,216	11.53	1.86
(ii) Individuals holding nominal share capital in excess of ₹1 lakh	20,698,872	107,198	20,806,070	19.25	18,714,349	121,006	18,835,355	18.05	-1.2
c) Others									
(i) Clearing Members	175,894	0	175,894	0.16	370,402	0	370,402	0.35	0.19
(ii) Foreign Nationals	38,138	0	38,138	0.04	30,840	0	30,840	0.03	-0.01
(iii) HUF	1,513,028	0	1,513,028	1.40	1,640,461	0	1,640,461	1.57	0.17
(iv) NBFC	49,826	0	49,826	0.05	476,252	0	476,252	0.46	0.41
(v) Non Resident Indians	558,103	0	558,103	0.52	601,475	0	601,475	0.58	0.06
(vi) NRI Non-Repatriation	0	0	0	0	453,406	0	453,406	0.43	0.43
(vi) Trusts	3,200	0	3,200	0	3,201	0	3,201	0	0
Sub-Total B(2) :	44,964,971	148,504	45,113,475	41.73	42,351,542	162,312	42,513,854	40.74	-0.99
Total Public Share holdings B=B(1)+B(2) :	57,039,195	148,504	57,187,699	52.90	53,264,075	162,312	53,426,387	51.20	-1.70
Total (A+B) :	107,962,898	148,504	108,111,402	100	104,187,778	162,312	104,350,090	100	0
(C) Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C) :	107,962,898	148,504	108,111,402*	100	104,187,778	162,312	104,350,090*	100	0

Note: *the change in total shares is due to the Buyback activity that concluded during the year

(ii) Shareholding of Promoters

S. No	Name of the Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares held	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares held	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	On Mobile Systems Inc.	50,923,703	47.10	0	50,923,703	48.80	0	1.70*

Note: *the change in % holding is due to the Buyback activity that concluded during the year

(iii) Change in promoters' shareholding

Name of the Share Holder	Shareholding at the beginning of the Year (As on 01-04-2016)		Cumulative Shareholding during the Year (01-04-2016 to 31-03-2017)	
	No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
On Mobile Systems Inc.				
At the beginning of the year	50,923,703	47.10	50,923,703	47.10
Date wise Increase /Decrease in Promoters Shareholding during the year			-	-
At the end of the year			50,923,703	48.80*

Note: *the increase in % holding is due to the Buyback activity that concluded during the year.

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

Name of the Share Holder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
	No.of Shares at the beginning (01-04-16 /end of the year (31-03-17)	% of total shares of the company				No of Shares	% of total shares of the company
Chandramouli J	3,813,683	3.53	1/4/2016		Opening balance	3,813,683	3.53
			13/05/2016	-16	Sale	3,813,667	3.56
			03/06/2016	-119,061	Sale	3,694,606	3.46
			10/06/2016	-10,939	Sale	3,683,667	3.46
			29/07/2016	-75,000	Sale	3,608,667	3.47
			18/11/2016	-150,000	Sale	3,458,667	3.32
			16/12/2016	-200,000	Sale	3,258,667	3.12
			03/02/2017	-100,000	Sale	3,158,667	3.03
			24/02/2017	-67,672	Sale	3,090,995	2.96
	3,090,995	2.96	31/03/2017		Closing balance	3,090,995	2.96
CLSA Global Markets PTE. Ltd.	2,568,248	2.38	1/4/2016		Opening balance	2,568,248	2.38

Name of the Share Holder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
	No. of Shares at the beginning (01-04-16 /end of the year (31-03-17)	% of total shares of the company				No of Shares	% of total shares of the company
			27/05/2016	-50,000	Sale	2,518,248	2.36
			22/07/2016	-279,469	Sale	2,238,779	2.15
			29/07/2016	-4,270	Sale	2,234,509	2.15
			05/08/2016	-87,976	Sale	2,146,533	2.06
			12/08/2016	-124	Sale	2,146,409	2.06
			16/09/2016	-28,161	Sale	2,118,248	2.03
			14/10/2016	-229,203	Sale	1,889,045	1.81
			21/10/2016	-370,797	Sale	1,518,248	1.46
			13/01/2017	-49,328	Sale	1,468,920	1.41
			20/01/2017	-15,252	Sale	1,453,668	1.39
			03/02/2017	-361,570	Sale	1,092,098	1.05
			10/02/2017	-173,850	Sale	918,248	0.88
	918,248	0.88	31/03/2017		Closing balance	918,248	0.88
FIL Investments (Mauritius) Ltd	0	0	1/4/2016		Opening balance	0	0
			28/10/2016	156,785	Purchase	156,785	0.15
			04/11/2016	439,567	Purchase	596,352	0.57
			11/11/2016	205,368	Purchase	801,720	0.77
			25/11/2016	-223,246	Sale	578,474	0.55
			02/12/2016	-578,474	Sale	0	0
			24/03/2017	227,487	Purchase	227,487	0.22
			31/03/2017	1,334,943	Purchase	1,562,430	1.50
	1,562,430	1.50	31/03/2017		Closing balance	1,562,430	1.50
Citigroup Global Markets Mauritius Private Limited	1,367,578	1.26	1/4/2016		Opening balance	1,367,578	1.26
			30/06/2016	-127,021	Sale	1,240,557	1.19
			08/07/2016	-71,593	Sale	1,168,964	1.12
			29/07/2016	-75,012	Sale	1,093,952	1.05
			11/11/2016	-859,666	Sale	234,286	0.22
			02/12/2016	70,774	Purchase	305,060	0.29
			13/01/2017	32,000	Purchase	337,060	0.32
			03/02/2017	-47,995	Sale	289,065	0.28
			03/03/2017	-87,382	Sale	201,683	0.19
			31/03/2017	-26,864	Sale	174,819	0.17
	174,819	0.17	31/03/2017		Closing balance	174,819	0.17
Nomura Singapore Limited	0	0	1/4/2016		Opening balance	0	0

Name of the Share Holder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
	No. of Shares at the beginning (01-04-16 /end of the year (31-03-17)	% of total shares of the company				No of Shares	% of total shares of the company
			11/11/2016	859,666	Purchase	859,666	0.82
			02/12/2016	461,220	Purchase	1,320,886	1.27
			13/01/2017	110,500	Purchase	1,431,386	1.37
			27/01/2017	-115,041	Sale	1,316,345	1.26
	1,316,345	1.26	31/03/2017		Closing balance	1,316,345	1.26
Acadian Emerging Markets Small Cap Equity Fund LLC	1,200,465	1.11	1/4/2016		Opening balance	1,200,465	1.11
	1,200,465	1.15	31/03/2017		Closing balance	1,200,465	1.15
Altruist Technologies Private Limited	1,167,800	1.08	1/4/2016		Opening balance	1,167,800	1.08
			15/04/2016	-50,763	Sale	1,117,037	1.04
			02/12/2016	-50,000	Sale	1,067,037	1.02
			09/12/2016	-189,353	Sale	877,684	0.84
			16/12/2016	-226,948	Sale	650,736	0.62
			23/12/2016	-250,000	Sale	400,736	0.38
			30/12/2016	-240,000	Sale	160,736	0.15
			31/12/2016	-50,000	Sale	110,736	0.11
			06/01/2017	-50,000	Sale	60,736	0.06
			17/02/2017	-60,736	Sale	0	0
	0	0	31/03/2017		Closing balance	0	0
JV and Associates LLP	1,078,298	1.00	1/4/2016		Opening Balance	1,078,298	1.00
			27/05/2016	-3,000	Sale	1,075,298	1.01
			29/07/2016	-9,000	Sale	1,066,298	1.02
			19/08/2016	-5,000	Sale	1,061,298	1.02
			26/08/2016	-5,000	Sale	1,056,298	1.01
			07/10/2016	-2,000	Sale	1,054,298	1.01
			14/10/2016	-11,000	Sale	1,043,298	1.00
			04/11/2016	-10,000	Sale	1,033,298	0.99
			09/12/2016	-5,000	Sale	1,028,298	0.99
			16/12/2016	-5,000	Sale	1,023,298	0.98
			23/12/2016	-5,000	Sale	1,018,298	0.98
			03/03/2017	-20,000	Sale	998,298	0.96
			10/03/2017	-13,925	Sale	984,373	0.94
	984,373	0.94	31/03/2017		Closing Balance	984,373	0.94
Naishadh Jawahar Paleja	1,054,935	0.98	1/4/2016		Opening Balance	1,054,935	0.98

Name of the Share Holder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
	No. of Shares at the beginning (01-04-16 /end of the year (31-03-17)	% of total shares of the company				No of Shares	% of total shares of the company
			04/11/2016	101	Purchase	1,055,036	1.01
			17/02/2017	25,093	Purchase	1,080,129	1.04
			24/02/2017	39,871	Purchase	1,120,000	1.07
			03/03/2017	10,000	Purchase	1,130,000	1.08
	1,130,000	1.08	31/03/2017		Closing Balance	1,130,000	1.08
Morgan Stanley Asia (Singapore) PTE.	1,049,534	0.97	1/4/2016		Opening Balance	1,049,534	0.97
			15/04/2016	8,903	Purchase	1,058,437	0.98
			22/04/2016	-317,050	Sale	741,387	0.69
			29/04/2016	-11,212	Sale	730,175	0.68
			06/05/2016	-1,800	Sale	728,375	0.68
			13/05/2016	21,089	Purchase	749,464	0.70
			20/05/2016	14,767	Purchase	764,231	0.72
			27/05/2016	17,097	Purchase	781,328	0.73
			03/06/2016	11,218	Purchase	792,546	0.74
			10/06/2016	-161,142	Sale	631,404	0.59
			17/06/2016	-188,945	Sale	442,459	0.42
			24/06/2016	-243,155	Sale	199,304	0.19
			30/06/2016	30,988	Purchase	230,292	0.22
			08/07/2016	8,645	Purchase	238,937	0.23
			15/07/2016	2,957	Purchase	241,894	0.23
			22/07/2016	4,346	Purchase	246,240	0.24
			29/07/2016	4,816	Purchase	251,056	0.24
			05/08/2016	-1,710	Sale	249,346	0.24
			12/08/2016	-3,311	Sale	246,035	0.24
			19/08/2016	-9,513	Sale	236,522	0.23
			26/08/2016	-38,163	Sale	198,359	0.19
			02/09/2016	-49,303	Sale	149,056	0.14
			09/09/2016	-23,619	Sale	125,437	0.12
			16/09/2016	-29,569	Sale	95,868	0.09
			23/09/2016	-3,680	Sale	92,188	0.09
			07/10/2016	-2,948	Sale	89,240	0.09
			14/10/2016	-4,768	Sale	84,472	0.08
			25/11/2016	-771	Sale	83,701	0.08
			16/12/2016	-3,755	Sale	79,946	0.08

Name of the Share Holder	Shareholding at the beginning of the Year		Date	Increase/Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
	No. of Shares at the beginning (01-04-16 /end of the year (31-03-17)	% of total shares of the company				No of Shares	% of total shares of the company
			23/12/2016	-8,638	Sale	71,308	0.07
			30/12/2016	-2,864	Sale	68,444	0.07
			06/01/2017	-3,277	Sale	65,167	0.06
			13/01/2017	-3,035	Sale	62,132	0.06
			20/01/2017	-9,860	Sale	52,272	0.05
			27/01/2017	-10,526	Sale	41,746	0.04
			03/02/2017	-4,397	Sale	37,349	0.04
			10/02/2017	-3,401	Sale	33,948	0.03
			24/02/2017	-19,751	Sale	14,197	0.01
			03/03/2017	-13,036	Sale	1,161	0
	1,161	0	31/03/2017		Closing Balance	1,161	0

v) Shareholding of Directors and Key Managerial Personnel

Name of the director/ key managerial personnel (KMP)	Shareholders at the beginning of the year		Date	Increase/Decrease in share holding	Reason	Cumulative shareholding during the year (01-04-16 to 31-03-17)	
	No. of shares at the beginning of the year (01-04-2016)/end of the year (31-03-2017)	% of total shares of the Company				No. of shares	% of total shares of the Company
A. Directors							
Rajiv Pancholy (resigned as Director w.e.f February 23, 2017 and as CEO w.e.f Feb 28, 2017)	0	0	1/4/2016		Opening balance	0	0
	0	0	31/03/2017		Closing balance	0	0
François-Charles Sirois	0	0	1/4/2016		Opening balance	0	0
	0	0	31/03/2017		Closing balance	0	0
Rajiv Khaitan	0	0	1/4/2016		Opening balance	0	0
	0	0	31/03/2017		Closing balance	0	0
Nancy Cruickshank	0	0	1/4/2016		Opening balance	0	0
	0	0	31/03/2017		Closing balance	0	0
Pascal Tremblay (resigned w.e.f May 26, 2017)	0	0	1/4/2016		Opening balance	0	0
	0	0	31/03/2017		Closing balance	0	0
Sanjay Baweja	0	0	1/4/2016		Opening balance	0	0
	0	0	31/03/2017		Closing balance	0	0
Nehchal Sandhu	0	0	1/4/2016		Opening balance	0	0
	0	0	31/03/2017		Closing balance	0	0

Name of the director/ key managerial personnel (KMP)	Shareholders at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative shareholding during the year (01-04-16 to 31-03-17)	
	No. of shares at the beginning of the year (01-04-2016)/end of the year (31-03- 2017)	% of total shares of the Company				No. of shares	% of total shares of the Company
B. Key Managerial Personnel							
Praveen Kumar K J- Chief Financial Officer	2,914	0	1/4/2016	0	Opening balance	2,914	0
	2,914	0	31/03/2017		Closing balance	2,914	0
P V Varaprasad- Company Secretary	0	0	1/4/2016	0	Opening balance	0	0
			23/09/2016	30	ESOP Exercise	30	
	30	0	31/03/2017		Closing balance	30	0

(vi) Indebtedness

(In ₹)

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

(vii) Remuneration of Directors and Key Managerial Personnel**A. Remuneration of Managing Director, Whole-time directors and/or Manager:**

(In ₹)

SI No	Particulars of remuneration	Rajiv Pancholy*	François-Charles Sirois	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961	50,042,308	13,675,884	63,718,192
	(b) Value of perquisites u/s 17(2) of Income tax Act, 1961	246,474	-	246,474
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-	-
2	Stock Option (In Numbers)	653,272	-	653,272
3	Sweat equity	-	-	-
4	Commission	-	-	-
	As % of profit	-	-	-
	Other (bonus)	-	-	-
5	Others (Retiral benefits)	-	527,898	527,898
	Total (A) excluding stock options	50,288,782	14,203,782	64,492,564
	Overall Ceiling as per the Act	66,066,189 (10% of net profit as per Section 197)		

* Rajiv Pancholy resigned from the Board of Directors w.e.f February 23, 2017 and as CEO w.e.f February 28, 2017

B. Remuneration to other Directors

(In ₹)

SI No	Particulars of remuneration	Rajiv Khaitan	Nancy Cruickshank	Sanjay Baweja	Nehchal Sandhu	Pascal Tremblay*	Total Amount
1	Independent Directors						
	Fee for attending Board/committee meetings	1,700,000	1,800,000	1,700,000	1,800,000	900,000	7,900,000
	Commission	1,555,719	1,492,050	1,555,719	1,455,219	2,392,314	8,451,021
	Others, please specify	-	-	-	-	-	-
	Total (1)	3,255,719	3,292,050	3,255,719	3,255,219	3,292,314	16,351,021
2	Other Non-Executive Directors						
	Fee for attending Board/committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total B (1+2)	3,255,719	3,292,050	3,255,719	3,255,219	3,292,314	16,351,021
	Total Managerial remuneration (A+B)						80,843,585
	Overall ceiling as per the Act	6,606,619 (1% of the net profit)					

* Pascal Tremblay resigned from the Board w.e.f. May 26, 2017.

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

(In ₹)

Sl No	Particulars of remuneration	Key managerial personnel		Total
		Company Secretary	CFO	
1	Gross salary (in Rs)			
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961	3,736,381	12,576,707	16,313,088
	(b) Value of perquisites u/s 17(2) of Income tax Act, 1961	2,374	-	2,374
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-	-
2	Stock Options (in numbers)	28,800	383,902	412,702
3	Sweat equity (in ₹)	-	-	-
4	Commission (in Regular) As % of profit Other (bonus)	-	-	-
5	Others (Retiral benefits)	-	-	-
	Total *	3,738,755	12,576,707	16,315,462

* excluding the stock options

(viii) Penalties/Punishment/Compounding of offences

There were no penalties/punishment/compounding of offences for the year ending March 31, 2017.

Annexure VII
Particulars of Employees

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

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Name of the Director	Ratio to the Median
	Rajiv Pancholy	87.04
	François-Charles Sirois	24.59
	Rajiv Khaitan	2.69
	Nancy Cruickshank	2.58
	Sanjay Baweja	2.69
	Nehchal Sandhu	2.52
	Pascal Tremblay	4.14
(ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Name of the Director/KMP	% increase
	Rajiv Pancholy	113.22
	François-Charles Sirois	53.97
	Rajiv Khaitan	(20.22)
	Nancy Cruickshank	(47.11)
	Sanjay Baweja	(27.43)
	Nehchal Sandhu	6.48
	Pascal Tremblay	32.73
	Praveen Kumar K J	37.13
	P V Varaprasad	14.67
(iii) the percentage increase in the median remuneration of employees in the financial year;	(13.25)	
(iv) the number of permanent employees on the rolls of Company;	904 (as on 31st March 2017)	
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average salary increase of the employees excluding KMP's is 13.00% over the previous year mainly due to annual salary increments and market corrections. The average salary increase of the KMPs was 61.33% over the previous year. The salary increase for KMPs was due to annual salary increment as per industry benchmarking and variable pay of last year was approved and paid during the current year. Remuneration to Non-Executive Directors is in pursuance of shareholders approval dated September 8, 2015.	
(vi) Affirmation that the remuneration is as per the remuneration policy of the company.	Salaries paid are in line with the company's remuneration policy based on industry benchmark.	

B. Statement showing Details of Employees of the Company as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year ended March 31, 2017:

Employee name	Designation	Remuneration received (₹)	Nature of employment	Qualification	Experience	Date of joining	Age	Previous employment
					(in years)			
François-Charles Sirois	Executive Chairman	1,42,03,782	Permanent	BAA, Finance & Marketing	20	01-Nov-14	41	Microcell i5
Sanjay Bhabri	President & Chief Operating Officer	2,37,21,192	Permanent	MBA	23	06-Aug-12	47	Enzen Global Solutions Pvt Ltd
Praveen Kumar K J	Global Group CFO	1,25,76,707	Permanent	B.Com, ACA	17	20-Jul-06	38	Hewlett-Packard
Rajesh Pandey	Global Head- Human Resources	1,18,79,998	Permanent	MA	25	16-Sep-13	52	People Factor Pvt. Ltd.
Biswajit Nandi	Vice President - Africa & Middle East	1,65,58,284	Permanent	MBA	17	15-Dec-04	41	Tata Indicom
Vikas Goel	Director - Delivery & Operations (Europe)	1,14,39,943	Permanent	PGDTM (Systems)	16	11-Jun-08	39	H3C Technology (Huawei-3COM)
Sameh Georgy	Director - Account Management	1,23,81,910	Permanent	Master of Engineering (Research)	19	15-Nov-10	41	Alcatel
Vito Savino	Director - Sales	1,29,24,200	Permanent	Electronic Engineering	20	03-Dec-12	48	Mondia Media

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

Employee name	Designation	Remuneration received (₹)	Nature of employment	Qualification	Experience	Date of joining	Age	Previous employment
Christy George	Senior Vice President-Engineering	85,07,781	Permanent	B. Tech	24	11-Oct-00	45	IT Solutions (Europe) Ltd.
Mrinmoy Chakraborty	Associate Vice President-Products	67,49,290	Permanent	MS	17	01-Mar-14	41	Xchanging Solutions Limited
Rajiv Pancholy	Managing Director & CEO	5,02,88,782	Permanent	ME	37	02-Jun-14	60	TTP Media

Annexure VIII

Annual Report on Corporate Social Responsibility (CSR) Activities

(Pursuant to Rule 8 (1) of Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. OnMobile CSR Policy intends to:

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

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

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

2. Composition of the CSR Committee:

The members of the CSR committee of the Board as on March 31, 2017 are as under:

- a. Pascal Tremblay - Chair
- b. Nancy Cruickshank - Member
- c. Rajiv Khaitan – Member

3. Average Net Profit of the Company for the last three financial years: ₹ 242.57 million

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 4.85 million

5. Details of CSR spent during the financial year:

- a. Total amount spent for the financial year: ₹ 3.5 million
- b. Amount unspent, if any: ₹ 1.35 million
- c. Manner in which the amount spent during the financial year is detailed below:

(In ₹)

Sl No	CSR project/activity identified	Sector in which the project is covered	Projects/Programs (1) Local area or others (2) Specify the state and district where project or programs were undertaken	Amount of outlay budget project or program wise	Amount spent on the project or programs Subheads: (i) Direct expenditure on projects or programs (2)Over-heads	Cumulative expenditure up to the reporting period	Amount spent direct or through implementing agency
	Contribution to SAHI (Society to Aid the Hearing Impaired), a registered NGO working with hearing impaired underprivileged children from rural background	Promoting health care including preventive health care	Telangana, Hyderabad	3,500,000	3,500,000	3,500,000	Amount spent through Society to Aid the Hearing Impaired (SAHI)
	Total					3,500,000	

6. Reason for not spending the prescribed CSR expenditure:

The Company has constituted a CSR committee and formulated CSR policy as required under Section 135 of Companies Act, 2013 and the Rules made thereunder. CSR initiatives and the methodology for spending the same to ensure appropriate end use of funds proposed to be spent is being deliberated in the Company.

In line with the CSR activities listed in Schedule VII of the Companies Act, 2013, the Company has identified health care including preventive health care as its primary focus area and decided to fund free hearing aids for the needy. The Company identified the focus area having relevance to the Company's core offering, enabling people to express themselves through sound as this CSR initiative aligns Company's future identity with a relevant cause. OnMobile has associated with Society to Aid the Hearing Impaired (SAHI), a registered NGO working with hearing impaired underprivileged children from rural background and made a contribution of ₹3,500,000 in two phases during the financial year 2016-17 in support of

Cochlear Implants, Micro Ear Surgeries and Hearing Aids for the needy. After the release of funds of ₹ 1.5 Million for the first phase of contribution, the Company assessed the effectiveness of the utilization of the contributions made. After the assessment, the Company released funds of ₹ 2 Million as second phase and yet to assess the effectiveness of utilisation of the second phase contributions. Accordingly, the Company could not spend the balance ₹ 1.35 Million.

7. CSR Responsibility Statement:

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

François-Charles Sirois

Executive Chairman and CEO

Pascal Tremblay

Chair - CSR Committee

Place: London

Date: May 26, 2017

Annexure IX Particulars of Employee Stock Option Schemes

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

Particulars	Plan I 2003	Plan II 2003	Plan III 2006	Plan I 2007	Plan II 2007	Plan I 2008	Plan II 2008	Plan III 2008	Plan IV 2008	Plan I 2010	Plan II 2010	Plan I 2011	Plan I 2012	Plan I 2013
Pricing formula														
Options Outstanding on April 01, 2016	-	-	3,380	83,512	-	-	6,948	953,466	2,600	35,000	799,824	782,596	2,186,910	725,155
Options Granted During the Year	-	-	-	-	-	-	-	479,224	-	-	625,000	-	-	-
Options vested*	-	-	-	48,212	-	-	4,634	468,209	2,600	-	308,851	512,637	1,337,804	360,229
Options Time extended During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Options Exercised During the Year	-	-	1,820	23,764	-	-	-	150,522	-	-	63,018	-	49,972	16,998
Total number of shares arising as a result of exercise of Options	-	-	1,820	23,764	-	-	-	150,522	-	-	63,018	-	49,972	16,998
Money realised by exercise of options (In ₹Million)	-	-	0.07	0.87	-	-	-	5.27	-	-	2.28	-	1.65	1.48
Options Forfeited/Lapsed During the Year	-	-	1,560	11,536	-	-	2,314	102,636	-	35,000	177,336	-	396,760	163,674
Total number of options in force at the end of the year	-	-	-	48,212	-	-	4,634	1,179,532	2,600	-	1,184,470	782,596	1,740,178	544,483
Diluted earnings per share pursuant to issue of shares on exercise of options (₹)	4.04	4.04	4.04	4.04	4.04	4.04	4.04	4.04	4.04	4.04	4.04	4.04	4.04	4.04
Weighted average exercise price per option (after adjusting for Bonus issue, if applicable) of the options whose														
a) Exercise price equals market price	-	-	-	36.43	-	-	36.43	74.93	36.43	-	82.12	33.08	33.08	87.25
b) Exercise price is greater than market price	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c) Exercise price is less than market price	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Method of calculating fair value of options	Fair valuation guidance note not applicable													

Significant assumptions used for estimate of fair value:

Particulars	Plan III 2008	Plan III 2008	Plan III 2008	Plan III 2008	Plan III 2008	Plan II 2010
Stock price (₹)	113.70	114.03	100.85	87.80	83.50	83.28
Volatility	58.74%	58.53%	57.30%	57.41%	56.66%	56.57%
Risk free rate	7.90%	7.20%	7.10%	7.10%	7.45%	7.45%
Exercise price (₹)	113.70	114.03	100.85	87.80	83.50	110.73
Time to maturity (years)	4.37 years	4.37 years	4.37 years	4.37 years	4.37 years	4.37 years
Dividend yield (₹ Per option)	1.5	1.5	1.5	1.5	1.5	1.5

Notes:

- 1) There was no variation of the terms of options granted
- 2) Employee wise details of options:-
 - (i) Held by Key managerial personnel (KMP):

Sr No.	Name of the KMP	No. of options granted
1.	Rajiv Pancholy*	1,000,000
2.	Praveen Kumar KJ	383,902
3.	P V Varaprasad	28,800

* resigned in Feb 2017.

- (ii) Granted to any other employee who receives a grant of options in any one year of options amounting to 5% or more of options granted during the year (total options granted 1,104,224)

Sr. No	Name of the employee	Scheme Name	Grant Date	Options granted	% of total options granted during the year
1.	Sanjay Bhambri	ESOP 2, 2010	March 24, 2017	200,000	18.11
2.	Ignacio Martin Velasco	ESOP 2, 2010	March 24, 2017	200,000	18.11
3.	Praveen Kumar K J	ESOP 2, 2010	March 24, 2017	100,000	9.06
4.	Florent Stroppa	ESOP 2, 2010	March 24, 2017	75,000	6.79

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

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

Earnings Per share: Nominal value of ₹ 10 per share

Details	Consolidated		Standalone	
	31-Mar-2017	31-Mar-16	31-Mar-2017	31-Mar-16
Basic (₹)	1.34	(2.53)	4.06	(0.19)
Diluted (₹)	1.34	(2.53)	4.04	(0.19)

Annexure X

Secretarial Audit Report for the financial year ended March 31, 2017

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

To,
The Members,
OnMobile Global Limited,

E City, Tower 1, No 94/1C and 94/2
Electronic City Phase-1,
Bengaluru - 560 100

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

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31, 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on **March 31, 2017** and made available to me, according to the provisions of:

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

(Buyback of Securities) Regulations, 1998,

- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,
- vi. Other laws applicable specifically to the company namely:
- a) Information Technology Act, 2000 and the rules made thereunder
 - b) Special Economic Zones Act, 2005 and the rules made thereunder
 - c) Software Technology Parks of India rules and regulations, 2004;
 - d) The Indian Copy Rights Act, 1957
 - e) The Patents Act, 1970
 - f) The Trade Marks Act, 1999.

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

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

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

- a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- requiring compliance thereof by the company during the Audit period.

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

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors (except in case of meetings called to transact urgent business), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

I report further that, during the audit period:

- i. the company has bought back and extinguished 40,67,406 equity shares during the audit period out of the buy-back of shares approved by the Board of Directors on February 04, 2016 which was completed on June 27, 2016;
- ii. the inspection of the company under Section 206 r/w 207 was carried out by the Registrar of Companies, Karnataka, Bangalore, Ministry of Corporate Affairs, Government of India during the audit period and the company has received a PF Letter No ROCB/KT/INSP/027860/2017 dated April 25, 2017 from the Registrar of Companies, directing the company to reply to certain non compliances of provisions of Companies Act, 1956/2013 noticed during the inspection;

and there were no other events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

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

Place: Bengaluru
Date: May 26, 2017

Addendum to the Directors' Report / Report on Corporate Governance

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Inductions

Sanjay Kapoor was appointed as an additional director of the Company by the Board w.e.f. June 21, 2017.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, the Board of Directors vide their resolution dated June 21, 2017 appointed Sanjay Kapoor as an Additional Director of the Company on the Board w.e.f. June 21, 2017 and he holds office upto the date of the ensuing Annual General Meeting. He is proposed to be appointed as Independent Director of the Company pursuant to Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 at the forthcoming Annual General Meeting.

The Board seeks support of the shareholders in confirming the above appointment.

Resignations

Nehchal Sandhu resigned from the directorship of the Company w.e.f. July 27, 2017

COMMITTEES OF THE BOARD

Further to the induction of Sanjay Kapoor and resignation of Nehchal Sandhu, the following Committees were reconstituted:

The Nomination and Compensation Committee was reconstituted w.e.f. July 27, 2017 and as on date the Committee comprises of Nancy Cruickshank as Chair and Chris Arsenault, Sanjay Kapoor as members.

The Stakeholders Relationship Committee was reconstituted w.e.f. July 27, 2017 and as on date the Committee comprises of Rajiv Khaitan as Chair and Sanjay Baweja, Sanjay Kapoor as members.

The Risk Management Committee was reconstituted w.e.f. July 27, 2017 and as on date the Committee comprises of Sanjay Kapoor as Chair and Nancy Cruickshank, François-Charles Sirois, Sanjay Baweja as members.

Details of Sanjay Kapoor are as below:

Sanjay Kapoor in his entrepreneurial avatar, joined the promoter group of Micromax Informatics Limited as their Chairman in June 2014. In that role he was responsible for leading the company's board and management, building scale to an existing billion-dollar business and transforming it from a 'Device' company to a 'Device & Services' company. During July '2015 he stepped down from the Executive Chairmanship of Micromax to pursue a Plural Career in entrepreneurship, consulting & advisory and investing in & mentoring start-ups. With an illustrious career spanning over 32 years, 17 of which have been in the telecommunications sector, Sanjay is an established global leader in Telecom and allied industry, Sanjay was the Chief Executive Officer for India and South Asia of India's largest telecom company, Airtel (March 2010 till May 2013). Sanjay remains one of the key leaders in building Bharti Airtel from being one of the many players in the industry to making it as the number one telecom player in India, during his tenure with the company from July 1998 to May 2013. Sanjay's leadership extended well beyond the confines of Airtel and he elevated himself as an industry spokesperson globally. For more than 13 years he has played an active role in various industry forums like CII, COAI and NASSCOM. He has also been a Board & Executive committee member of GSMA, (the global forum bringing together nearly 800 global mobile operators); Board member of Indus Towers (world's largest telecom tower company with a portfolio of more than 1.5 lakh towers), Bennett, Coleman & Co. Ltd (India's largest media company) and PVR Limited (India's largest movie exposition company). Presently, Sanjay is an active member on the board of VLCC, iBus networks & Infrastructure Pvt Ltd and Tech-connect retail Pvt. Ltd. Additionally, Sanjay is a Senior Advisor with Boston Consulting Group, one of world's leading Consulting firms. He was declared the "Telecom person of the year" at the Voice and Data Telecom Leadership Awards 2012. Prior to joining the Bharti Group, Sanjay worked with Xerox India as Director-Operations Support. He spent 14 years with the global Document management company, handling a range of key portfolios, ranging from Sales & Marketing to General management

functions. He began his professional career as an Executive Trainee with Jay Engineering Works Ltd., the manufacturers of Usha fans and sewing machines, in 1983. Sanjay holds a Bachelor's degree in Commerce (Hons.) from Delhi University, an MBA from Cranfield School of Management (UK) and is a Graduate of The Wharton Advanced Management Program. Sanjay Kapoor was appointed as an Additional Director on the Board of the Company effective June 21, 2017. As per the provisions of Companies Act, 2013, approval of the shareholders is being sought for appointment of Sanjay Kapoor as an Independent Director at the Annual General Meeting held on September 6, 2017 to hold office for a period of 3 years up to the date of the AGM to be held during the calendar year 2020. As on

March 31, 2017, Sanjay Kapoor is on the Board of the following other companies /entities:

1. VLCC Health Care Limited
2. Tech-Connect Retail Pvt. Ltd.
3. IBUS Network and Infrastructure Pvt. Ltd.
4. Z-Axis Management Consultants & Strategic Advisors Limited Liability Partnership.

For and on behalf of the Board of Directors

François-Charles Sirois
Executive Chairman and CEO

Place: Gurgaon
Date: July 27, 2017

Management Discussion & Analysis

1. INDUSTRY TRENDS

2016-17 has been a year of continued growth in the mobile industry, with more than 7.6 Billion mobile connections (representing 4.7 Billion unique subscribers) and operator revenues of more than \$1 Trillion. The global subscriber penetration rate now stands at 63%, with regional penetration rates ranging from 43% in Sub-Saharan Africa to 85% in Europe. The acceleration of 4G has been a major highlight; the global 4G connection base surpassed the 1 Billion mark. 4G networks are now available in 151 countries across the world. The global subscriber base will reach 5.6 Billion by the end of the decade, by which point over 70% of the world's population will have a mobile subscription.

Evolution of mobile technology, availability of cheaper handsets & better network coverage is helping in increasing mobile broadband adoption at a rapid pace. Mobile data traffic is expected to grow by an average of 47% CAGR for the period of 2016 – 2020. This data growth is driving revenue and making operators invest more. Network advancements on access technologies like 4G are driving mobile broadband adoption. LTE has now reached 60% of global population. Developments on 5G are extremely encouraging and promise to bring in greater investment, innovation and better service offering for consumers in the coming years. (Source: MWC 2017, GSMA)

The global App Economy was worth \$1.3 Trillion last year and is expected to grow to \$ 6.3 Trillion by 2021. The user base is also expected to double from 3.4 Billion to 6.3 Billion users over the next five years. M-Commerce is the single largest growth driver for the app economy and is expected to grow from \$344 to \$946 per user by 2021. The consumer spends across app stores is also expected to grow by 18% reaching \$139 Billion by 2021. (Source: App Annie and Techcrunch)

Some emerging consumer trends are as follows.

Video Revolution: By 2019 video will account for 80% of all consumers Internet traffic. Emerging technologies are racing to meet consumer demand with exciting new formats, and brands are fueling the fire with creative video approaches.

Live broadcasting - is becoming the new real-time: The 'In the moment content' is seen as a very important form of expression with the growth of apps like Snapchat and Periscope. Snapchat is the third most popular social app among 18-34 year-olds. Twitter Moments has already garnered 33% penetration as per a recent Comscore report.

Streaming audio will be the next big winner: By 2020, digital music revenues will be \$10 Billion globally, and streaming will account for more than half of it, growing at the expense of downloads.

Messaging is set to become a one-stop shop: Messaging will add 1.1 Billion New users by 2018. It will become the hub for consuming content, playing games, and conducting transactions. WeChat already contributes to \$1.76 Billion in lifestyle spending in China.

2. CHALLENGES

The mobile industry continues to be extremely competitive and several challenges are affecting the entire industry. The decrease in mobile growth rates, heavy & continuous need for investment has led to reduced margins and increased pressure on profitability. Uncertainty around regulatory changes is affecting existing revenue streams for operators. Consolidation in the industry through mergers and acquisition is bringing in its own set of challenges.

Political Instability and Economic conditions

Certain regions in MEA and LATAM face challenges like political instability, economic downturn and conflicts. This has led to currency devaluation, lower consumer uptake of services and unviable return on investment.

VOIP Apps the new way of calling

VOIP apps are gaining ground as an alternate medium to make calls. This trend is having an adverse impact on the Voice revenues.

3. OPPORTUNITIES

Wider network, greater mobile broadband speed, better connectivity and more connected devices present unprecedented opportunities for the Industry. OnMobile, in particular, is well placed to grow under these market conditions. Consumers are looking at newer ways to communicate with others. OnMobile's new suite of consumer Apps has been designed to meet this need gap. Our Mobile entertainment services are expected to gain greater traction courtesy the simplified user experience, rich content catalogue and carrier services expertise.

4. RISKS AND CONCERNS

Regulations and policies related to double confirmation, reduction in promotional bandwidth and change in contact policies are curtailing growth.

In mature and competitive markets, operators have been offering bundled core services as a package with unlimited usage of voice, SMS and pre-defined data packs. With this model, the operators are able to lock in consumers while offering them a host of services and effectively taking the majority share of wallet leaving limited scope for the purchase of content.

OnMobile operates on both B2B & B2C operating models. In the B2B environment, OnMobile provides a white-labeled solutions. This business is dependent on support from the Telecom Operators. Any defocus on these services from Operators puts the revenue accruing from these services at risk. In the B2C segment, OnMobile competes with well-entrenched players to woo the attention of the end consumer. Given the crowded and extremely competitive nature of the mobile App space, grabbing the consumers' share of mind is going to be challenging.

5. OUTLOOK

2017-18 is going to be a landmark year for OnMobile. Having pioneered the carrier services offering for mobile entertainment for over a decade, OnMobile will be offering products directly to the consumers in the coming year. A suite of Apps in mobile entertainment and sound will be available to consumers in key markets. Plans are also underway to rejuvenate the traditional carrier services business through product innovation and technology enhancement. We can also expect greater traction for our digital content platform with newer and innovative services being offered on the back of availability of advanced access channels and mobile broadband facilitating users with access to richer content.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

Accounting Standards, that are reviewed by management and approved by the Audit Committee and the Board.

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

The Company has a set of Standard Operating Procedures (SOPs) that have been established for individual processes. In addition to this, the company has identified and documented the risks and control for each process that has a relationship to the operations and financial reporting. The Company uses SAP and other internally developed ERP Systems as a business enabler and also to maintain its Books of Account. The SOPs in tandem with transactional controls built into the ERP Systems ensure appropriate segregation of duties, approval mechanisms and maintenance of supporting records. The Information Management Policy reinforces the control environment. The systems, SOPs and controls are reviewed by the management and audited by Internal Auditors whose findings and recommendations are reviewed by the Audit Committee and tracked through to implementation. The Company has in place adequate internal financial controls with reference to the Financial Statements. Such controls have been assessed during the year taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India. Based on the results of such assessment carried out by management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls were observed.

7. DISCUSSION ON CONSOLIDATED FINANCIAL PERFORMANCE FOR THE YEAR ENDED 2016-17

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

RESULT OF OPERATIONS

(In ₹ Million except EPS)

	FY 2016-17	% of total revenue	FY 2015-16	% of total revenue	Growth %
Results from operations					
Telecom Value Added Services	7,202.36	-	8,157.43	-	(12)
Other Income	110.53	-	299.52	-	(63)
Total Income	7,312.89	-	8,456.95	-	(14)
Cost of Sales and Services	2,983.67	41	3,125.06	37	(5)
Employee Benefits expense	2,059.78	28	2,224.84	26	(7)
Finance costs	7.8	0	17.77	0	(56)
Depreciation and amortization expense	554.85	8	1,494.33	18	(63)
Other expenses	1,158.30	16	1,333.30	16	(13)
Total Expenses	6,764.40	92	8,195.30	97	(17)

	FY 2016-17	% of total revenue	FY 2015-16	% of total revenue	Growth %
Profit before exceptional items and tax	548.49	8	261.65	3	110
Exceptional items	172.08	2	229.98	3	(25)
Profit before tax	376.41	5	31.67	0	1,089
Provision for taxation	235.51	3	308.45	4	(24)
Profit for the year	140.90	2	-276.78	(3)	(151)
Share of Profit/(Loss) from Associate	0.00	-	-0.05	(0)	(100)
Profit/(Loss) attributable to Shareholders of the Company	140.90	2	-276.83	(4)	(151)
Other Comprehensive income (Net)	-121.70	(2)	76.56	1	(259)
Total Comprehensive income (loss) attributable to the Owners of the Company	19.20	0	-200.27	(3)	(110)
EPS- Basic	1.34	-	-2.53	-	(153)
EPS -Diluted	1.34	-	-2.53	-	(153)

Revenue

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

The revenue for the FY 2016-17 was ₹7,202.36 Million as against ₹8,157.43 Million in FY 2015-16. The decline is mainly due to discontinuation of ring back tone service in VIVO, Brazil and football service in some Latin American countries. Devaluation of Egyptian currency during the year impacted Africa revenues negatively during the current year.

The segmentation of revenue by geography is as follows:

(In ₹ Million)

	FY 2016-17	% of total revenue	FY 2015-16	% of total revenue	Growth %
India	1,750.47	24	1,803.15	22	-3
Outside India	5,451.89	76	6,354.28	78	-14
Total Revenue	7,202.36		8,157.43		-12

Other Income

Other Income was ₹110.53 Million in the FY 2016-17 as compared to ₹299.52 Million in FY 2015-16. FY 2016-17 includes ₹1.74 Million Net Loss on Foreign currency transactions and translations and ₹99.73 Million for Interest earned on Fixed Deposits and Dividend yield on Mutual Funds. For the previous year, Other Income comprised of ₹121.31 Million Net gain on Foreign currency transactions and translations in addition to Interest earned on Fixed Deposits and Dividend yield on Mutual Funds to the tune of ₹90.10 Million.

The surplus funds of the group continue to remain invested in fixed deposits and debt funds in adherence to the investment policy.

Cost of Sales and Services

Cost of Sales and Services consists of amount incurred towards content fee and cost of software licenses and other charges. Content fee is paid to content providers such as music label companies, royalty agencies, sports licensing authorities and other content licensors, from whom content is procured by the company. Cost of software licenses and other charges include the cost of software licenses and services used by the company for providing services to the customers. During FY 2016-17, the cost of sales and services was ₹2,983.67 Million as against ₹3,125.06 Million incurred in FY 2015-16 with a drop of 5% mainly driven by lower revenues.

(In ₹ Million)

	FY 2016-17	% of total revenue	FY 2015-16	% of total revenue	Growth %
Content fee	2,643.77	36	2,727.27	32	-3
Cost of software licenses and other charges	339.90	5	397.79	5	-15
Cost of sales and Services	2,983.67	41	3,125.06	37	-5

Employee Benefits Expense

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

During the FY 2016-17, the group incurred a cost of ₹2,059.78 Million as against ₹2,224.84 Million in the FY 2015-16, thus representing a decrease of 7% from the previous year. The decrease was primarily on account of reduction in employee headcount in certain geographies like Europe, Latam and North America.

The total employee strength (including subsidiaries) as on March 31, 2017 was 1,037.

Finance Charges

Finance Charges represent interest paid/payable towards working capital loan and term loan. During FY 2016-17, the Company incurred Finance Charges of ₹7.80 Million as compared to ₹17.77 Million in FY 2015-16.

Depreciation and Amortisation

The group provided a sum of ₹554.85 Million and ₹1494.33 Million towards Depreciation and Amortization for the FY

2016-17 and FY 2015-16, respectively, thus representing a fall of 63% over the previous year. Decrease in Depreciation and Amortization is on account of absence of amortization of market development and deployment rights in the FY 2016-17 as compared to the previous year as it was fully amortized.

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

The Depreciation and Amortization as a percentage of average gross block is 7% and 16% for the years ended March 31, 2017 and 2016, respectively.

Other Expenses

In the FY 2016-17, Other Expenses decreased by 13% to ₹1,158.30 Million as against ₹1,333.30 Million incurred in FY 2015-16. The break-up of the expenses is as follows:

(In ₹ Million)

	FY 2016-17	% of total revenue	FY 2015-16	% of total revenue	Increase %
Legal, professional & consultancy charges (including Remuneration to Auditors)	263.29	4	227.01	3	16
Marketing Expenses	233.36	3	255.63	3	-9
Rent and other facilities cost	135.53	2	158.83	2	-15
Travelling and Conveyance	132.96	2	161.60	2	-18
Communication charges	71.35	1	85.71	1	-17
Rates and taxes	54.32	1	139.41	2	-61
Others	267.49	4	305.11	4	-12
Total	1,158.30	16	1,333.30	16	-13

Continued efforts to derive operational and cost efficiencies has resulted in savings across most of the cost segments.

Exceptional Items

During the year ended March 31, 2017 the Central bank of

Egypt had devalued its currency Egyptian Pound (EGP) against USD to strengthen its economic growth. Accordingly the effect of restatement of the assets and liabilities from foreign currency to functional currency related to EGP on such devaluation is presented as exceptional item.

Profit before Tax

The Profit/(Loss) before Tax of ₹376.41 Million in the current FY 2016-17, as compared to ₹31.67 Million during the previous year, represents a 1089% improved profitability over the previous year.

Provision for Taxation

The amount provided for taxation in the current FY 2016-17 is ₹235.51 Million as against ₹308.45 Million provided in FY 2015-16, thus represents a 24% decrease in tax expense over the previous year.

Other Comprehensive Income

Other Comprehensive income for the year 2016-17 includes ₹115.48 Million on account of exchange losses in translating the financial statements of foreign operations and re-measurements of defined benefit liabilities. Other Comprehensive income /(loss) was ₹(121.70) Million in FY 2016-17 as compared to ₹76.56 Million in the FY 2015-16.

Profit for the year

The Profit/(Loss) after Tax of ₹19.20 Million in the current FY 2016-17, as compared to ₹(200.27) Million during the previous FY 2015-16.

FINANCIAL CONDITION

Non-Current Assets

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

The Company incurred an amount of ₹199.13 Million (₹174.29 Million in the previous year) as capital expenditure during the FY 2016-17. Additions to the gross block mainly comprises of additions to computers and electronic equipment, software consequent to expanding operations.

Capital Work-in-Progress represents the cost of the assets that are not ready for their intended use at the Balance Sheet date. There is a decrease of ₹10.34 Million in Capital Work-in-Progress on account of cost of assets put to use during the FY 2016-17.

Non-current Financial Assets

Non-current Financial Assets include Investments, Loans and Other Financial Assets. There is a decrease of ₹ 9.22 Million during the FY 2016-17, mainly on account of Security deposits received back.

Other Non-Current Assets

Other Non-Current Assets as on March 31, 2017 are ₹1,280.83 Million as compared to ₹1,329.32 Million as on March 31, 2016, thus representing a decrease of ₹48.49 Million. The decrease is primarily on account of reduction in Advance Income Tax, Tax deducted at source, withholding taxes during the year.

Current Assets

Current Investments

Current Investments as on March 31, 2017 is ₹930.32 Million as compared to ₹927.34 Million as at March 31, 2016.

Trade receivables

The Trade Receivables (net of Provision for Doubtful Trade Receivables) amount to ₹1,676.13 Million as on March 31, 2017 as against ₹1,983.41 Million as on March 31, 2016.

Below is the ageing of Trade receivables:

	As at March 31, 2017	As at March 31, 2016
Less than 6 months	1372.72	1,626.10
More than 6 months	303.41	357.31

Cash and cash equivalents

The Cash and Cash Equivalents as on March 31, 2017 is ₹2,130.98 Million as against a balance of ₹2,281.34 Million as on March 31, 2016. The Group generated net cash of ₹901.73 Million from operating activities which was partly utilized towards buyback of equity shares amounting to ₹463.75 Million and other financing activities like payment of dividend and repayment of borrowings.

Loans

Loans and advances outstanding as on March 31, 2017 is ₹40.79 Million as compared to ₹22.90 Million outstanding as on March 31, 2016, thus representing an increase of ₹17.89 Million mainly on account of Security Deposits made during the year.

Other Financial assets

The Other Financial assets as on March 31, 2017 is ₹715.57 Million as compared to ₹932.55 Million as on March 31, 2016, thus representing decrease of ₹216.98 Million. The decrease was mainly on account of decrease in unbilled revenue.

Other current assets

Other Current assets as on March 31, 2017 is ₹479.39 Million as compared to ₹613.94 Million outstanding as on March 31, 2016, thus representing decrease of ₹134.55 Million mainly on account of decrease in Balances with Statutory Authorities and decrease in Advance to Vendors.

Equity and Liabilities

Equity

Equity Share Capital

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

As at March 31, 2017, the group has 104,350,090 equity shares of ₹10/- each as Issued, Subscribed with Paid-up Capital which decreased from 108,111,402 equity shares of ₹ 10/- each as at March 31, 2016. The decrease was on account of buyback of 4,067,406 shares pursuant to the public announcement made by the Company on February

11, 2016 and partly offset by an increase due to the options exercised by employees during the year for 306,094 equity shares.

Other Equity

A summary of the Other Equity is given below:

	(In ₹ Million)		
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Capital Redemption Reserve	154.00	113.33	98.00
Securities premium	2,355.13	2,806.70	2,970.24
Stock Options outstanding	105.51	73.75	20.19
General Reserve	13.20	13.20	13.20
Foreign Currency Translation Reserve	(36.91)	78.57	-
Retained Earnings	2,009.20	2,025.02	2,499.16
Other items of Other Comprehensive Income	(8.23)	(2.01)	-
Total	4,591.90	5,108.56	5,600.79

The decrease in securities premium account of ₹ 451.57 Million during the year was mainly on account of utilization for share buyback and transfer to Capital Redemption reserve during the year.

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

The surplus retained in the Statement of Profit and Loss as at March 31, 2017 is ₹2,009.20 Million.

The total Net Worth of the group as at March 31, 2017 is ₹5,635.40 Million with the book value of each share being ₹54/- (Face value of ₹10/- each). The corresponding numbers for the previous FY are ₹6,189.67 Million and ₹57.25 respectively.

Liabilities

Non-Current Liabilities

Long-term provisions

The Long-term Provisions outstanding as on March 31, 2017 are ₹51.67 Million as compared to ₹43.93 Million as on March 31, 2016, thus representing an increase of ₹7.74 Million. The increase is primarily on account of increase in provision for compensated absences based on accumulated leave credits of the employees.

Deferred Tax Liability and Asset

Deferred Tax Assets and Liabilities are recognized for the future tax consequences of temporary differences between carrying values of the assets and liabilities and their respective tax bases and are measured using enacted tax rates applicable on the Balance Sheet date. Deferred Tax Assets are recognized subject to management's judgment that realization is virtually certain. The Deferred Tax

Liability represents the deferred tax liability of the Group and as on March 31, 2017 is ₹1.08 Million as compared to ₹ 1.17 Million as on March 31, 2016. The Deferred Tax Asset represents the deferred tax assets of the Group and as on March 31, 2017 is ₹378.40 Million as compared to ₹ 219.11 Million as on March 31, 2016.

Current Liabilities

The Current Liabilities outstanding as on March 31, 2017 are ₹2,723.01 Million as compared to ₹3,316.11 Million as on March 31, 2016, thus representing a decrease of ₹593.10 Million. Decrease is mainly on account of decrease in Financial Liabilities (Trade payables and Current Maturities of Long-term borrowings), and statutory remittances due.

8. MATERIAL DEVELOPMENTS IN HUMAN RECOURSES

Our Focus on People

The overarching theme for our Talent initiatives in 2016-17 was four-fold. Collaborate and connect with our employees across the globe, improve our existing policies / processes to their needs, create a positive impact on employees' predisposition to learn & impact on the way Business works.

Learning and Skill Development

So far we have been successful in shifting the onus of learning from Management to Self thus creating a culture of self-promoted learning through our e-learning portal. This year has shown a significant upside in the time vested by our employees towards upgradation of their skills both in the areas of professional and personal growth. We have enabled them access to the popular courses trending across industry thus staying relevant and agile in the ever-changing business environment. Learning is now available anytime, anywhere!

Our key themes in the area of business impact have been fostering collaboration, promoting camaraderie across functional teams, bringing in a sense of accountability through various instructor led and one on one interventions. Besides consolidating our award winning initiative OLA (Onmobile Learning Academy), we have also taken it further and charted a 'Product Certification Pathway' in order to build and predict gradational capabilities on our products and platforms. We have empowered a pool of employees (who have completed these Certifications). Their knowledge is now being channelized in their current role and other projects.

We have automated the process of training calendarization, scheduling, invitation and nomination through an internal tool termed 'i-learn' thus making it convenient and employee friendly. An additional feature of i-learn further showcases the credentials, skills, and capabilities of an employee to a larger audience in the Organization. It gives them an opportunity to be deployed in various assignments in alignment with their skill-sets.

Talent Acquisition

The first step towards building a strong workforce is attracting and hiring the right kind of talent. In 2016-17,

our focus was on improving the candidate experience and sustaining it after they became our employees. We added elements that ensured that the candidates were more engaged and informed about the organization. The online assessments tool that we invested in last year, has helped us to ensure, that we hire the best from the talent pool. These initiatives have not only helped us improve upon our hiring timeline but also reduced attrition in the span of the last 12 months.

Talent Management

Being present in over 55 countries throws up its own challenges in the space of connecting, engaging & communicating with employees. With the proliferation of smartphones, connecting and engaging people using the mobile platform was the best possible way to overcome this challenge. We leveraged Facebook to create a closed user group that connected and enabled engagement with employees on a real-time basis. We increased our

touchpoints to be able to sense the pulse and enable as much authenticity in communications. We also undertook various health and fitness related initiatives for our employees to ensure they explore their passion and lead a healthy lifestyle.

9. CAUTIONARY STATEMENT

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

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company: The Corporate Identity Number allotted by the Ministry of Company Affairs, Government of India is **L64202KA2000PLC027860**
2. Name of the Company: OnMobile Global Limited
3. Registered address: Tower#1, 94/1C & 94/2, Veerasandra Village, Attibele Hobli, Anekal Taluk, Electronic City Phase-1, Bangalore-560100, Karnataka, India
4. Website: www.onmobile.com
5. E-mail id: investors@onmobile.com
6. Financial Year reported: 2016-2017
7. Sector(s) that the Company is engaged in (industrial activity code-wise) : Telecom-Value Added Services (NIC Code:61900)
8. List three key products/services that the Company manufactures/provides (as in balance sheet)
The 3 key products of OnMobile Global Limited are:
 - i. Ring Back Tones(RBT)
 - ii. Mobile Entertainment Services
 - iii. Infotainment Services
9. Total number of locations where business activity is undertaken by the Company
 - (a) Number of International Locations (Provide details of major 5)
 - i. Asia Pacific
 - ii. Middle-East & Africa
 - iii. Europe
 - iv. North America
 - v. Central America & Latin America
 - (b) Number of National Locations
 - i. Gurgaon
 - ii. Mumbai
 - iii. Bangalore
10. Markets served by the Company – Local/State/National/International: OnMobile Global Limited provides its services in more than 55 countries worldwide.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR) : 1043.50 Mn
2. Total Turnover (INR) : 3049.98 Mn

3. Total profit after taxes (INR) : 426.28 Mn
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 0.82%
5. List of activities in which expenditure in 4 above has been incurred:-

OnMobile has identified health care including preventive health care as its primary focus area and decided to fund free hearing aids for the needy, having relevance to the Company's core offering, enabling people to express themselves through sound as this CSR initiative aligns Company's future identity with a relevant cause. OnMobile has associated with Society to Aid the Hearing Impaired (SAHI), a registered NGO working with hearing impaired, underprivileged children from rural background and made a contribution in support of Cochlear Implants, Micro Ear Surgeries and Hearing Aids for the needy.

SECTION C: OTHER DETAILS

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

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR
 - (a) Details of the Director/Director responsible for implementation of the BR policy/policies
 1. DIN Number : 00071487
 2. Name : Rajiv Khaitan
 3. Designation : Independent Director
 - (b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00071487
2	Name	Rajiv Khaitan
3	Designation	Independent Director
4	Telephone number	+91 80 4339 7000
5	e-mail id	rajiv.khaitan@khaitanco.com

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

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

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

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

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

Note: Since the Company is into Mobile Value Added Services, it does not have any specific policies which are covered for manufacturing organizations. However, the Corporate Policies relevant to Company's business are framed and/or modified from time to time. Policies have been implemented and followed over a period of time as per industry norms and/or best practices.

3. Governance related to BR

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

Since this is the first year that the company is publishing a BRR, the Board of Directors/ Committees of the Board / CEO would assess the BR performance of the Company as and when required.

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

Yes. The hyperlink is http://www.onmobile.com/sites/default/files/FY_2017_Annual_Report.pdf which is published along with the Annual Report of FY 2016-17. This is the first year of publishing BRR.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

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

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

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

Also, the company has adopted Anti-Bribery Policy, which aims to set up a framework to facilitate the Company and its employees to comply with the international standards on anti-bribery and to communicate the Company's views and values on

anti - bribery compliance. This Policy is applicable to all employees of the Company (including Board of Directors), agents, vendors, venture partners, business partners, customers/ clients, associates, contract/ sub-contractors, interns and other third parties/affiliates.

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

Principle 2

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

The Company's business activity is to provide Value Added Services to mobile operators. The Company is in compliance with applicable laws and regulations.

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

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

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

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

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

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

The Company maintains a healthy relationship with

its content providers, vendors and other suppliers and the business policies of the Company include them in its growth.

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

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

Most of the Value Added Services provided by the Company through mobile operators are based on the content and music procured or sourced locally from the content providers of respective geographies.

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

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

Principle 3

- Please indicate the Total number of employees: 1,037
- Please indicate the Total number of employees hired on temporary/contractual/casual basis: Nil
- Please indicate the Number of permanent women employees:185
- Please indicate the Number of permanent employees with disabilities: Nil
- Do you have an employee association that is recognized by management: Nil
- What percentage of your permanent employees is members of this recognized employee association? N.A
- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

(a) Permanent Employees: 75%

(b) Permanent Women Employees: 75%

(c) Casual/Temporary/Contractual Employees: Nil

(d) Employees with Disabilities: NA

Principle 4

- Has the company mapped its internal and external stakeholders? No.
- Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders? No.
- Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so? No.

Principle 5

- Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Yes. The Company's Policy on Human Rights covers not only the Company but extends to its Group Companies, Joint Ventures, Suppliers, Contractors etc.

How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? Nil.

Principle 6

- Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

No Policy relating to Principle 6.

- Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Since there are no production activities undertaken by the Company, there are no initiatives taken for addressing global environmental issues.

- Does the company identify and assess potential environmental risks?

No.

- Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Since the Company works on software related (Telecom VAS) activities, no project related to Clean Development Mechanism has been undertaken.

- Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

No.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No show cause/ legal notices has been received from CPCB/SPCB.

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes. Bangalore Chamber of Industry and Commerce

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

No.

Principle 8

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company has identified health care including preventive health care as its primary focus area and decided to fund free hearing aids for the needy. The Company identified the focus area having relevance to the Company's core offering, enabling people to express themselves through sound as this CSR initiative aligns Company's future identity with a relevant cause.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The CSR initiatives taken up by the Company are in association with Society to Aid the Hearing Impaired (SAHI). SAHI is a group of ENT surgeons, audiologists and hospital management professionals who came together in year 2004 to launch the organization.

3. Have you done any impact assessment of your initiative?

After the release of funds for the first phase of contribution to SAHI as mentioned above, the Company assessed the effectiveness of utilization of the contributions made. After the assessment, the Company released funds of second phase of contribution and yet to assess the effectiveness of the second phase contributions.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

The Company contributed ₹ 3,500,000 to SAHI (Society to Aid the Hearing Impaired), a registered NGO working with hearing impaired underprivileged children from rural background. This was used for conducting hearing screening camps, distribution of hearing aids and Cochlear implant surgeries.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Company assessed the effectiveness of the utilization of the contributions made in the first phase.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

0.37%

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information)

NA

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes

INDEPENDENT AUDITOR'S REPORT

To The Members of ONMOBILE GLOBAL LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **ONMOBILE GLOBAL LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act, the Rules made thereunder and the Order under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with Ind AS and the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the Management, we report that the disclosures are in accordance with the books of accounts maintained by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS
Chartered Accountants
Firm's Registration No. 008072S

BENGALURU, May 26, 2017
VB/NM/2017

V. Balaji
Partner
Membership No. 203685

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **ONMOBILE GLOBAL LIMITED** (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS
Chartered Accountants
Firm’s Registration No. 008072S

BENGALURU, May 26, 2017
VB/NM/2017

V. Balaji
Partner
Membership No. 203685

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and based on the certified copy of the registered deed of transfer in respect of the freehold building of the Company provided to us, we report that, the title to the freehold building is held in the name of the Company. In respect of immovable properties of buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) The Company does not has any inventory and hence reporting under clause (ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company has granted unsecured loans to a party covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
- (a) The terms and conditions of the grant of such loan is, in our opinion, prima facie, not prejudicial to the Company’s interest.
- (b) The principal and interest are repayable on demand and there were no demand for repayments during the year.
- (c) There is no overdue amount remaining outstanding at the balance sheet date.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year and does not have any unclaimed deposits.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for any of the activities of the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company have been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amounts (₹ in millions)*
Income Tax Ordinance, 1984, Bangladesh	Income Tax	High Court of Bangladesh	AY 2010-11	3.25
Income Tax Act, 2004, Tanzania	Income Tax	Commissioner, Tanzania Revenue Authority	FY Dec 2011	2.71
Income-tax Act, 1961	Income Tax	High Court of Karnataka	AY 2008-2009	1.16
The Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal (CESTAT)	2006-07 to 2008-09	19.69
Karnataka Value added tax act 2003	Value added Tax (including penalty and Interest)	Joint Commissioner of Commercial taxes (Appeals)	2010-11 to 2013-2014	51.43

* net of amounts paid under protest and/or adjusted against refunds.

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS
Chartered Accountants
Firm's Registration No. 008072S

BENGALURU, May 26, 2017
VB/NM/2017

V. Balaji
Partner
Membership No. 203685

BALANCE SHEET

(In ₹ Million)

	Notes	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	328.63	269.89	315.26
Capital work-in-progress		34.60	34.59	20.90
Intangible Assets	3	5.98	9.76	836.86
Financial Assets				
Investments	4	1,012.16	1,011.86	1,011.86
Loans	7	1,126.69	928.79	641.55
Other Financial Assets	9	1.77	2.51	1.35
Deferred tax Assets (net)	27	363.36	250.48	326.91
Other Non-Current Assets	12	1,080.68	1,113.95	974.91
		3,953.87	3,621.83	4,129.60
Current Assets				
Financial Assets				
Investments	5	930.32	927.34	717.87
Trade Receivables	6	533.73	613.14	915.55
Cash and cash equivalents	11	768.96	840.92	890.27
Loans	8	33.45	21.78	23.28
Other Financial Assets	10	1,684.89	2,008.20	2,147.24
Other Current Assets	13	262.39	404.39	344.06
		4,213.74	4,815.77	5,038.27
TOTAL		8,167.61	8,437.60	9,167.87
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	14	1,043.50	1,081.11	1,092.20
Other Equity	15	5,741.07	5,899.91	6,190.43
		6,784.57	6,981.02	7,282.63
Liabilities				
Non-Current Liabilities				
Provisions	17	48.88	40.70	31.80
		48.88	40.70	31.80
Current Liabilities				
Financial Liabilities				
Trade payables	16	1,065.13	1,015.56	1,421.39
Other Financial Liabilities	19	78.56	109.55	148.95
Provisions	18	26.76	27.68	15.95
Other current liabilities	20	163.71	263.09	267.15
		1,334.16	1,415.88	1,853.44
TOTAL		8,167.61	8,437.60	9,167.87
Significant accounting policies	2			

The accompanying notes are an integral part of the financial statements 1 to 48

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

V. Balaji
Partner

François-Charles Sirois
Executive Chairman and Chief Executive Officer

Sanjay Baweja
Director

Praveen Kumar K J
Chief Financial Officer

P V Varaprasad
Company Secretary

Place : Bengaluru
Date : May 26, 2017

Place : London, UK
Date : May 26, 2017

STATEMENT OF PROFIT AND LOSS

(In ₹ Million except per share data)

	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
REVENUE FROM OPERATIONS			
Telecom Value Added Services	21	3,049.98	3,331.55
Other Operating revenue			
– Reimbursement of expenses (Net)	44	253.10	542.16
Other Income	22	395.79	241.10
Total Revenue (A)		3,698.87	4,114.81
EXPENSES			
Cost of Sales and Services	23	639.36	729.38
Employee Benefits expenses	24	1,384.99	1,370.96
Depreciation and amortisation expense	25	114.35	975.15
Other expenses	26	953.13	889.87
Total Expenses (B)		3,091.83	3,965.36
Profit before exceptional item and tax (C) = (A-B)		607.04	149.45
Exceptional item (D)	46	116.56	2.46
Profit before tax (E) = (C-D)		490.48	146.99
TAX EXPENSE			
Current Tax	27	173.79	90.74
Deferred tax	27	(109.59)	77.50
Net Tax Expense (F)		64.20	168.24
Profit / (Loss) for the year (G) = (E-F)		426.28	(21.25)
Other Comprehensive Income (Net)			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit liabilities / (asset)			
Actuarial Gain / (Loss)		(9.51)	(3.08)
Income tax relating to items that will not be reclassified to profit or loss		3.29	1.07
Items that may be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		(43.04)	37.77
Income tax on items that may be reclassified to profit or loss		–	(13.07)
Other comprehensive income for the period		(49.26)	22.69
Total Comprehensive Income for the year		377.02	1.44
EARNINGS PER EQUITY SHARE			
1. Basic (Face value of equity share of ₹ 10/- each)	37	4.06	(0.19)
2. Diluted (Face value of equity share of ₹ 10/- each)		4.04	(0.19)
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements 1 to 48

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

V. Balaji
Partner

François-Charles Sirois
Executive Chairman and Chief Executive Officer

Sanjay Baweja
Director

Praveen Kumar K J
Chief Financial Officer

P V Varaprasad
Company Secretary

Place : Bengaluru
Date : May 26, 2017

Place : London, UK
Date : May 26, 2017

CASH FLOW STATEMENT

In ₹ Million

	For the year ended March 31, 2017	For the year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) for the year	426.28	(21.25)
Income tax expense recognised in the statement of profit and loss	64.20	168.24
Depreciation and amortisation expense	114.35	975.15
Unrealised Foreign Exchange Loss/(Gain)	93.10	(223.59)
Loss/(Gain) on Sale of Fixed Assets (Net)	(1.21)	(1.07)
Provisions no longer required written back	(0.30)	-
Provision for Doubtful trade receivables (Net)	98.72	25.06
Amortisation of Employee Stock Option	35.39	55.92
Dividend Income	(281.53)	(43.27)
Interest Income	(75.47)	(61.42)
Changes in Operating assets and liabilities:		
Trade receivables	(117.33)	343.88
Other assets	107.78	(123.14)
Trade Payables	90.19	(382.96)
Other liabilities	(130.96)	34.98
Cash generated from operations	423.21	746.53
Direct taxes paid (including refunds)	(139.68)	(251.90)
Net cash generated from operating activities	<u>283.53</u>	<u>494.63</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on purchase of fixed assets including capital advances	(196.29)	(159.96)
Proceeds from sale of fixed assets	2.62	2.86
Sale, Redemption/ (Purchase) of short term investments (net)	(2.98)	(209.47)
(Purchase) / Sale of Investment in Subsidiaries (net)	(0.30)	-
(Increase)/decrease in earmarked bank balances	191.83	(176.12)
Dividend Income	281.53	43.27
Interest received	76.63	59.93
Net cash (used in) / generated from investing activities	<u>353.04</u>	<u>(439.49)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of Share Capital (net of refund of share application money)	11.61	14.13
Buyback of Equity Share Capital	(463.75)	(176.37)
Dividend Paid including tax	(156.72)	(197.31)
Net cash (used in) from financing activities	<u>(608.86)</u>	<u>(359.55)</u>
Net increase/(decrease) in cash and cash equivalents	<u>27.71</u>	<u>(304.41)</u>
Cash and cash equivalents (Opening Balance)	645.88	871.35
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(92.16)	(78.94)
Cash and cash equivalents (Closing Balance)	<u>765.75</u>	<u>645.88</u>
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 11)	768.96	840.92
Less: Bank balances not considered as Cash and cash equivalents	3.21	195.04
Cash and cash equivalents at the end of the year	<u>765.75</u>	<u>645.88</u>

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

V. Balaji
Partner

François-Charles Sirois
Executive Chairman and Chief Executive Officer

Praveen Kumar K J
Chief Financial Officer

Sanjay Baweja
Director

P V Varaprasad
Company Secretary

Place : Bengaluru
Date : May 26, 2017

Place : London, UK
Date : May 26, 2017

Statement of changes in equity for the year ended March 31, 2017

A.. Equity Share Capital In ₹ Million

	Equity share capital
Issued and Paid up Capital at April 1, 2015	1,092.20
Changes in equity share capital during the year	
(a) Issue of share capital under Employee Stock Option Plan	4.24
(b) Buy back of equity shares	(15.33)
Balance at March 31, 2016	1,081.11
Changes in equity share capital during the year	
(a) Issue of equity shares under employee share option plan	3.06
(b) Buy-back of equity shares	(40.67)
Balance at March 31, 2017	1,043.50

b. Other Equity

In ₹ Million

	Reserves and Surplus					Items of other comprehensive income		Total
	Securities premium reserve	General reserve	Stock Options Outstanding Account	Capital Redemption Reserve	Retained earnings	Exchange differences on translating the financial statements of a foreign operation	Actuarial Gain / (Loss)	
Balance at April 1, 2015	2,970.24	13.20	20.19	98.00	3,088.80	-	-	6,190.43
Received on exercise of employee stock options	10.49	-	-	-	-	-	-	10.49
Utilised towards Shares buy-back	(161.04)	-	-	-	-	-	-	(161.04)
Transfer to Capital Redemption Reserve	(15.33)	-	-	15.33	-	-	-	-
Discount on exercise of eligible stock options	(0.02)	-	-	-	-	-	-	(0.02)
Employees stock option cost	-	-	55.92	-	-	-	-	55.92
Transferred to Securities premium reserve	2.36	-	(2.36)	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	(21.25)	37.77	(3.08)	13.44
Income tax impact	-	-	-	-	-	(13.07)	1.07	(12.00)
Dividends	-	-	-	-	(163.96)	-	-	(163.96)
Tax on Dividends	-	-	-	-	(33.35)	-	-	(33.35)
Balance at March 31, 2016	2,806.70	13.20	73.75	113.33	2,870.24	24.70	(2.01)	5,899.91

	Reserves and Surplus					Items of other comprehensive income		Total
	Securities premium reserve	General reserve	Stock Options Outstanding Account	Capital Redemption Reserve	Retained earnings	Exchange differences on translating the financial statements of a foreign operation	Actuarial Gain / (Loss)	
Received on exercise of employee stock options	8.55	-	-	-	-	-	-	8.55
Utilised towards Shares buy-back	(423.08)	-	-	-	-	-	-	(423.08)
Transfer to Capital Redemption Reserve	(40.67)	-	-	40.67	-	-	-	-
Employees stock option cost	-	-	35.39	-	-	-	-	35.39
Transferred to Securities premium reserve	3.63	-	(3.63)	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	426.28	(43.04)	(9.51)	373.73
Income tax impact	-	-	-	-	-	-	3.29	3.29
Dividends	-	-	-	-	(156.38)	-	-	(156.38)
Tax on Dividends	-	-	-	-	(0.34)	-	-	(0.34)
Balance at March 31, 2017	2,355.13	13.20	105.51	154.00	3,139.80	(18.34)	(8.23)	5,741.07

The accompanying notes (1 to 48) are an integral part of the financials statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

V. Balaji
Partner

Place : Bengaluru
Date : May 26, 2017

For and on behalf of the Board of Directors

François-Charles Sirois
Executive Chairman and Chief Executive Officer

Praveen Kumar K J
Chief Financial Officer

Place : London, UK
Date : May 26, 2017

Sanjay Baweja
Director

P V Varaprasad
Company Secretary

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

1 Company Overview

OnMobile Global Limited ('OnMobile' or 'the Company') is a public limited company incorporated in India and has its registered office at Bengaluru, India and has offices in all regions of the world. The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange in India. The key product offerings of the Company are Ringback Tones, Digital Content Store and Infotainment. OnMobile is the global leader in Ringback Tones, which replaces the boring "tiring-tring" the caller listens to, with interesting sounds of their choice. Digital Content Store is a one-stop mobile destination for discovering digital content like videos, games, music and images. Infotainment offers music, contest, news and sports to consumers over the mobile. The financial statements are approved for issue by the Company's Board of Directors on May 26, 2017."

2 Significant Accounting Policies

a. Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable. These financial statements upto year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (Previous GAAP). Reconciliation and description of the effect of the transition to Ind AS from Previous GAAP is given in Note 47 and Note 48.

b. Basis of Presentation and Disclosure

The financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- a. Derivative financial instruments
- b. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
- c. Share based payment transactions and
- d. Defined benefit and other long term employee benefits"

c. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular,

information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the significant effect on the amounts recognized in the financial statements is included in the following notes:

- i) Useful lives of Property, Plant and Equipment and Intangible Assets: As described at Note (k.) below, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.
- ii) Fair value measurements and valuation processes: In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The cross functional team of the Company works closely with the valuer to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the finding to the board of directors of the Company every quarter to explain the cause of fluctuations in the fair value of the assets and liabilities.
- iii) Other estimates: The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.
- iv) Employee benefits: The cost of defined benefit plans are determined using actuarial valuation. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to long term nature of these plans, such estimates are subject to significant uncertainty.
- v) Share based compensation to employees: The Company has granted share based payment plans to its employees. Valuation models are used to calculate the expense for such share based compensation to employees. These models require a number of assumptions to be made as inputs. These include financial assumptions as well as various assumptions around individual employee behaviour."

d. Functional and presentation currency

The financial statements are presented in Indian Rupee, the national currency of India, which is the presentation and functional currency of the Company. The Company

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

has foreign operations (branches) for which the functional currency is the currency of the primary economic environment in which these entities operates.

e. Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and loss and reported within foreign exchange gains/ (losses). Non monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. The financial position of the foreign operations whose functional currency is different from the presentation currency (INR) are recognised in Other Comprehensive Income as Foreign Currency Translation reserve as follows:

- a. Assets and liabilities are translated into Indian Rupee (INR) using exchange rate prevailing at the end of each reporting period.
- b. Income and expenses are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used."

f. Investment in subsidiaries and associates

Investment in subsidiaries and associates are measured at cost. Dividend income from subsidiaries is recognised when its right to receive the dividend is established.

g. Cash Flow

Cash Flow Statement has been prepared in accordance with the Indirect method prescribed in Indian Accounting Standard 7 - "Statement of Cash Flows". The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

h. Cash and cash equivalents

Cash comprises cash on hand and in banks, demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

i. Financial instruments

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or

convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets, debt instruments comprising amortised cost, equity instruments at fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

a) Non-derivative financial assets

(i) Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

(ii) Debt instruments at Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in "Other income" using the effective interest rate method.

(iii) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as fair value through Other Comprehensive Income (FVTOCI), is classified as FVTPL."

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss."

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments

c) Non-derivative financial liabilities

(i) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

(ii) Financial asset at Fair value through Other Comprehensive Income (FVTOCI)

The Company has elected not to present any subsequent changes in the fair value of equity instruments in OCI.

(iii) Financial liabilities at FVTPL

The Company doesnot have any Financial liabilities desginated at FVTPL.

d) Derivative Financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets and liabilities and forecasted cash flows denominated in foreign currencies. The counterparty to these contracts is generally a bank. Derivatives are recognised and measured at fair value. Attributable transactions costs are recognised in statement of profit and loss.

j. Property, Plant and Equipment and Intangible Assets

Property, Plant and Equipment and Intangible Assets

are stated at cost of acquisition including taxes, duties, freight directly attributable to make the asset ready for its intended use and other incidental expenses relating to acquisition and installation. Subsequent expenditure on assets after its purchase is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Assets retired from active use and held for sale are stated at the lower of their net book value and realisable value and disclosed separately.

Capital work in progress is stated at cost and includes the cost of the assets that are not ready for their intended use at the Balance Sheet date."

k. Depreciation and Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation has been provided on the straight-line method over the useful life as estimated by the management based on technical advice on commercial lives of these assets.

The estimated useful lives are as follows:

Category of Asset	No. of years
Leasehold Improvements	Primary lease period of 3 years -5 years
Buildings	61 years
Office equipments	3 years
Computers and Electronic equipments	3 years-5 years
Furniture and Fixtures	3 years
Motor Cars	3 years
Softwares	3 years
Intellectual Property Rights	3 years
Market development and deployment rights	Over the term of the agreement

The estimated useful life of the assets are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Individual assets costing less than ₹5,000/- are depreciated in full in the year of purchase.

l. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As lessor

Rental Income from operating leases is generally recognised on an straight - line basis over the term of the relevant lease. where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

As lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such expense accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

m. Revenue Recognition

Revenue from Telecom Value Added Services, net of credit notes, is recognized on providing the services in terms of revenue sharing arrangements with the telecom operators.

Revenue from sale of user licences for software application is recognized when the applications are functionally installed at the customer's location as per the terms of the contracts.

Revenue from Other Services including maintenance services is recognized proportionately over the period during which the services are rendered as per the terms of contract.

n. Dividend Income

Dividend on current investments is recognized on an accrual basis when the right to receive payment is established. Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and the carrying value of the investment.

o. Interest Income

Interest income is recognised as it accrues in the statement of profit and loss, using the effective interest method.

p. Employee Benefits

Employee benefits include provident fund, ESIC, gratuity fund, compensated absences etc.

- a) Short term Obligations: Short-term employee benefits include salaries, social security contributions, short term compensated absences (such as paid annual leave where the absences are expected to occur within twelve months after the end of the period in which the employees render the related employee service), profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits (such as medical care) etc, for current employees are estimated and measured on an undiscounted basis.

- b) Defined Contribution Plan

The Company's contribution to provident fund, employee state insurance scheme, social security

etc are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

- c) Defined Benefit Plan

Post employment benefit plans other than Defined Contribution Plans include liabilities for gratuity funded in terms of a scheme administered by the Life Insurance Corporation of India, is determined by using Projected Unit Credit method with Actuarial Valuation made at the end of each financial year. Provision for liabilities pending remittance to the fund is carried in the Balance Sheet.

Actuarial gains and losses are recognised in Other Comprehensive Income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit and loss is calculated by applying a discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income. Remeasurement comprising actuarial gains and losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

- d) Long-term liability for compensated absences is provided based on actuarial valuation of the accumulated leave credit outstanding to the employees as on the Balance Sheet date. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss.

q. Share Based Payments

Employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant.

The expense is recognised in the Statement of Profit and loss with a corresponding increase to the share based payment reserve, a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation)."

r. Earnings per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

s. Income Tax

Income tax expense includes Indian and International income taxes. Income tax comprises of the current tax and net change in deferred tax asset or liability in the year. Income tax expense is recognised in the statement of profit and loss except to the extent it relates to items directly recognised in other comprehensive income.

- a) **Current Tax:** Provision for current tax is made taking into account the admissible deductions/allowances and is subject to revision based on the taxable income for the fiscal year ending 31 March each year. Provision for taxation includes tax liabilities in India on the Company's global income as reduced by exempted income and any tax liabilities arising overseas on income sourced from those countries.
- b) **Deferred Tax:** Deferred tax is recognised using balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base if assets and liabilities and their carrying amount in the financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax

credits and unused tax losses can be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or subsequently enacted by the end of the reporting period.

t. Impairment of tangible and intangible assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amounts by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

u. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

3. Tangible and Intangible Assets

Description of Assets	Property, plant and equipment						Intangible Assets				
	Buildings – Freehold	Leasehold Improvements	Computers and Electronic Equipments	Office Equipment	Furniture and Fixtures	Vehicles – Freehold	Total	Computer Software	Intellectual Property Rights	Market Development and Deployment Rights	Total
I. Gross Block											
Balance as at 1 April, 2015	106.75	124.26	2,424.62	33.42	36.10	12.03	2,737.18	741.97	181.90	2,717.09	3,640.96
Additions	-	-	98.34	0.32	0.41	-	99.07	5.40	-	-	5.40
Disposals	-	9.77	321.96	0.09	0.10	-	331.92	-	-	-	-
Balance as at 31 March, 2016	106.75	114.49	2,201.00	33.65	36.41	12.03	2,504.33	747.37	181.90	2,717.09	3,646.36
Additions	-	-	167.26	0.23	0.32	-	167.81	2.91	-	-	2.91
Disposals	-	-	342.76	-	-	-	342.76	-	-	-	-
Balance as at 31 March, 2017	106.75	114.49	2,025.50	33.88	36.73	12.03	2,329.58	750.28	181.90	2,717.09	3,649.27
II. Accumulated depreciation and impairment											
Balance as at 1 April, 2015	13.40	61.54	2,296.65	21.22	25.67	3.44	2,421.92	731.20	181.86	1,891.04	2,804.10
Depreciation / amortisation expense for the year	1.75	22.90	93.81	10.47	9.71	4.01	142.65	6.47	-	826.03	832.50
Eliminated on disposal of assets	-	9.77	320.21	0.09	0.06	-	330.13	-	-	-	-
Balance as at 31 March, 2016	15.15	74.67	2,070.25	31.60	35.32	7.45	2,234.44	737.67	181.86	2,717.07	3,636.60
Depreciation / amortisation expense for the year	1.75	20.79	79.44	1.89	0.92	2.87	107.66	6.63	0.04	0.02	6.69
Eliminated on disposal of assets	-	-	341.35	-	-	-	341.35	-	-	-	-
Balance as at 31 March, 2017	16.90	95.46	1,808.34	33.49	36.24	10.32	2,000.75	744.30	181.90	2,717.09	3,643.29
Net block (I-II)											
Balance as on 31st March 2017	89.85	19.03	217.16	0.39	0.49	1.71	328.63	5.98	-	-	5.98
Balance as on 31st March 2016	91.60	39.82	130.75	2.05	1.09	4.58	269.89	9.70	0.04	0.02	9.76
Balance as at 1st April, 2015	93.35	62.72	127.97	12.20	10.43	8.59	315.26	10.77	0.04	826.05	836.86

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount
FINANCIAL ASSETS						
4. NON CURRENT INVESTMENTS						
Investments (At Cost)						
Unquoted Investments (fully paid-up) in Equity Shares of: Wholly owned subsidiaries:						
OnMobile Singapore Pte. Ltd., Singapore	4,485,000	154.49	4,485,000	154.49	4,485,000	154.49
Pt. Indonesia OnMobile, Indonesia	1,000	4.06	1,000	4.06	1,000	4.06
Onmobile Europe B.V., Netherlands	3,817,935	1,046.90	3,817,935	1,046.90	3,817,935	1,046.90
OnMobile USA LLC, USA	20,100	91.51	20,100	91.51	20,100	91.51
Servicios De Telefonía Onmobile Sa De Cv, Mexico	1,829,877	6.86	1,829,877	6.86	1,829,877	6.86
OnMobile Global S A, Argentina	2,073,850	25.63	2,073,850	25.63	2,073,850	25.63
OnMobile Brasil Sistemas DeValor Agregado Para Comunicacoes Moveis Ltda, Brazil	2,365,109	65.64	2,365,109	65.64	2,365,109	65.64
OnMobile Global for Telecommunications Services, Egypt	500	0.38	100	0.08	100	0.08
OnMobile Bangladesh Private Limited	720,000	5.09	720,000	5.09	720,000	5.09
Onmobile Global Spain, S.L.U.	961,000	81.90	961,000	81.90	961,000	81.90
OnMobile Kenya Telecom Limited	500,000	41.50	500,000	41.50	500,000	41.50
OnMobile Zambia Telecom Limited	781,500	8.24	5,000	0.06	5,000	0.06
Share application money pending allotment-OnMobile Zambia Telecom Limited	-	-	-	8.18	-	8.18
OnMobile Madagascar Telecom Limited	10,000	1.08	10,000	1.08	10,000	1.08
OnMobile Telecom Limited, Malawi	10,000	0.81	10,000	0.81	10,000	0.81
OnMobile Uganda Limited	10,000	13.51	10,000	13.51	10,000	13.51
OnMobile Global Italy S.R.L.	10,000	0.71	10,000	0.71	10,000	0.71
OnMobile Turkey Telekomunikasyon Sistemleri Limited Sirketi	100	0.27	100	0.27	100	0.27
OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira)	5,000	0.79	5,000	0.79	5,000	0.79
OnMobile Ghana Telecom Limited	95,000	2.94	95,000	2.94	95,000	2.94
OnMobile Telecom Sierra Leone Limited	1,000,000	1.01	1,000,000	1.01	1,000,000	1.01
OnMobile Rwanda Telecom Limited	500	0.05	500	0.05	500	0.05
OnMobile Global Czech Republic S.R.O	200,000	0.65	200,000	0.65	200,000	0.65
OnMobile Nigeria Telecom Limited	2,500,000	0.98	2,500,000	0.98	2,500,000	0.98
OnMobile Telecom Burkina Faso, S.A.R.L.	100	0.13	100	0.13	100	0.13
OnMobile Global Solutions Canada Limited	10,000	0.54	10,000	0.54	10,000	0.54
OnMobile Global Limited Colombia S.A.S.	544,073,765	15.90	544,073,765	15.90	544,073,765	15.90
OnMobile Global South Africa (Pty) Ltd.	100	-	100	-	100	-
Associate:						
Mobile Voice Konnect Private Limited	5,000	0.05	5,000	0.05	5,000	0.05
Other entity at FVTPL:						
Turaco Mobile Private Limited	1,600	0.02	1,600	0.02	1,600	0.02
Total Unquoted Investments		1,571.64		1,571.34		1,571.34
Less: Provision for Impairment of Investment in Onmobile Europe B.V.		559.48		559.48		559.48
		1,012.16		1,011.86		1,011.86
Aggregate amount of unquoted investments		1,571.64		1,571.34		1,571.34
Aggregate amount of impairment in value of Investments		559.48		559.48		559.48

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount
5. CURRENT INVESTMENT						
Designated as Fair Value Through Profit and Loss (FVTPL)						
Investments in Mutual Funds (Unquoted)						
Birla Sun life Cash Plus-Instl-Daily Dividend -Reinvestment	-	-	2,245,082	224.95	2,129,166	213.33
Birla Sun life Cash Treasury Optimizer Plan-Reinvestment	1,897,733	204.54	-	-	-	-
HDFC Liquid Fund -Dividend-Daily Reinvest Option	-	-	10,516,182	106.01	9,846,144	100.41
HDFC Floating Rate Income Fund - Short Term Plan-Dividend	16,201,628	163.33	-	-	-	-
Kotak Liquid Scheme Plan A- Daily Dividend	24,630	30.12	-	-	74,079	90.58
Reliance liquidity Fund Cash plan-Daily Dividend Reinvestment	-	-	45,007	50.14	99,324	110.66
Reliance Liquidity Fund - Treasury Plan- Institutional Option-Daily Div Option	-	-	-	-	26,524	40.55
Reliance Medium Term Fund- Daily Dividend	6,914,108	118.20	12,310,774	210.46	-	-
UTI-Treasury Advantage Fund - Institutional Plan -Daily Dividend Reinvest	-	-	173,433	173.84	-	-
Baroda Pioneer Liquid Fund - Plan A Daily Dividend	99,908	100.02	-	-	-	-
IDFC Cash Fund- Daily Dividend	-	-	-	-	105,309	105.37
IDFC Super Saver Income Fund-Short Term Plan-Monthly Dividend	-	-	9,795,579	101.83	-	-
IDFC Ultra Short Term Fund -Regular Plan- Daily Dividend	10,304,987	103.78	-	-	-	-
ICICI Prudential Liquid Plan- Daily Dividend	-	-	600,586	60.11	569,319	56.97
ICICI Prudential Ultra Short Term - Direct Plan - Daily Dividend	20,811,734	210.33	-	-	-	-
Aggregate amount of unquoted investments carried at FVTPL		930.32		927.34		717.87
Aggregate amount of unquoted investments		930.32		927.34		717.87
6. TRADE RECEIVABLES						
(Unsecured)						
Considered good		533.73		613.14		915.55
Considered doubtful		185.60		129.16		163.28
Less: Allowance for doubtful debts		(185.60)		(129.16)		(163.28)
		533.73		613.14		915.55
Note:						
Trade Receivables include due from related parties		9.51		111.35		193.51

The Company uses a provisional matrix to determine impairment loss on trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. The Company estimates the following matrix at the reporting date:

	1-90 days	91 - 180 days	181- 360 days	More than 360 days*
Default rate	5%	21%	50%	51%
*In case of probability of non-collection, default rate is 100%				

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Movement in the expected credit loss allowance			
	For the year ended March 31, 2017	For the year ended March 31, 2016	
Balance at the beginning of the period	129.16	163.28	
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses*	56.44	(34.12)	
Provision at the end of the period	185.60	129.16	
*Include foreign exchange fluctuation			
7. LOANS - NON CURRENT (Unsecured, considered good)			
Security Deposits	46.36	46.08	52.33
Loans to Subsidiaries (Refer Note 30)	1,080.33	882.71	589.22
	1,126.69	928.79	641.55
8. LOANS - CURRENT			
Security Deposits	33.45	21.78	23.28
	33.45	21.78	23.28
9. OTHER FINANCIALS ASSETS - NON CURRENT			
Advances to Employees	1.77	2.51	1.35
	1.77	2.51	1.35
10. OTHER FINANCIALS ASSETS - CURRENT			
Unbilled Revenue (Refer Note 35)	851.45	814.41	503.42
Other receivables from subsidiaries (Refer Note 35)	1,094.34	1,428.95	1,900.61
Advances to Employees	15.46	25.83	20.59
Accrued Interest on deposits	3.73	4.89	3.40
Others (includes derivative assets etc)	34.49	15.24	0.34
	1,999.47	2,289.32	2,428.36
Less: Allowance for other financial assets	(314.58)	(281.12)	(281.12)
	1,684.89	2,008.20	2,147.24
11. CASH AND CASH EQUIVALENTS			
Cash on hand	0.02	0.01	0.07
Balances with bank :			
- In Current Accounts	436.23	412.52	346.84
- In Deposit Accounts	329.50	233.35	524.44
- Earmarked Balances			
- Balance in Escrow account for buyback of shares	-	175.00	-
- Margin money on Bank Guarantees	3.21	20.04	18.92
	768.96	840.92	890.27
Notes:			
1. The balance that meets the definition of Cash and Cash equivalents	765.75	645.88	871.35
2. During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:			

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2017			As at March 31, 2016	As at April 1, 2015
	SBNs* (₹)	Other denomination notes (₹)	Total (₹)		
Closing cash in hand as on November 8, 2016	11,500	3,555	15,055		
Add: Permitted receipts	–	40,000	40,000		
Less: Permitted payments	–	18,356	18,356		
Less: Amount deposited in Banks	11,500	–	11,500		
Closing cash in hand as on December 30, 2016	–	25,199	25,199		
<p>*For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.</p>					
12. OTHER NON CURRENT ASSETS					
(Unsecured, Considered good)					
Capital Advances			0.92	0.07	2.16
Prepaid expenses			–	–	6.98
Advance Taxation (net of provisions)			1,079.06	1,113.18	965.07
Fringe Benefit Tax (net of provisions)			0.70	0.70	0.70
			1,080.68	1,113.95	974.91
13. OTHER CURRENT ASSETS					
(Unsecured, Considered good)					
Prepaid Expenses			52.73	42.04	48.39
Balances with Statutory authorities			196.27	308.00	269.92
Advances to Vendors			13.39	54.35	25.75
			262.39	404.39	344.06
14. SHARE CAPITAL					
Authorised					
149,500,000 (March 31, 2016 - 149,500,000 and April 1, 2015- 149,500,000) Equity Shares of ₹ 10 each			1,495.00	1,495.00	1,495.00
500,000 (March 31, 2016 - 500,000 and April 1, 2015- 500,000) Preference Shares of ₹ 10 each			5.00	5.00	5.00
			1,500.00	1,500.00	1,500.00
Issued, Subscribed and Fully Paid up					
104,350,090 (March 31, 2016 - 108,111,402 and April 1, 2015- 109,220,336) Equity Shares of ₹ 10 each fully paid			1,043.50	1,081.11	1,092.20
			1,043.50	1,081.11	1,092.20

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

Notes:

A) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Equity Shares with voting rights						
Opening balance	108,111,402	1,081.11	109,220,336	1,092.20	114,235,502	1,142.36
Add: Exercise of Employee Stock Option Plan	306,094	3.06	423,660	4.24	784,834	7.85
Less: Buy back	4,067,406	40.67	1,532,594	15.33	5,800,000	58.00
Closing balance	104,350,090	1,043.50	108,111,402	1,081.11	109,220,336	1,092.20

B) Details of shareholders holding more than 5% of the shares of the Company

	Number of Shares	%	Number of Shares	%	Number of Shares	%
Equity Shares with voting rights						
OnMobile Systems Inc	50,923,703	48.80	50,923,703	47.10	50,923,703	46.62

C) Aggregate Number of shares allotted as fully paid up pursuant to contracts without payment being received in cash, bonus shares and buyback of shares for the period of five years immediately preceding the Balance Sheet date:

- a) (i) During the year ended March 31, 2012, the Company made a bonus issue of 58,954,543 shares in the ratio of 1 : 1 to the shareholders by capitalisation of Securities Premium account.
- (ii) During the year ended March 31, 2012, the Company has issued 102,540 bonus equity shares on exercise of eligible options.
- b) During the year ended March 31, 2012 after obtaining approval of the shareholders and completion of the formalities prescribed for buy-back of equity shares u/s.77A of the Companies Act, 1956, the Company bought back 2,936,000 Equity Shares of ₹10 each by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for ₹ 29.36 Million being the nominal value of equity shares bought back in terms of Sec.77AA of the Companies Act, 1956.
During the year ended March 31, 2013, the Company completed the above referred buy-back of equity shares and bought back 1,064,000 Equity Shares of ₹10 each by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for ₹ 10.64 Million being the nominal value of equity shares bought back in terms of Sec.77AA of the Companies Act, 1956.
- c) During the year ended March 31, 2015 after obtaining approval of the shareholders and completion of the formalities prescribed for buy-back of equity shares u/s 68 of the Companies Act, 2013, the Company bought back 5,800,000 Equity Shares of ₹10 each by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for ₹ 58.00 Million being the nominal value of equity shares bought back in terms of Sec.68 of the Companies Act, 2013.
- d) The Company had made a public announcement on February 11, 2016 for buy back of maximum 5,600,000 equity shares of ₹ 10 each for an amount not exceeding Rs 700 Million. As on March 31, 2016, the buy back of 1,532,594 equity shares for Rs 176.37 Million was finalised and executed by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for ₹ 15.33 Million being the nominal value of equity shares bought back in terms of Sec.68 of the Companies Act, 2013.
During the year ended March 31, 2017, the Company completed the above referred buy-back of equity shares and bought back 4,067,406 Equity Shares of ₹10 each by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for ₹ 40.67 Million being the nominal value of equity shares bought back in terms of Sec.68 of the Companies Act, 2013.

- D) Total number of Options outstanding under various employee stock option plans, that are convertible into equity shares, as on March 31, 2017 are 5,486,705 (at March 31, 2016: 5,579,391 and April 1, 2015: 6,134,802) (Refer Note 34)

E) Rights and restrictions attached to equity shares:

The Company has only one class of equity shares with voting rights (one vote per share). The dividend proposed by the Board of Directors is subject to approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company the equity shareholders are entitled to receive only the residual assets of the Company. The distribution of dividend is in proportion to the number of equity shares held by the shareholders.

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
15. OTHER EQUITY			
Capital Redemption Reserve	154.00	113.33	98.00
Amount equal to the cancellation of the Company's own equity instruments is transferred to Capital redemption reserve			
Securities Premium Account	2,355.13	2,806.70	2,970.24
Amount received on issue of shares in excess of par value has been classified as securities premium			
Stock Options Outstanding	105.51	73.75	20.19
The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees.			
General Reserve	13.20	13.20	13.20
This represents appropriation of profit by the Company			
Retained Earnings	3,139.80	2,870.24	3,088.80
Retained earnings comprise of the Company's prior years' undistributed earnings after taxes.			
Other Comprehensive Income	(26.57)	22.69	-
Other comprehensive income consists of currency translation and re-measurement of net defined benefit liability/asset.			
	5,741.07	5,899.91	6,190.43
Distributions proposed:			
The Board of Directors at its meeting held on May 26, 2017 have recommended, subject to approval of shareholders, a dividend of ₹ 1.50 per equity share of ₹ 10 each. If approved, this would result in a cash outflow of approximately ₹ 188.39 Million, inclusive of dividend distribution tax.			
FINANCIAL LIABILITIES			
16. TRADE PAYABLE			
Total outstanding dues of creditors	1,065.13	1,015.56	1,421.39
	1,065.13	1,015.56	1,421.39
17. PROVISIONS - NON CURRENT			
Provision for employee benefits:			
Provision for Compensated Absences	48.88	40.70	31.80
	48.88	40.70	40.70
18. PROVISIONS - CURRENT			
Provision for employee benefits: (Refer Note 32)			
Provision for Compensated Absences	4.71	5.20	1.98
Provision for Gratuity (Net)	22.05	22.48	13.97
	26.76	27.68	15.95

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
19. OTHER FINANCIAL LIABILITIES			
Share application Money (Refer Note 28)	–	–	0.58
Payable on purchase of Fixed Assets:			
- Total outstanding dues of creditors	78.56	103.27	147.16
Others	–	6.28	1.21
	<u>78.56</u>	<u>109.55</u>	<u>148.95</u>
20. OTHER CURRENT LIABILITIES			
Income received in advance/ Unearned revenue	72.51	66.84	89.44
Other Payables			
Statutory remittances	65.06	173.03	153.19
Other liability (Refer Note 31)	26.14	23.22	24.52
	<u>163.71</u>	<u>263.09</u>	<u>267.15</u>

	For the year ended March 31, 2017	For the year ended March 31, 2016
21 Revenue		
Revenue from Value Added Services	3,049.98	3,331.55
	<u>3,049.98</u>	<u>3,331.55</u>
22. OTHER INCOME		
Interest income on financial assets at amortised cost		
- From Banks on deposits	20.52	35.63
- From Subsidiaries on long term loans	41.81	25.79
- On Income Tax refund	13.14	–
Dividend income	281.53	43.27
Foreign Exchange Gain (Net)	30.32	128.18
Other Non- Operating Income		
- Provisions no longer required written back	0.30	–
- Profit on Sale of Fixed Assets (Net)	1.21	1.07
- Rental Income from Operating leases	6.66	6.20
- Miscellaneous Income	0.30	0.96
	<u>395.79</u>	<u>241.10</u>
23. Cost of Sales and Services		
Content fee and royalty	279.63	353.17
Cost of software licences and other charges	359.73	376.21
	<u>639.36</u>	<u>729.38</u>

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

	For the year ended March 31, 2017	For the year ended March 31, 2016
24. EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	1,214.10	1,193.30
Employee stock based compensation (Refer Note 34)	35.39	55.92
Contractors Expenses	15.52	11.27
Contribution to provident fund and other funds (Refer Note 32)	71.89	71.36
Workmen and staff welfare expenses	48.09	39.11
	<u>1,384.99</u>	<u>1,370.96</u>
25. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on property, plant and equipment	107.66	142.64
Amortisation of intangible assets	6.69	832.51
	<u>114.35</u>	<u>975.15</u>
26. OTHER EXPENSES		
Power and Fuel	25.15	24.96
Rent (Refer Note 33)	76.51	72.89
Insurance	5.14	5.17
Repairs and Maintenance		
- Machinery	29.65	45.64
- Others	13.16	19.13
Office maintenance	35.65	41.01
Rates and taxes	9.41	13.57
Printing and stationery	2.72	3.10
Postage, courier and octroi	6.17	6.98
Communication charges	54.95	65.08
Training and Recruitment expenses	16.09	11.09
Travelling and conveyance	123.18	149.01
Legal, professional & consultancy charges	100.12	68.85
Commission to non whole time directors	8.45	10.08
Remuneration to auditors (Refer Note below)	10.77	9.32
Marketing expenses	149.68	76.89
Business development expenses	176.26	232.36
Bad debts written off	6.85	63.85
Less: Provision for doubtful debts released	6.85	63.85
Provision for Doubtful debts	98.72	25.06
Brokerage and Commission	0.71	1.93
Corporate Social Responsibility (CSR) Expenses	3.50	1.00
Bank charges	4.83	4.54
Miscellaneous expenses	2.31	2.21
	<u>953.13</u>	<u>889.87</u>

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Note:		
AUDITOR'S REMUNERATION		
As auditor:		
Audit fee	2.85	2.85
Taxation matters	1.30	1.30
Other services	5.45	3.95
Reimbursement of expenses and levies	1.17	1.22
	10.77	9.32
27. INCOME TAX		
Income tax expense in the statement of profit and loss consist of:		
Current income tax:		
In respect of current period	166.26	82.07
In respect of previous period	7.53	8.67
Deferred tax		
In respect of current period	(109.59)	77.50
Income tax expense recognised in the statement of profit and loss	64.20	168.24
Income tax recognised in other comprehensive income		
Net loss/(gain) on remeasurement of defined benefit plan	(3.29)	(1.07)
Net loss/(gain) on exchange difference in translating the financial statement of foreign operations	-	13.07
	(3.29)	12.00

The reconciliation between the provision of income tax of the Company and amounts computed by applying the indian statutory income tax rate to profit before taxes is as follows:

	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit before tax	490.48	146.99
Enacted income tax rate in India	34.61%	34.61%
computed expected tax expense	169.75	50.87
Effect of:		
Income that is exempt from tax	(103.25)	(162.30)
Expenses that are not deductible in determining taxable profit	24.99	16.34
Income subject to different tax rates	(20.92)	-
Others	(6.37)	263.33
Income tax expense recognised in the statement of profit and loss	64.20	168.24

The tax rates under Indian Income Tax Act for the year ended March 31, 2017 and March 31, 2016 is 34.61%

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

Deferred tax

Deferred tax assets/(liabilities) as at March 31, 2017 are as follows:

	April 1, 2016	Recognised in Profit and loss	Recognised in OCI	March 31, 2017
Difference between book and tax depreciation	20.69	(20.11)	–	0.58
Others (Provision for compensated absences, gratuity, doubtful debts etc.)	167.49	28.50	3.29	199.28
MAT Credit Entitlement	62.30	101.20	–	163.50
	250.48	109.59	3.29	363.36

Deferred tax assets/(liabilities) as at March 31, 2016 are as follows:

	April 1, 2015	Recognised in Profit and loss	Recognised in OCI	March 31, 2016
Difference between book and tax depreciation	16.09	4.60	–	20.69
Others (Provision for compensated absences, gratuity, doubtful debts etc.)	169.02	(2.60)	1.07	167.49
MAT Credit Entitlement	141.80	(79.50)	–	62.30
	326.91	(77.50)	1.07	250.48

28 Share application money represents amounts received from the employees against employee stock options, pending allotment.

29 A. Contingent liabilities

- Disputed Service tax ₹ 19.69 Million (at March 31, 2016: ₹ 19.69 Million and at April 1, 2015: ₹ 19.69 Million), disputed Income Tax ₹ 457.80 Million (at March 31, 2016: ₹ 146.31 Million and at April 1, 2015: ₹ 271.03 Million) and disputed Value added tax ₹ 51.43 Million (Previous year: Nil).
- Bank Guarantees given for loans availed by subsidiary (OnMobile Live Inc) Nil (at March 31, 2016 and April 1, 2015: ₹ 800 Million). The outstanding against the same as on March 31, 2017 Nil (at March 31, 2016: ₹195.59 Million and at April 1, 2015: ₹ 461.38 Million)
- Claims against the Company not acknowledged as debt is ₹ 7.62 Million (March 31, 2016: Nil; April 1, 2015: Nil).

B. Capital Commitments

Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for is ₹ 4.85 Million (at March 31, 2016: ₹ 15.32 Million and at April 1, 2015: ₹ 5.70 Million).

30 Loans to Subsidiaries

The Company has given loan to its subsidiaries for working capital requirement purpose, the details of which are given below and which in the opinion of the Management is realisable in full.

Particulars	As at March 31, 2017	As at March 31, 2016	Maximum amount due at any time during the year 2016-17	Maximum amount due at any time during the year 2015-16
Subsidiaries				
- OnMobile Global Czech Republic S.R.O	6.78	6.65	7.07	7.41
- OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira)	3.83	4.03	4.08	4.03
- OnMobile Rwanda Telecom Limited	2.03	3.22	2.11	3.33
- OnMobile Turkey Telekomunikasyon Sistemleri Limited Sirketi	16.79	20.55	21.46	20.99
- OnMobile USA LLC	1,050.90	848.25	1,096.12	877.53
- OnMobile Zambia Telecom Limited	–	–	–	0.12
Total	1,080.33	882.71	1,130.84	913.41

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

31 Other liability includes ₹ 26.14 Million (BRL 1.27 Million) (at March 31, 2016: ₹ 23.22 Million (BRL 1.27 Million) and at April 1, 2015: ₹ 24.52 Million (BRL 1.27 Million)) payable to a customer in Brazil towards deploying value added services on an exclusive basis in the region.

32 Employee Benefits:

I Defined Contribution Plans

During the year the Company has recognized the following amounts in the Statement of Profit and Loss:

Particulars *	For the year ended March 31, 2017	For the year ended March 31, 2016
Employer's Contribution to Provident Fund	48.85	47.27
Contribution for Foreign Branches	6.00	6.73

* Included in Note 24

II Defined Benefit Plans

Gratuity

Amount recognised in the statement of profit and loss in respect of gratuity cost is as follows:

Particulars *	For the year ended March 31, 2017	For the year ended March 31, 2016
Gratuity Cost		
Current Service Cost	11.39	11.39
Interest Cost	6.57	6.01
Expected Return on Plan Assets	(4.79)	(5.04)
Re-measurement-actuarial (gain)/loss recognised in OCI	9.51	3.08
Net Gratuity Cost	22.68	15.44
Assumptions		
Discount Rate	7.45% p.a	7.90% p.a
Salary increase	12% p.a. for first 6 years and 7.0% p.a thereafter	12% p.a. for first 6 years and 7.0% p.a thereafter

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The following table sets out the status of the gratuity plan:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Change in Projected benefit Obligations:			
Obligation at the beginning of the period	83.16	76.73	77.95
Current Service Cost	11.39	11.39	10.76
Interest on Defined Benefit Obligation	6.57	6.01	5.25
Benefits settled	(12.98)	(13.23)	(21.46)
Re-measurement-actuarial gain/(loss)	8.73	2.26	4.23
Obligation at the end of the period	96.87	83.16	76.73
Change in plan assets:			
Opening Fair Value of Plan Assets	60.68	62.76	74.24
Expected Return on Plan Assets	4.79	5.04	5.24

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Re-measurement-actuarial gain/(loss)	(0.78)	(0.82)	0.72
Contributions by Employer (net of risk premium etc)	22.76	6.93	4.02
Benefits settled	(12.63)	(13.23)	(21.46)
Closing Fair Value of Plan Assets	74.82	60.68	62.76

Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Plan Assets:

Present value of defined benefit obligation	(96.87)	(83.16)	(76.73)
Fair Value of Plan Assets	74.82	60.68	62.76
Asset / (Liability) recognised	(22.05)	(22.48)	(13.97)

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have effected the defined benefit obligation by the amount shown below:

	At at March 31, 2017		At at March 31, 2016	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(10.11)	12.18	(8.17)	9.84
Future salary growth (1% movement)	5.00	(5.32)	(4.41)	(4.53)

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2017	As at March 31, 2016
Within 1 year	9.5	7.84
2-5 years	32.91	28.86
6-10 years	23.28	21.83
More than 10 years	223.8	199.59

Estimate of amount of contribution in the immediately next year ₹ 22.05 Million.

As at March 31, 2017, March 31, 2016 and April 1, 2015, 100% of the plan assets were invested in insurer managed funds.

III Other long- term benefits

Cost of compensated absences expensed in the Statement of Profit and Loss:

Particulars*	For the year ended March 31, 2017	For the year ended March 31, 2016
Compensated absences	13.50	22.65

* Included in Note 24

Actuarial assumptions for Compensated absences are same as disclosed above for Gratuity.

33 Operating lease:

The Company is obligated under non-cancellable operating lease for office space.

Total rental expense and future lease payments under non-cancellable operating lease for office space are as follows:

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Expenses recognised in the Statement of Profit and Loss under non-cancellable operating lease	13.48	10.07
Future lease payments under non- cancellable leases:		
Not later than 1 year	16.72	10.59
Later than 1 year and not later than 5 years	15.68	12.38
Additionally, the company lease office facilities under cancellable operating leases for office space.		
Rental expense under cancellable operating lease	63.03	62.82

34 Employee Stock Option Plans

The Company instituted the Employee Stock Option Plan (ESOP), which were approved by the Board of Directors. Each option is entitled to 1 equity share of ₹ 10 each. All options expires in 5 years after the vesting date. Details of ESOPs with the terms of vesting are as follows:

Plan	Board approval date	Share holder's approval date	Total options appropriated before bonus	Terms of Vesting
OnMobile Employees Stock Option Plan – I 2003	31-Oct-03	Extra Ordinary General Meeting held on March 5, 2001, November 29, 2003 and December 30, 2003	1,026,000	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first vesting.
OnMobile Employees Stock Option Plan – II 2003	4-Dec-03		114,000	
OnMobile Employees Stock Option Plan – III 2006	24-Jul-06	24-Jul-06	61,567	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan – I 2007	12-Jul-07	17-Aug-07	975,000	25% of the Options granted would vest at the end of twelve (12) months from the date of the grant and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan-II 2007	12-Jul-07	17-Aug-07	74,360	65%, 30%, 3% and 2% of the options granted would vest at the end of one year, two years, three years and four years from the grant date, respectively.
OnMobile Employees Stock Option Plan – I 2008	18-Mar-08	18-Apr-08	26,000	100% of the Options would vest over a period of four years.
OnMobile Employees Stock Option Plan II 2008	31-Oct-08	1-Aug-08	100,000	100% of the options granted would vest at the end of two years.

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

Plan	Board approval date	Share holder's approval date	Total options appropriated before bonus	Terms of Vesting
OnMobile Employees Stock Option Plan III 2008	31-Oct-08	1-Aug-08	748,240	For 297,170 Options 50% of the options granted would vest at the end of one year and 25% of the options would vest on a monthly basis at the end of each of second and third years from the grant date respectively and for the balance 451,070 Options granted under the Plan the vesting would be 25% of the Options would vest at the end of one year and the rest of the options shall vest at the rate of 1/36th of the options shall vest every month for the next three years.
OnMobile Employees Stock Option Plan III 2008	29-Apr-09	1-Aug-08	113,150	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan III 2008	31-Jul-09	1-Aug-08	26,680	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan III 2008	26-Oct-09	1-Aug-08	75,000	25% of such Options granted would vest at the end of each year over a period of four years.
OnMobile Employees Stock Option Plan III 2008	28-Jan-10	1-Aug-08	68,500	25% of such Options granted would vest at the end of each year over a period of four years.
OnMobile Employees Stock Option Plan IV 2008	26-Sep-08	31-Oct-08	173,953	100% of such Options granted would vest at the end of one year.
OnMobile Employees Stock Option Plan I 2010	30-Apr-10	24-Jul-10	325,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan II 2010	30-Apr-10	24-Jul-10	875,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan 2011	30-Apr-11	4-Aug-11	1,150,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan 1, 2012	7-May-12	29-Aug-12	3,000,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan 1, 2013	15-May-13	30-Jul-13	1,500,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

All the above plans are similar in nature and hence aggregated. Numbers of aggregated options granted, exercised and forfeited during the year under the above plans are given below:

Particulars	Year ended March 31, 2017		Year ended March 31, 2016	
	Number of Options	Weighted average exercise price (₹) per option	Number of Options	Weighted average exercise price (₹) per option
Options granted outstanding at the beginning of the year	5,579,391	47.80	6,134,802	43.14
Granted during the year	1,104,224	93.88	383,406	110.10
Exercised during the year	(306,094)	37.94	(405,554)	34.64
Forfeited during the year	(708,129)	45.10	(526,213)	48.75
Lapsed during the year	(182,687)	44.83	(7,050)	36.43
Options granted outstanding at the end of the year	5,486,705	58.18	5,579,391	47.80
Exercisable at the end of the period	3,043,176	45.61	2,041,177	42.68
Weighted average Share Price during the year (₹)		101.56		99.76
Weighted average remaining contractual life (years) at the year end		4.49 years		5.31 years
Range of exercise price (after adjusting for bonus issue)		₹ 22.28 to ₹ 128.50		₹ 22.28 to ₹ 128.50

The fair value of each unit under the above mentioned plans granted during the year is estimated using the Black-Scholes model with the following assumptions:

Grant date	30 May 2016	29 Jul 2016	11 Nov 2016	16 Dec 2016	9 Feb 2017	24 Mar 2017
Weighted average fair value as on grant date	57.71	56.89	48.94	42.04	39.72	39.56
Weighted average share price	113.70	114.03	100.85	87.80	83.50	83.28
Exercise price	113.70	114.03	100.85	87.80	83.50	83.28
Expected volatility (%)	58.74%	58.53%	57.30%	57.41%	56.66%	56.57%
Expected life of the option (years)	4.37	4.37	4.37	4.37	4.37	4.37
Expected dividends (%)	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Risk-free interest rate (%)	7.90%	7.20%	7.10%	7.10%	7.45%	7.45%

35 Transactions with related parties:

I List of Related parties and relationship:

SI No.	Relationship	Related parties
(i)	Subsidiaries	OnMobile Singapore Pte. Ltd. PT. OnMobile Indonesia . OnMobile SA. (subsidiary of OnMobile Europe B.V.) OnMobile Europe B.V. OnMobile Servicios Corporativos De Telefonía S.A. DE C.V. Servicios De Telefonía OnMobile, SA DE CV OnMobile USA LLC. OnMobile Global S A OnMobile Brasil Sistemas De Valor Agregado Para Comunicaciones Moveis Ltda OnMoible Global for Telecommunication Services OnMobile Senegal SARL OnMobile De Venezuela C.A. (subsidiary of OnMobile USA LLC) OnMobile Latam holdings SL (subsidiary of OnMobile USA LLC)

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

SI No.	Relationship	Related parties
		OnMobile Mali SARL OnMobile Bangladesh Private Limited OnMobile Kenya Telecom Limited OnMobile Costa Rica OBCR, SA OnMobile Ghana Telecom Limited OnMobile Madagascar Telecom Limited OnMobile Nigeria Telecom Limited OnMobile Zambia Telecom Limited OnMobile Telecom Sierra Leone Limited OnMobile Tanzania Telecom Limited OnMobile Global Spain S.L.U OnMobile Uruguay S.A OnMobile Uganda Limited OnMobile Rwanda Telecom Limited OnMobile Global Italy S.R.L. OnMobile Telecom Limited Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi Onmobile Telecom Burkina Faso, SARL OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira) OnMobile Live Inc (subsidiary of OnMobile USA LLC) Fonestarz Media Group Limited (subsidiary of OnMobile Live Inc) 2dayUK Limited (subsidiary of OnMobile Live Inc) Fonestarz Media (licensing) Limited (subsidiary of OnMobile Live Inc) Daius Limited (subsidiary of OnMobile Live Inc) Fonestarz Limited (subsidiary of OnMobile Live Inc) Livewire Mobile (Australia) PTY Limited (subsidiary of OnMobile Live Inc) Fonestarz Media Limited (subsidiary of OnMobile Live Inc) OnMobile Global Czech Republic s.r.o. OnMobile Global Limited Colombia S.A.S. OnMobile Global Solutions Canada Limited OnMobile Global South Africa (PTY) Limited
(ii)	Other related parties with whom the Company had transactions	
	Key Management Personnel	Rajiv Pancholy, Managing Director and Chief Executive Officer (till 28th Feb 2017) Francois Charles Sirois, Executive Chairman and Chief Executive Officer Rajiv Khaitan, Independent Director Nancy Cruickshank, Independent Director Sanjay Baweja, Independent Director Nehchal Sandhu, Independent Director Pascal Tremblay, Independent Director Naresh Malhotra, Independent Director (till 30th July 2015) Harit Nagpal, Independent Director (till 30th July 2015) Bruno Ducharme, Independent Director (till 30th July 2015) Praveen Kumar K J, Chief Financial Officer P V Varaprasad, Company Secretary
(iii)	Associate	Mobile Voice Konnect Private Limited
(iv)	Enterprises owned or significantly influenced by key management personnel/ Directors or their relatives	OnMobile Systems Inc., USA

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

II Transactions with Related Parties:

SI No	Nature of transactions	Subsidiary Companies		Key Management Personnel		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
1	Income from services						
	OnMobile Singapore Pte. Ltd.	45.28	88.24	-	-	45.28	88.24
	OnMobile Global for Telecommunication Services	81.35	175.86	-	-	81.35	175.86
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	-	12.82	-	-	-	12.82
	OnMobile Nigeria Telecom Limited	63.42	34.94	-	-	63.42	34.94
	OnMobile Global South Africa (PTY) Limited	9.11	19.68	-	-	9.11	19.68
	OnMobile Ghana Telecom Limited	0.03	2.51	-	-	0.03	2.51
	OnMobile Telecom (SL) Limited	-	0.63	-	-	-	0.63
	OnMobile Rwanda Telecom Limited	0.46	-	-	-	0.46	-
	OnMobile Uruguay S.A	3.26	-	-	-	3.26	-
	OnMobile Telecom Limited.	2.93	5.40	-	-	2.93	5.40
	OnMobile Costa Rica OBCR SA	10.16	17.39	-	-	10.16	17.39
	OnMobile Zambia Telecom Limited	9.87	0.05	-	-	9.87	0.05
	OnMobile Global Spain S.L.U	494.40	314.49	-	-	494.40	314.49
	OnMobile Bangladesh Private Limited	-	6.48	-	-	-	6.48
	Total	720.27	678.49	-	-	720.27	678.49
2	Business Development expenses/ reversals						
	PT OnMobile Indonesia	-	2.04	-	-	-	2.04
	OnMobile USA LLC	120.44	229.47	-	-	120.44	229.47
	OnMobile Kenya Telecom Limited	26.68	(7.54)	-	-	26.68	(7.54)
	OnMobile Uganda Limited	-	(4.58)	-	-	-	(4.58)
	OnMobile Global Solutions Canada Limited	29.15	12.97	-	-	29.15	12.97
	Total	176.27	232.36	-	-	176.27	232.36
3	Transfer of Corporate Costs						
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	13.79	32.52	-	-	13.79	32.52
	OnMobile Global for Telecommunication Services	-	21.16	-	-	-	21.16
	OnMobile Singapore Pte. Ltd.	11.47	13.29	-	-	11.47	13.29
	OnMobile Zambia Telecom Limited	-	1.58	-	-	-	1.58
	OnMobile Global Spain S.L.U	225.39	179.94	-	-	225.39	179.94
	OnMobile Costa Rica OBCR, SA	2.46	2.00	-	-	2.46	2.00
	Total	253.11	250.49	-	-	253.11	250.49
4	Transfer of Marketing rights						
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	-	98.03	-	-	-	98.03
	Servicios De Telefonía OnMobile SA DE CV	-	60.72	-	-	-	60.72
	OnMobile Uruguay S.A	-	8.95	-	-	-	8.95
	OnMobile Global Limited Colombia S.A.S.	-	15.53	-	-	-	15.53
	OnMobile Global Spain S.L.U	-	110.63	-	-	-	110.63
	Total	-	293.86	-	-	-	293.86

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

SI No	Nature of transactions	Subsidiary Companies		Key Management Personnel		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
5	Transfer of Data centre costs absorbed						
	OnMobile USA LLC	45.10	35.94	-	-	45.10	35.94
	Total	45.10	35.94	-	-	45.10	35.94
6	Transfer of cross charge absorbed.						
	OnMobile Kenya Telecom Limited	-	2.19	-	-	-	2.19
	Total	-	2.19	-	-	-	2.19
7	Cost of hardware and software development charges						
	OnMobile S.A.	-	7.72	-	-	-	7.72
	Total	-	7.72	-	-	-	7.72
8	Remuneration to Key management personnel (Refer Note 3 below)						
	Short-term employee benefits	-	-	80.81	45.24	80.81	45.24
	Share- based payment	-	-	2.43	8.91	2.43	8.91
	Others	-	-	16.35	15.98	16.35	15.98
	Total	-	-	99.59	70.13	99.59	70.13
9	Dividend Income						
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	82.39	-	-	-	82.39	-
	OnMobile Bangladesh Private Limited	154.69	-	-	-	154.69	-
	Total	237.08	-	-	-	237.08	-
10	Interest Income						
	OnMobile Rwanda Telecom Limited	0.09	0.11	-	-	0.09	0.11
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	0.86	0.73	-	-	0.86	0.73
	OnMobile USA LLC	40.47	24.58	-	-	40.47	24.58
	OnMobile Portugal SGPS	0.11	0.13	-	-	0.11	0.13
	OnMobile Global Czech Republic s.r.o.	0.29	0.24	-	-	0.29	0.24
	Total	41.82	25.79	-	-	41.82	25.79
11	Purchase of Fixed Assets						
	OnMobile Kenya Telecom Limited	-	0.28	-	-	-	0.28
	Onmobile Telecom Burkina Faso, SARL	-	2.42	-	-	-	2.42
	Total	-	2.70	-	-	-	2.70
12	Investments made during the year in						
	OnMobile Global South Africa (PTY) Limited (INR 427/-)	-	-	-	-	-	-
	OnMobile Global for Telecommunication Services	0.30	-	-	-	0.30	-
	Total	0.30	-	-	-	0.30	-
13	Recovery of Expenses from						
	OnMobile Singapore Pte. Ltd.	10.61	13.10	-	-	10.61	13.10
	OnMobile Live Inc	6.98	10.97	-	-	6.98	10.97
	Total	17.59	24.07	-	-	17.59	24.07
14	Reimbursement of Expenses to						
	OnMobile S.A.	122.02	100.30	-	-	122.02	100.30
	Total	122.02	100.30	-	-	122.02	100.30

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

Sl No	Nature of transactions	Subsidiary Companies		Key Management Personnel		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
15	Transfer of Fixed Assets, AMC, Content Cost, Freight and Insurance						
	OnMobile Singapore Pte. Ltd.	1.07	0.15	–	–	1.07	0.15
	OnMobile Global Spain S.L.U	–	1.47	–	–	–	1.47
	Onmobile Telecom Burkina Faso, SARL	–	0.28	–	–	–	0.28
	OnMobile USA LLC.	–	0.07	–	–	–	0.07
	Total	1.07	1.97	–	–	1.07	1.97
16	Loans/ Advances given						
	OnMobile USA LLC.	23.19	19.08	–	–	23.19	19.08
	Rajiv Pancholy	–	–	–	8.15	–	8.15
	Total	23.19	19.08	–	8.15	23.19	27.23
17	Prepaid Expenses						
	OnMobile S.A.	1.97	–	–	–	1.97	–
	Total	1.97	–	–	–	1.97	–
18	Trade Payables						
	OnMobile Singapore Pte. Ltd.	39.46	71.93	–	–	39.46	71.93
	PT OnMobile Indonesia	–	3.00	–	–	–	3.00
	OnMobile S.A.	39.93	17.71	–	–	39.93	17.71
	Servicios De Telefonía OnMobile Sa De Cv	6.05	10.34	–	–	6.05	10.34
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	20.77	27.52	–	–	20.77	27.52
	OnMobile Costa Rica OBCR SA	2.14	–	–	–	2.14	–
	OnMobile Live Inc	0.49	0.51	–	–	0.49	0.51
	Onmobile Telecom Burkina Faso, SARL	2.54	2.59	–	–	2.54	2.59
	OnMobile Global SA	4.73	4.84	–	–	4.73	4.84
	OnMobile Kenya Telecom Limited	9.92	15.09	–	–	9.92	15.09
	OnMobile Telecom Limited.	8.25	9.31	–	–	8.25	9.31
	OnMobile Senegal SARL	31.66	34.21	–	–	31.66	34.21
	OnMobile Ghana Telecom Limited	–	0.10	–	–	–	0.10
	OnMobile Madagascar Telecom Limited	4.60	4.75	–	–	4.60	4.75
	OnMobile Nigeria Telecom Limited	6.29	4.88	–	–	6.29	4.88
	OnMobile Rwanda Telecom Limited	5.50	4.05	–	–	5.50	4.05
	OnMobile Telecom (SL) Limited	2.29	4.51	–	–	2.29	4.51
	OnMobile Uganda Limited	–	1.31	–	–	–	1.31
	OnMobile Zambia Telecom Limited	15.79	14.73	–	–	15.79	14.73
	OnMobile Uruguay S.A	8.19	7.20	–	–	8.19	7.20
	OnMobile Global Solutions Canada Limited	15.00	1.32	–	–	15.00	1.32
	Total	223.60	239.90	–	–	223.60	239.90
19	Amount Receivables under:						
a	Long term loans and advances						
	OnMobile Rwanda Telecom Limited	1.95	2.98	–	–	1.95	2.98
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	16.72	18.94	–	–	16.72	18.94
	OnMobile Global Czech Republic s.r.o.	6.49	6.63	–	–	6.49	6.63
	OnMobile Portugal SGPS	3.46	3.75	–	–	3.46	3.75
	OnMobile USA LLC.	967.20	800.26	–	–	967.20	800.26

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

SI No	Nature of transactions	Subsidiary Companies		Key Management Personnel		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
b	Accrued interest						
	OnMobile Rwanda Telecom Limited	0.08	0.24	-	-	0.08	0.24
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	0.07	1.61	-	-	0.07	1.61
	OnMobile Global Czech Republic s.r.o.	0.30	0.02	-	-	0.30	0.02
	OnMobile Portugal SGPS	0.36	0.28	-	-	0.36	0.28
	OnMobile USA LLC.	83.71	48.00	-	-	83.71	48.00
c	Short term loans and advances						
	Rajiv Pancholy	-	-	-	9.45	-	9.45
d	Trade Receivables						
	OnMobile Singapore Pte. Ltd.	8.04	28.40	-	-	8.04	28.40
	OnMobile USA LLC.	-	51.69	-	-	-	51.69
	OnMobile Global for Telecommunication Services	0.31	-	-	-	0.31	-
	OnMobile Kenya Telecom Limited	-	0.88	-	-	-	0.88
	OnMobile Telecom Limited.	-	2.29	-	-	-	2.29
	OnMobile Costa Rica OBCR SA	-	4.45	-	-	-	4.45
	OnMobile Ghana Telecom Limited	-	1.47	-	-	-	1.47
	OnMobile Madagascar Telecom Limited	-	8.81	-	-	-	8.81
	OnMobile Rwanda Telecom Limited	-	5.05	-	-	-	5.05
	OnMobile Uganda Limited	-	8.02	-	-	-	8.02
	OnMobile Global Spain S.L.U	1.16	-	-	-	1.16	-
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	-	0.29	-	-	-	0.29
e	Other Financial Assets						
	OnMobile Singapore Pte. Ltd.	7.11	24.91	-	-	7.11	24.91
	PT OnMobile Indonesia	1.60	-	-	-	1.60	-
	OnMobile Global for Telecommunication Services	275.25	322.68	-	-	275.25	322.68
	Servicios De Telefonía OnMobile Sa De Cv	108.38	144.05	-	-	108.38	144.05
	OnMobile De Venezuela C A	189.18	193.54	-	-	189.18	193.54
	OnMobile USA LLC.	166.77	98.26	-	-	166.77	98.26
	OnMobile Global South Africa (PTY) Limited	34.99	25.50	-	-	34.99	25.50
	OnMobile Global Solutions Canada Limited	-	0.28	-	-	-	0.28
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	5.50	18.47	-	-	5.50	18.47
	OnMobile Global SA	195.96	233.61	-	-	195.96	233.61
	OnMobile Kenya Telecom Limited	50.80	67.25	-	-	50.80	67.25
	OnMobile Mali SARL	8.87	9.27	-	-	8.87	9.27
	OnMobile Senegal SARL	36.71	39.33	-	-	36.71	39.33
	OnMobile Telecom Limited.	14.38	13.07	-	-	14.38	13.07
	OnMobile Costa Rica OBCR SA	8.77	7.55	-	-	8.77	7.55
	OnMobile Ghana Telecom Limited	14.72	17.06	-	-	14.72	17.06
	OnMobile Madagascar Telecom Limited	8.84	1.21	-	-	8.84	1.21
	OnMobile Nigeria Telecom Limited	104.70	58.82	-	-	104.70	58.82
	OnMobile Rwanda Telecom Limited	13.87	10.91	-	-	13.87	10.91
	OnMobile Uganda Limited	18.04	10.74	-	-	18.04	10.74

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

SI No	Nature of transactions	Subsidiary Companies		Key Management Personnel		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	OnMobile Zambia Telecom Limited	33.35	24.08	-	-	33.35	24.08
	OnMobile Telecom (SL) Limited	7.51	8.57	-	-	7.51	8.57
	OnMobile Global Spain S.L.U	241.84	360.14	-	-	241.84	360.14
	OnMobile Uruguay S.A	13.70	17.56	-	-	13.70	17.56
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	5.35	4.98	-	-	5.35	4.98
	Onmobile Telecom Burkina Faso, SARL	23.31	23.79	-	-	23.31	23.79
	OnMobile Global Limited Colombia S.A.S.	18.60	22.17	-	-	18.60	22.17
	OnMobile Global Czech Republic s.r.o.	1.82	2.25	-	-	1.82	2.25
	OnMobile Bangladesh Private Limited	38.52	109.52	-	-	38.52	109.52
	OnMobile Live Inc	36.21	29.52	-	-	36.21	29.52
	OnMobile Tanzania Telecom Limited	4.22	3.81	-	-	4.22	3.81
	Total	2,778.72	2,896.96	-	9.45	2,778.72	2,906.41

Notes:

- 1 Related party relationships are as identified by the Company on the basis of information available and relied by the auditors.
- 2 During the year, Provision of ₹33.46 Million (March 31, 2016: Nil) has been provided for expected credit loss on receivables from related parties. The total balance of provision for expected credit loss as on March 31, 2017: ₹314.58 Million (March 31, 2016: ₹281.12 Million)
- 3 Employment benefits excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

36 Financial instruments by category

Particulars	Carrying value			Fair value		
	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Financial assets						
Amortised cost						
Loans	1,160.14	950.57	664.83	1,160.14	950.57	664.83
Trade receivables	533.73	613.14	915.55	533.73	613.14	915.55
Cash and cash equivalents	768.96	840.92	890.27	768.96	840.92	890.27
Other financial assets	1,652.17	1,995.47	2,148.25	1,652.17	1,995.47	2,148.25
FVTPL						
Investments in mutual funds	930.32	927.34	717.87	930.32	927.34	717.87
Others (includes derivative assets)	34.49	15.24	0.34	34.49	15.24	0.34
Total financial assets	5,079.81	5,342.68	5,337.11	5,079.81	5,342.68	5,337.11
Financial liabilities						
Amortised cost						
Trade payables	1,065.13	1,015.56	1,421.39	1,065.13	1,015.56	1,421.39
Other financial liabilities	78.56	109.55	148.95	78.56	109.55	148.95
Total financial liabilities	1,143.69	1,125.11	1,570.34	1,143.69	1,125.11	1,570.34

Fair value hierarchy

This section explains the judgements and estimates made in determine the fair values of the financial instruments that are recognised at fair value and amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments under the accounting standard as follows: Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities, Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2017, March 31, 2016 and April 1, 2015.

Quantitative disclosures of fair value measurement hierarchy for financial assets in Level 2 (Measured using significant observable inputs)

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

Particulars	Date of Valuation	As at March 31, 2017	Date of Valuation	As at March 31, 2016	Date of Valuation	As at April 1, 2015
Financial asset measured at fair value						
A. Derivative financial assets:						
Foreign exchange forward contracts	March 31, 2017	13	March 31, 2016	31	April 1, 2015	7
B. FVTPL financial assets designated at fair value:						
Investment in mutual funds (unquoted)	March 31, 2017	7	March 31, 2016	7	April 1, 2015	7

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- i) Long-term fixed-rate receivables are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- ii) The fair value of the unquoted mutual fund are based on market observable inputs at reporting date. The fair value of other financial liabilities is estimated by credit risk and remaining maturities.
- iii) The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivative financials instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders to optimise equity. The Company's Corporate Treasury reviews the capital structure on a quarterly basis.

The capital structure of the company consists of only equity. The company is not subject to any externally imposed capital requirements.

Financial risk management

The Company's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is foreign exchange risk along with credit risk and liquidity risk.

The Company seeks to minimise the effects of these forex by hedging the forex exposures through forward contracts, liquidity risk by diversifying its investments in various schemes of debt mutual funds and fixed deposits. The Company manages its credit risks by monitoring the credit rating of the customers, banks and mutual funds. Corporate Treasury Function reports quarterly to the Company's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to Company's investments. The Company's investments are primarily short term, which do not expose it to significant interest rate risk.

(ii) Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective foreign operations. The company enters into forward foreign exchange contracts to hedge its exposure to foreign currency risk arising on the net export of services.

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2017			
	USD	EURO	Other currencies*	Total
Assets				
Trade receivables	312.30	–	57.87	370.17
Cash and cash equivalents	88.90	51.31	195.30	335.51
Other Assets	2,431.28	255.47	652.98	3,339.73
Liabilities				
Trade payable	45.55	86.27	180.03	311.85
Other Liabilities	180.61	73.90	78.27	332.78
Net assets/liabilities	2,606.32	146.61	647.85	3,400.78

* Other currencies include BDT, EGP, BRL, CAD, MXN, MYR, SGD, COP, PEN, ZAR etc.

Particulars	As at March 31, 2016			
	USD	EURO	Other currencies*	Total
Assets				
Trade receivables	263.31	114.62	130.81	508.74
Cash and cash equivalents	203.34	12.63	117.82	333.79
Other Assets	2,846.53	466.52	1,024.19	4,337.24
Liabilities				
Trade payable	685.27	106.22	539.59	1,331.08
Other Liabilities	157.71	80.86	203.85	442.42
Net assets/liabilities	2,470.20	406.69	529.38	3,406.27

* Other currencies include BDT, EGP, BRL, CAD, MXN, MYR, SGD, COP, PEN, ZAR etc.

Particulars	As at April 1, 2015			
	USD	EURO	Other currencies*	Total
Assets				
Trade receivables	343.90	24.80	185.72	554.42
Cash and cash equivalents	209.10	11.43	129.47	350.00
Other Assets	1,679.10	483.60	1,102.26	3,264.96
Liabilities				
Trade payable	296.16	–	525.55	821.71
Other Liabilities	177.34	74.52	267.83	519.69
Net assets/liabilities	1,758.60	445.31	624.07	2,827.98

* Other currencies include BDT, EGP, BRL, CAD, MXN, MYR, SGD, COP, PEN, ZAR etc.

The Company is mainly exposed to USD and EUR for the year ended March 31, 2017. Every 1% increase/decrease in the said currencies compared to Indian Rupee would impact profit and equity by 0.90%/(0.90%) and 0.41%/(0.41%) respectively. For the year ended Mar 31, 2016 the impact on profit and equity was 0.86%/(0.86%) and 0.41%/(0.41%) respectively.

Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets/ liabilities and forecasted cash flows denominated in foreign currency. The Company follows established risk management policies, including the use of derivatives to hedge foreign currency assets/ liabilities and foreign currency forecasted cash flows. The counter party in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

Non designated derivative Instrument	As at March 31, 2017 Nominal Value	As at March 31, 2016 Nominal Value	As at April 1, 2015 Nominal Value	Currency	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	(In ₹ Mn)	(In ₹ Mn)	(In ₹ Mn)		(Foreign Currency in Mn)	(Foreign Currency in Mn)	(Foreign Currency in Mn)
Forward Contract -(SELL)	-	27.50	29.73	MXN/USD	-	0.41	0.48
Forward Contract -(SELL)	226.98	464.33	31.30	USD/INR	3.50	7.00	0.50
Forward Contract -(SELL)	-	-	101.27	EUR/USD	-	-	1.50
Forward Contract -(SELL)	207.87	600.76	-	EUR/INR	3.00	8.00	-
Total Forward contracts	434.85	1,092.59	162.30		6.50	15.41	2.48

The foreign exchange forward contracts mature within 12 months. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as at the reporting date:

Particulars	As at March 31, 2017 Nominal Value	As at March 31, 2016 Nominal Value	As at April 1, 2015 Nominal Value
Not later than 1 month	101.71	33.17	-
Later than 1 month but not later 3 months	168.78	178.98	29.73
Later than 3 month but not later 1 year	164.36	880.44	132.57
	434.85	1,092.59	162.30

In respect of the Company's forward contracts, a 1% decrease/increase in the respective exchange rates of each of the currencies underlying such contracts would have resulted in:

- an approximately 0.14% increase and (0.14%) decrease in the Company's net profit and approximately 0.06% increase and (0.06%) decrease in equity as at March 31, 2017;
- an approximately 0.32% increase and (0.32%) decrease in the Company's net profit and approximately 0.15% increase and (0.15%) decrease in equity as at March 31, 2016

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

i) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The following table gives details in respect of percentage of revenues generated from top customer and top 4 customers:

Particulars	For the year ended	
	March 31, 2017	March 31, 2016
Revenue from top customer	494.40	475.78
Revenue from top 4 customers	1,730.25	1,590.01

4 customers accounted for more than 10% of the revenue, no other single customer contributed 10% or more to the Company's revenue for both 2016-2017 and 2015-2016.

ii) Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company's corporate treasury department is responsible for liquidity management, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Company invests its surplus funds in Bank fixed deposit and liquid and liquid plus schemes of mutual funds and short term mutual funds, which carry no/ low mark to market risks.

The Fund Position of the Company is given below:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current Assets			
Cash and cash equivalents	768.96	840.92	890.27
Current investments	930.32	927.34	717.87
Total	1,699.28	1,768.26	1,608.14

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	Less than 1 Year	Less than 1 Year	Less than 1 Year
Trade payables	1,065.13	1,015.56	1,421.39
Other financial liabilities	78.56	109.55	148.95
Total	1,143.69	1,125.11	1,570.34

37 Earnings per Share

	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit/ (Loss) after taxation as per the Statement of Profit and Loss	426.28	(21.25)
Weighted average number of equity shares	104,929,992	109,351,002
Weighted average number of equity shares for Basic EPS	104,929,992	109,351,002
Weighted average number of equity shares resulting from assumed exercise of employee stock options	557,929	1,560,418
Weighted average number of equity shares for Diluted EPS	105,487,921	110,911,420
	₹	₹
Nominal value of equity shares	10.0	10.0
Earnings Per Share		
Basic	4.06	(0.19)
Diluted	4.04	(0.19)

38 Total expenditure incurred on Corporate Social Responsibility activities other than construction/ acquisition of assets, during the year ended March 31, 2017 is ₹ 3.50 Million (during the year ended March 31, 2016: ₹ 1 Million)

39 There are no dues to Micro and Small Enterprises as at March 31, 2017. The information disclosure with regard to Micro and Small Enterprises is based on information collected by the Management on enquiries made with the vendors which have been relied upon by the auditors.

40 The Company prepares consolidated financial statements, hence as per Indian Accounting Standard 108 Operating Segments, segment information has not been provided in the standalone financial statements.

41 Value of imports calculated on CIF basis

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Capital goods (including software downloads and Market development and deployment rights)	153.87	93.92

42 Expenditure in Foreign Currency (on accrual basis)

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Business Development Expenses	176.26	232.36
Travelling and conveyance	33.18	52.36
Content fees	93.55	196.56
Software development and other charges	65.48	48.13
Legal, professional & consultancy charges	28.61	30.05
Employee Benefits Expense	266.02	261.77
Others	66.39	65.32
Total	729.49	886.55

43 Earnings in Foreign Currency

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Telecom value added services and others.	1,831.34	2,138.68

- 44 As part of the Company's periodic review of its transfer pricing policy as also the substantial growth in its international operations, the Company has adopted a revised global transfer pricing policy with effect from April, 1 2012 and has cross charged expenses to its subsidiaries based on an allocation model. The same has been included as reimbursement of expenses under other operating revenue during the year. The cross charge of expenses are given below.

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Employee benefits expense (Net)	115.83	113.60
Other expenses	137.27	134.70
Depreciation and amortization expense	–	293.86
Total	253.10	542.16

- 45 The Company has working capital lines and Buyers credit facility from banks. Security details of which are as follows:
 - Buyers credit facility is secured by first pari-passu charge on movable fixed assets and second pari-passu charge on current assets.
 - Working capital lines is secured by first pari-passu charge on present and future stocks and book debts.
- 46 During the year ended March 31, 2017 and year ended March 31, 2016, the Egyptian Government devalued the currency Egyptian pound (EGP). The effect of restatement of the amount receivable in EGP from the Company's subsidiary in Egypt on such devaluation is presented as an exceptional item. Further, during the year ended March 31, 2016, the Argentina Government devalued its currency Argentine Peso (ARS). The effect of restatement of the amount receivable in ARS from the Company's subsidiary in Argentina on such devaluation is presented as an exceptional item.

47 Transition to Ind AS

The Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, 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 1, 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at April 1, 2015 and the financial statements as at and for the year ended March 31, 2016. In preparing these financial statements, the company has availed itself of optional exemptions and mandatory exceptions in accordance with Ind AS 101 as explained below:

Transition Policies

Cumulative translation difference on foreign operations

Ind AS 101 permits cumulative translations gains and losses to be reset to zero at the transition date. The Company has elected to reset all cumulative translations gains and losses relating to foreign operations to zero as at transition date.

Deemed cost for Property, Plant and Equipment and Intangible assets

Since there has been a change in the functional currency for certain foreign operations, the Company's Property Plant and Equipment and Intangible assets have been recorded as per the provision of Ind AS16.

Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

Notes forming part of the Financial Statements (Rupees in millions, except share and per share data, unless otherwise stated)

Share based payments transactions

The Company has availed exemption available under Ind AS 101 on application of Ind AS 102, "Share Based Payment", to equity instruments that vested before the date of transition to Ind AS.

Investments in subsidiaries and associates

The Company has elected to apply deemed cost of investment based on the carrying amount as per previous GAAP as on the transition date.

Estimates exception

As per Ind AS, an entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies), unless there is objective evidence that those estimates were in error. The Company made estimates for impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as this was not required under previous GAAP. Other Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

48 First-time Ind AS adoption reconciliations:

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101:

(a) Reconciliation of total equity as at March 31, 2016 and April 01, 2015

Particulars	Notes	As at March 31, 2016	As at April 01, 2015
Total equity (shareholders' fund) under previous GAAP		6,969.66	7,269.28
Proposed dividend and tax thereon	iv	195.19	197.18
Allowance on Expected credit loss (Net of tax)	v	(183.83)	(183.83)
Total equity under Ind AS		6,981.02	7,282.63

(b) Reconciliation of total comprehensive income

Particulars	Notes	As at March 31, 2016
Net Income under previous GAAP		57.35
Cost of the employee stock option scheme at fair value	ii	(55.91)
Exchange differences in translating the financial statements of foreign operations	i	(37.77)
Remeasurements of the defined benefit liabilities / (asset) Actuarial Gain/ (Loss)	iii	3.08
Tax adjustments on above		12.00
Profit for the period under Ind AS		(21.25)
Other Comprehensive income	iv	22.69
Total comprehensive income under Ind AS		1.44

(c) Cash flow statement:

There were no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

Notes:

- i. Under the previous GAAP, foreign currency transactions of the Company's integral foreign operations were accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction; and exchange differences arising on settlement/ restatement of Short-term foreign currency monetary assets and liabilities were recognised as income or expense in the Statement of Profit and Loss.

Under Ind AS, the functional currency of the foreign operations were assessed at transition date and were concluded as the currency of the economic environment of the foreign operations. The results and financial position of the entities whose functional currency is different from the reporting currency (INR) are recognised in Other Comprehensive Income as a Foreign Currency Translation Reserve as follows:

- a. assets and liabilities are translated at the closing rate at the date of that balance sheet; and
- b. income and expenses are translated at exchange rates at the dates of the transactions.

Notes forming part of the Financial Statements

(Rupees in millions, except share and per share data, unless otherwise stated)

- ii. Under the previous GAAP, the cost of employee stock options under the various stock options of the Company was recognised using the intrinsic value method. Under this method, no expense was recognised in the Statement of Profit and Loss as the fair value of the shares under the grant on the date of grant equalled its exercise price. Under Ind AS, the cost of the employee stock options is recognised in the Statement of Profit and Loss over the vesting period based on the fair value of the options at the grant date.
- iii. Under the previous GAAP, all actuarial gains and losses were recognised in the Statement of Profit and Loss. Under Ind AS, actuarial gains and losses that form part of remeasurement of the net defined benefit liability / asset and the corresponding tax effect thereon are recognised in Other Comprehensive Income.
- iv. Under Ind AS, liability for dividend is recognised in the period in which the obligation to pay is established. Under the previous GAAP, the liability for dividend was recognised in the period to which the dividend relates, though the dividend is approved by the shareholders subsequent to reporting date. Consequently dividend payable is lower and retained earnings is higher under Ind AS.
- v. Under previous GAAP the Company would provide for doubtful receivables purely on individual assessment of various aged balances when such receivables were assessed to be doubtful of recovery. Under Ind AS, the Company provides for credit loss on its receivables on a progressive basis for anticipated defaults and delays in collection. The Company has made an adjustment as of March 31, 2015, net of tax, based on the anticipated defaults and collection trends. This credit loss is reviewed at each reporting date based on the prevailing collection trend and anticipated realisations.

INDEPENDENT AUDITOR'S REPORT

To The Members of **ONMOBILE GLOBAL LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **ONMOBILE GLOBAL LIMITED** (hereinafter referred to as the "Holding Company") and its subsidiaries (the holding Company and its subsidiaries together referred to as "the Group") and its associate comprising the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (" hereinafter referred to as the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with Ind AS and the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2017 and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were

necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- (b) In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements been kept by the Company so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory auditors of its associate company, which is a company which is incorporated in India, none of the directors of the Holding Company and its associate Company is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's report of the Holding Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company and associate company's internal financial controls over financial reporting on a consolidated basis.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its associate company incorporated in India.
 - iv. The Holding Company has provided requisite disclosures in the consolidated financial statements as regards the holding and dealing in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities, as applicable. Based on audit procedures performed and the representations provided to us by the Management, we report that the disclosures are in accordance with the relevant books of account maintained by the Holding Company for the purpose of preparation of the consolidated financial statements.

For DELOITTE HASKINS & SELLS
Chartered Accountants
Firm's Registration No. 008072S

BENGALURU, May 26, 2017
VB/NM/2017

V. Balaji
Partner
Membership No. 203685

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **ONMOBILE GLOBAL LIMITED** (hereinafter referred to as “the Holding Company”) and its associate company, which is a company incorporated in India, as of March 31, 2017 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year then ended.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company and its associate company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company’s and its associate company, which is a company incorporated based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the aforesaid entities.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its associate company, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS
Chartered Accountants
Firm’s Registration No. 0080725

BENGALURU, May 26, 2017
VB/NM/2017

V. Balaji
Partner
Membership No. 203685

CONSOLIDATED BALANCE SHEET

In ₹ Million

	Notes	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3a	400.30	412.38	554.62
Capital Work-in-Progress		39.27	49.61	54.36
Intangible Assets	3b	290.23	648.81	1,835.86
Financial Assets				
Investments	4	0.02	0.02	0.02
Loans	8	47.16	55.64	66.76
Other Financial Assets	10	1.77	2.51	1.63
Deferred tax Assets (net)		378.40	291.11	352.40
Other Non-Current Assets	12	1,280.83	1,329.32	1,144.24
		2,437.98	2,789.40	4,009.89
Current Assets				
Inventories	14	-	-	5.39
Financial Assets				
Investments	5	930.32	927.34	717.87
Trade receivables	6	1,676.13	1,983.41	2,146.71
Cash and cash equivalents	7	2,130.98	2,281.34	1,995.58
Loans	9	40.79	22.90	25.19
Other Financial Assets	11	715.57	932.55	868.16
Other Current Assets	13	479.39	613.94	556.49
		5,973.18	6,761.48	6,315.39
TOTAL		8,411.16	9,550.88	10,325.28
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	15	1,043.50	1,081.11	1,092.20
Other Equity	16	4,591.90	5,108.56	5,600.79
		5,635.40	6,189.67	6,692.99
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	17	-	-	184.55
Provisions	18	51.67	43.93	34.67
Deferred Tax Liabilities (net)		1.08	1.17	1.43
		52.75	45.10	220.65
Current Liabilities				
Financial Liabilities				
Trade payables	20	2,120.12	2,379.75	2,271.53
Other Financial Liabilities	21	40.90	252.29	293.78
Provisions	19	182.85	208.96	228.96
Other Current Liabilities	22	379.14	475.11	617.37
		2,723.01	3,316.11	3,411.64
TOTAL		8,411.16	9,550.88	10,325.28
Significant accounting policies	2			

The accompanying notes are an integral part of the financial statements 1 to 50

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

V. Balaji
Partner

François-Charles Sirois
Executive Chairman and Chief Executive Officer

Sanjay Baweja
Director

Praveen Kumar K J
Chief Financial Officer

P V Varaprasad
Company Secretary

Place : Bengaluru
Date : May 26, 2017

Place : London, UK
Date : May 26, 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

In ₹ Million except per share data

	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue from operations	23	7,202.36	8,157.43
Other Income	24	110.53	299.52
TOTAL INCOME (A)		7,312.89	8,456.95
EXPENSES			
Cost of Sales and Services	25	2,983.67	3,125.06
Employee benefits expense	26	2,059.78	2,224.84
Finance costs	27	7.80	17.77
Depreciation and amortisation expense	28	554.85	1,494.33
Other expenses	29	1,158.30	1,333.30
TOTAL EXPENSES (B)		6,764.40	8,195.30
Profit before exceptional items and tax (C) = (A-B)		548.49	261.65
Exceptional item (D)	45	172.08	229.98
Profit before tax (E) = (C-D)		376.41	31.67
TAX EXPENSE			
Current Tax expense		339.90	366.49
Deferred tax		(104.39)	(58.04)
Net Tax Expense (F)		235.51	308.45
Profit / (Loss) for the year (G) = (E-F)		140.90	(276.78)
Add: Share of profit / (loss) from Associate		-	(0.05)
Profit / (Loss) attributable to the shareholders of the Company		140.90	(276.83)
Other Comprehensive Income (Net)			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit liabilities / (asset)			
Actuarial Gain / (Loss)		(9.51)	(3.08)
Income tax relating to items that will not be reclassified to profit or loss		3.29	1.07
Items that may be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		(115.48)	91.64
Income tax on items that may be reclassified to profit or loss		-	(13.07)
Other comprehensive income / (loss) for the year attributable to Owners of the Company		(121.70)	76.56
Total comprehensive income (loss) for the year attributable to Owners of the Company		19.20	(200.27)
EARNINGS / (LOSS) PER SHARE			
	38		
1. Basic (Face value of equity share of ₹ 10/- each)		1.34	(2.53)
2. Diluted (Face value of equity share of ₹ 10/- each)		1.34	(2.53)
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

1 to 50

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

V. Balaji
Partner

François-Charles Sirois
Executive Chairman and Chief Executive Officer

Sanjay Baweja
Director

Praveen Kumar K J
Chief Financial Officer

P V Varaprasad
Company Secretary

Place : Bengaluru
Date : May 26, 2017

Place : London, UK
Date : May 26, 2017

CONSOLIDATED CASH FLOW STATEMENT

In ₹ Million

	For the year ended March 31, 2017	For the year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) for the year	140.90	(276.83)
Adjustments for :		
Income tax expense recognised in the Consolidated statement of profit and loss	235.51	308.45
Share of loss from Associate	-	0.05
Depreciation and amortisation expense	554.85	1,494.33
Exceptional items	172.08	229.98
Provision for Doubtful trade receivables (net)	95.00	24.13
Finance Cost	7.80	17.77
Unrealised Foreign Exchange Loss/(Gain)	(19.51)	(166.17)
Loss/(Gain) on disposal of Property plant and equipment (Net)	(2.11)	(20.23)
Bad Trade receivables	6.85	63.85
Provisions no longer required written back	(0.63)	(19.40)
Expense recognised for Share-based payments	35.39	55.92
Dividend Income	(44.45)	(43.27)
Interest Income	(55.28)	(46.83)
Changes in Operating assets and liabilities:		
Trade receivables	68.96	86.57
Other assets	243.25	(80.79)
Trade Payable	(145.04)	106.48
Other liabilities	(68.26)	(162.66)
Cash generated from operations	<u>1,225.31</u>	<u>1,571.35</u>
Direct taxes paid (including refunds)	(323.58)	(486.89)
Net cash generated from operating activities	<u>901.73</u>	<u>1,084.46</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(187.22)	(116.74)
Proceeds from disposal of property, plant and equipment	4.79	95.87
Sale, Redemption / (Purchase) of Short term investments (net)	(2.98)	(209.47)
(Increase)/decrease in earmarked bank balances	208.09	(34.29)
Dividends received	44.45	43.27
Interest received	56.43	45.41
Net cash (used in) / generated from investing activities	<u>123.56</u>	<u>(175.95)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of Share Capital (net of refund of share application money)	11.61	14.13
Buyback of Equity Share Capital	(463.75)	(176.37)
Repayment of Finance lease	-	(0.37)
Proceeds from / (Repayment of) short term borrowings	(191.21)	(92.18)
Proceeds from/ (Repayment of) borrowings	-	(184.55)
Finance costs	(10.63)	(17.84)
Dividend Paid including tax	(156.72)	(197.31)
Net cash (used in) / generated from financing activities	<u>(810.70)</u>	<u>(654.49)</u>
Net increase/(decrease) in cash and cash equivalents	<u>214.59</u>	<u>254.02</u>
Cash and cash equivalents (Opening Balance)	<u>2,063.08</u>	<u>1,811.62</u>
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(156.86)	(2.56)
Cash and cash equivalents (Closing Balance)	<u>2,120.81</u>	<u>2,063.08</u>
	<u>214.59</u>	<u>254.02</u>
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 7)	2,130.98	2,281.34
Less: Bank balances not considered as Cash and cash equivalents	10.17	218.26
Cash and cash equivalents at the end of the year	<u>2,120.81</u>	<u>2,063.08</u>

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

V. Balaji
Partner

François-Charles Sirois
Executive Chairman and Chief Executive Officer

Sanjay Baweja
Director

Praveen Kumar K J
Chief Financial Officer

P V Varaprasad
Company Secretary

Place : Bengaluru
Date : May 26, 2017

Place : London, UK
Date : May 26, 2017

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

A.. Equity Share Capital In ₹ Million

	Equity share capital
Issued and Paid up Capital as at April 1, 2015	1,092.20
Changes in equity share capital during the year	
(a) Issue of share capital under Employee Stock Option Plan	4.24
(b) Buy back of equity shares	(15.33)
Balance at March 31, 2016	1,081.11
Changes in equity share capital during the year	
(a) Issue of equity shares under employee share option plan	3.06
(b) Buy-back of equity shares	(40.67)
Balance at March 31, 2017	1,043.50

b. Other Equity

In ₹ Million

	Reserves and Surplus					Items of other comprehensive income		Total
	Securities premium reserve	General reserve	Stock Options Outstanding Account	Capital Redemption Reserve	Retained earnings	Foreign currency translation Reserve	Actuarial Gain / (Loss)	
Balance at April 1, 2015	2,970.24	13.20	20.19	98.00	2,499.16	-	-	5,600.79
Profit for the period	-	-	-	-	(276.83)	-	-	(276.83)
Other comprehensive income	-	-	-	-	-	78.57	(2.01)	76.56
Total Comprehensive income for the year	-	-	-	-	(276.83)	78.57	(2.01)	(200.27)
Dividend (including tax on dividend)	-	-	-	-	(197.31)	-	-	(197.31)
Received on exercise of employee stock options	10.49	-	-	-	-	-	-	10.49
Utilised towards Shares buy-back	(161.04)	-	-	-	-	-	-	(161.04)
Discount on exercise of eligible stock options	(0.02)	-	-	-	-	-	-	(0.02)
Compensation cost related to employee share based payment	-	-	55.92	-	-	-	-	55.92
Transfer to Capital Redemption reserves	(15.33)	-	-	15.33	-	-	-	-
Transfer to Securities premium reserve	2.36	-	(2.36)	-	-	-	-	-
Balance at March 31, 2016	2,806.70	13.20	73.75	113.33	2,025.02	78.57	(2.01)	5,108.56

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

	Reserves and Surplus					Items of other comprehensive income		Total
	Securities premium reserve	General reserve	Stock Options Outstanding Account	Capital Redemption Reserve	Retained earnings	Foreign currency translation Reserve	Actuarial Gain / (Loss)	
Balance as at April 1, 2016	2,806.70	13.20	73.75	113.33	2,025.02	78.57	(2.01)	5,108.56
Profit for the period	-	-	-	-	140.90	-	-	140.90
Other comprehensive income	-	-	-	-	-	(115.48)	(6.22)	(121.70)
Total Comprehensive income for the year	-	-	-	-	140.90	(115.48)	(6.22)	19.20
Dividend (including tax on dividend)	-	-	-	-	(156.72)	-	-	(156.72)
Received on exercise of employee stock options	8.55	-	-	-	-	-	-	8.55
Utilised towards Shares buy-back	(423.08)	-	-	-	-	-	-	(423.08)
Compensation cost related to employee share based payment	-	-	35.39	-	-	-	-	35.39
Transfer to Capital Redemption reserves	(40.67)	-	-	40.67	-	-	-	-
Transfer to Securities premium reserve	3.63	-	(3.63)	-	-	-	-	-
Balance at March 31, 2017	2,355.13	13.20	105.51	154.00	2,009.20	(36.91)	(8.23)	4,591.90

The accompanying notes (1 to 50) are an integral part of the financials statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

V. Balaji
Partner

Place : Bengaluru
Date : May 26, 2017

For and on behalf of the Board of Directors

François-Charles Sirois
Executive Chairman and Chief Executive Officer

Praveen Kumar K J
Chief Financial Officer

Place : London, UK
Date : May 26, 2017

Sanjay Baweja
Director

P V Varaprasad
Company Secretary

Significant Accounting Policies forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

1 Company Overview

OnMobile Global Limited ('OnMobile' or 'the Company') is a public limited company incorporated in India and has its registered office at Bengaluru, India and has offices in all regions of the world. The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange in India. The Company has 44 International Subsidiaries (including step down subsidiaries) and 1 Associate (Indian Company). The Company, its subsidiaries and associated enterprise together constitutes the "Group".

The key product offerings of the Company are Ringback Tones, Digital Content Store and Infotainment. OnMobile is the global leader in Ringback Tones, which replaces the boring "tring-tring" the caller listens to, with interesting sounds of their choice. Digital Content Store is a one-stop mobile destination for discovering digital content like videos, games, music and images. Infotainment offers music, contest, news and sports to consumers over the mobile.

The consolidated financial statements are approved for issue, by the Company's Board of Directors on May 26, 2017.

2 Significant Accounting Policies

a. Statement of Compliance

The Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

These Consolidated financial statements upto year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (Previous GAAP). Reconciliation and description of the effect of the

transition to Ind AS from Previous GAAP is given in Note 48 and 49.

b. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company, its subsidiaries and the associate. Control is achieved when the Company has power over the investee, it is exposed or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and cease when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The following entities (all subsidiaries and the associate unless stated otherwise) are considered in the consolidated financial statements.

Sl. No.	Name of entity	Country of Incorporation	% of Ownership held as on March 31, 2017	% of Ownership held as on March 31, 2016	% of Ownership held as on April 1, 2015
1	OnMobile Singapore Pte. Ltd.	Singapore	100.00	100.00	100.00
2	PT OnMobile Indonesia	Indonesia	100.00	100.00	100.00
3	OnMobile S.A. (subsidiary of OnMobile Europe B.V.)	France	100.00	100.00	100.00
4	OnMobile Europe B.V.	Netherlands	100.00	100.00	100.00
5	OnMobile USA LLC	United States of America	100.00	100.00	100.00
6	Servicios De Telefonía OnMobile Sa De Cv	Mexico	100.00	100.00	100.00
7	OnMobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda.	Brazil	100.00	100.00	100.00
8	OnMobile De Venezuela C.A. (subsidiary of OnMobile USA LLC)	Venezuela	100.00	100.00	100.00

Significant Accounting Policies forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

Sl. No.	Name of entity	Country of Incorporation	% of Ownership held as on March 31, 2017	% of Ownership held as on March 31, 2016	% of Ownership held as on April 1, 2015
9	OnMobile Global SA	Argentina	100.00	100.00	100.00
10	OnMobile Uruguay SA	Uruguay	100.00	100.00	100.00
11	OnMobile Senegal SARL	Senegal	100.00	100.00	100.00
12	OnMobile Global for Telecommunication Services	Egypt	100.00	100.00	100.00
13	OnMobile Mali SARL	Mali	100.00	100.00	100.00
14	OnMobile Bangladesh Private Limited	Bangladesh	100.00	100.00	100.00
15	OnMobile Servicios Corporativos De Telefonía S.A. DE C.V.	Mexico	100.00	100.00	100.00
16	OnMobile Kenya Telecom Limited	Kenya	100.00	100.00	100.00
17	OnMobile Costa Rica OBCR, S.A.	Costa Rica	100.00	100.00	100.00
18	OnMobile Telecom Limited	Malawi	100.00	100.00	100.00
19	OnMobile Global Spain S.L.	Spain	100.00	100.00	100.00
20	OnMobile Uganda Limited	Uganda	100.00	100.00	100.00
21	OnMobile Zambia Telecom Limited	Zambia	100.00	100.00	100.00
22	OnMobile Madagascar Telecom Limited	Madagascar	100.00	100.00	100.00
23	OnMobile Rwanda Telecom Limited	Rwanda	100.00	100.00	100.00
24	OnMobile Nigeria Telecom Limited	Nigeria	100.00	100.00	100.00
25	OnMobile Tanzania Telecom Limited	Tanzania	100.00	100.00	100.00
26	OnMobile Ghana Telecom Limited	Ghana	100.00	100.00	100.00
27	OnMobile Telecom Sierra Leone Limited	Sierra Leone	100.00	100.00	100.00
28	OnMobile Global Solutions Canada Limited	Canada	100.00	100.00	100.00
29	OnMobile Global Italy SRL	Italy	100.00	100.00	100.00
30	Mobile Voice Konnect Private Limited - Associate	India	50.00	50.00	50.00
31	OnMobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	Turkey	100.00	100.00	100.00
32	OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira)	Portugal	100.00	100.00	100.00
33	OnMobile Telecom Burkina Faso, S.A.R.L.	Burkina Faso	100.00	100.00	100.00
34	OnMobile Global South Africa (PTY) LTD	South Africa	100.00	100.00	100.00
35	OnMobile Global Czech Republic S.R.O	Czech Republic	100.00	100.00	100.00
36	OnMobile Live Inc (subsidiary of OnMobile USA LLC)	United States of America	100.00	100.00	100.00
37	Fonestarz Media Group Limited (subsidiary of OnMobile Live Inc)	United Kingdom	100.00	100.00	100.00
38	2dayUK Limited (subsidiary of OnMobile Live Inc)	United Kingdom	100.00	100.00	100.00
39	Fonestarz Media (licensing) Limited (subsidiary of OnMobile Live Inc)	United Kingdom	100.00	100.00	100.00
40	Daius Limited (subsidiary of OnMobile Live Inc)	United Kingdom	100.00	100.00	100.00
41	Fonestarz Limited (subsidiary of OnMobile Live Inc)	United Kingdom	100.00	100.00	100.00
42	Livewire Mobile (Australia) PTY Limited (subsidiary of OnMobile Live Inc)	Australia	100.00	100.00	100.00
43	Fonestarz Media Limited (subsidiary of OnMobile Live Inc)	United Kingdom	100.00	100.00	100.00
44	OnMobile Global Limited Colombia S.A.S	Colombia	100.00	100.00	100.00
45	OnMobile Latam holding SL (subsidiary of OnMobile USA LLC)	Spain	100.00	100.00	100.00

Significant Accounting Policies forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

In respect of entity in Sl. No. 4, the Company's cost of investment was in excess of its share of equity on the date of investment and the difference had been recognised as Goodwill. The Goodwill was tested for impairment and written off fully during financial year ended March 31, 2016

c. Basis of Presentation and Disclosure

The Consolidated financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- a. Derivative financial instruments
- b. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
- c. Share based payment transactions and
- d. Defined benefit and other long-term employee benefits

d. Use of Estimates

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

- i) Useful lives of Property, Plant and Equipment
As described at Note (I.) below, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.
- ii) Fair value measurements and valuation processes:
In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The cross functional team of the Company works closely with the valuer to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the finding to the board of directors of the Company every quarter to explain the cause of fluctuations in the fair value of the

assets and liabilities.

- iii) Other estimates: The preparation of consolidated financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of consolidated financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.
- iv) Employee benefits: The cost of defined benefit plans are determined using actuarial valuation. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to long term nature of these plans, such estimates are subject to significant uncertainty.
- v) Share based compensation to employees: The Company has granted share based payment plans to its employees. Valuation models are used to calculate the expense for such share based compensation to employees. These models require a number of assumptions to be made as inputs. These include financial assumptions as well as various assumptions around individual employee behaviour.

e. Functional and presentation currency

The consolidated financial statements are presented in Indian Rupee, the national currency of India, which is the presentation and functional currency of the Company. The Company has foreign operations (branches & subsidiaries) for which the functional currency is the currency of the primary economic environment in which these entities operate.

f. Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Profit and loss and reported within foreign exchange gains/ (losses). Non monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. For the purposes of presenting the consolidated financial statements,

Significant Accounting Policies forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

assets and liabilities of Group's foreign operations with functional currency different from the Company are translated into Company's functional currency i.e. INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any are recognised in other comprehensive income and accumulated in equity. On the disposal of foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to the Consolidated Statement of Profit and Loss. A monetary item for which settlement to/from a foreign operation is neither planned nor likely to occur in the foreseeable future is considered as a part of the Company's net investment in that foreign operation. On consolidation, exchange differences arising from the translation of any such net investment in foreign operation, are recognised in other comprehensive income and reclassified to Consolidated Statement of Profit or Loss, on disposal of the net investment.

g. Cash Flow

Consolidated Cash Flow Statement has been prepared in accordance with the Indirect method prescribed in Indian Accounting Standard 7-"Statement of Cash Flows". The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

h. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

i. Financial instruments

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans, borrowings and payables are recognised net of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: non-derivative financial assets, debt instruments comprising amortised cost, equity

instruments at fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

a) Non-derivative financial assets

(i) Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met

- the the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

(ii) Debt instruments at Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in "Other income" using the effective interest rate method.

(iii) Financial asset at Fair Value Through Other Comprehensive Income (FVTOCI)

The Group has elected not to present any subsequent changes in the fair value of equity instruments in Other Comprehensive Income.

(iv) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as, at amortised cost or as FVTOCI, is classified as FVTPL.

Financial assets included within the FVTPL category

Significant Accounting Policies forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

are measured at fair values with all changes recognised in the consolidated statement of profit or loss

Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments

c) Non-derivative financial liabilities

(i) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

(ii) Financial liabilities at FVTPL

The Group does not have any Financial liability designated as FVTPL.

d) Derivative Financial instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets and liabilities and forecasted cash flows denominated in foreign currencies. The counterparty to these contracts is generally a bank. Derivatives are recognised and

measured at fair value. Attributable transaction costs are recognised in Consolidated statement of profit and loss.

j. Inventories

Inventories comprising of components are valued at the lower of Cost and estimated realisable value.

k. Property , Plant and Equipment and Intangible Assets

Property, Plant and Equipment and Intangible Assets are stated at cost of acquisition including taxes, duties, freight directly attributable to make the asset ready for its intended use and other incidental expenses relating to acquisition and installation. Subsequent expenditure on assets, after its purchase is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Assets retired from active use and held for sale are stated at the lower of their net book value and realisable value and disclosed separately.

Capital work in progress is stated at cost and includes the cost of the assets that are not ready for their intended use at the Balance Sheet date.

l. Depreciation and Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation has been provided on the straight-line method over the useful life as estimated by the management based on technical advice on commercial lives of these assets. The estimated useful lives are as follows:

Category of Asset	No. of years
Leasehold Improvements	Primary lease period of 3 years -5 years
Buildings	61 years
Office equipments	3 years
Computers and Electronic equipments	3 years-5 years
Furniture and Fixtures	3 years
Motor Cars	3 years

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Category of Asset	No. of years
Softwares	3 years -4 years
Intellectual Property Rights	3 years
Market development and deployment rights	Over the term of the agreement

The estimated useful life of the assets are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Significant Accounting Policies forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

Individual assets costing less than ₹ 5,000/- are depreciated in full in the year of purchase.

m. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As lessor

Rental Income from operating leases is generally recognised on a straight - line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

As lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such expense accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

n. Revenue Recognition

Revenue from Telecom Value Added Services, net of credit notes, is recognized on providing the services in terms of revenue sharing arrangements with the telecom operators.

Revenue from sale of user licences for software application is recognized when the applications are functionally installed at the customer's location as per the terms of the contracts.

Revenue from Other Services including maintenance services is recognized proportionately over the period during which the services are rendered as per the terms of contract.

o. Dividend Income

Dividend on current investments is recognized on an accrual basis when the right to receive payment is established. Profit on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sale price and the carrying value of the investment.

p. Interest Income

Interest income is recognised as it accrues in the statement of profit and loss, using the effective interest method.

q. Employee Benefits

Employee benefits include provident fund, social security, ESIC, gratuity fund, compensated absences etc.

a) Short term Obligations: Short-term employee benefits include salaries, social security

contributions, short term compensated absences (such as paid annual leave where the absences are expected to occur within twelve months after the end of the period in which the employees render the related employee service), profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits (such as medical care) etc, for current employees are estimated and measured on an undiscounted basis.

b) Defined Contribution Plan

The Group's contribution to provident fund, employee state insurance scheme, social security etc are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

c) Defined Benefit Plan

Post employment benefit plans other than Defined Contribution Plans include liabilities for gratuity funded in terms of a scheme administered by the Life Insurance Corporation of India, is determined by using Projected Unit Credit method with Actuarial Valuation made at the end of each financial year. Provision for liabilities pending remittance to the fund is carried in the Consolidated Balance Sheet.

Actuarial gains and losses are recognised in Other Comprehensive Income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit and loss is calculated by applying a discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income. Remeasurement comprising actuarial gains and losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

d) Long-term liability for compensated absences is provided based on actuarial valuation of the accumulated leave credit outstanding to the employees as on the Balance Sheet date. The Group recognizes actuarial gains and losses immediately in the Consolidated statement of profit and loss.

r. Share Based Payments

Employees of the Group receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant.

The expense is recognised in the Consolidated Statement of Profit and loss with a corresponding increase to the share based payment reserve, a component of equity.

Significant Accounting Policies forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation).

s. Earnings per Share

Basic earnings per share is computed by dividing the profit / (loss) attributable to owners of the Group by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) attributable to owners of the Group as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

t. Income Tax

Income tax expense includes Indian and International income taxes. Income tax comprises of the current tax and net change in deferred tax asset or liability in the year. Income tax expense is recognised in the Consolidated statement of profit and loss except to the extent it relates to items directly recognised in other comprehensive income.

- a) Current Tax: Provision for current tax is made taking into account the admissible deductions/allowances and is subject to revision based on the taxable income for the fiscal year ending 31 March each year. Provision for taxation includes tax liabilities in India on the Company's global income as reduced by exempted income and any tax liabilities arising overseas on income sourced from those countries.
- b) Deferred Tax: Deferred tax is recognised using balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base if assets and liabilities and their carrying amount in the Consolidated financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and

affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or subsequently enacted by the end of the reporting period.

u. Impairment of tangible and intangible assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amounts by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

v. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Notes forming part of the Consolidated financial statements
(Rupees in millions, except share and per share data, unless otherwise stated)

3a Property, Plant and Equipment

Description of Assets	Buildings - Freehold	Leasehold Improvements	Computers and Electronic Equipments	Office Equipment	Furniture and Fixtures	Vehicles - Freehold	Total
I. Gross Block							
Balance as at 1 April, 2015	106.74	141.76	3,375.66	36.13	45.84	12.04	3,718.17
Additions	-	-	155.52	0.34	0.75	-	156.61
Disposals	-	9.77	359.96	1.75	5.03	-	376.51
Effect of foreign currency translation from functional currency to reporting currency	-	1.41	6.33	0.19	0.66	(0.01)	8.58
Balance as at 31 March, 2016	106.74	133.40	3,177.55	34.91	42.22	12.03	3,506.85
II. Accumulated depreciation and impairment for the year 2015-2016							
Balance as at 1 April, 2015	13.40	69.25	3,019.47	23.39	34.59	3.45	3,163.55
Depreciation / amortisation expense for the year	1.75	25.99	243.79	10.88	10.09	4.01	296.51
Eliminated on disposal of assets	-	9.77	355.81	1.65	4.77	-	372.00
Effect of foreign currency translation from functional currency to reporting currency	-	0.56	5.21	0.03	0.62	(0.01)	6.41
Balance as at 31 March, 2016	15.15	86.03	2,912.66	32.65	40.53	7.45	3,094.47
Net block (I-II)							
Balance as on 31st March 2016	91.59	47.37	264.89	2.26	1.69	4.58	412.38
Balance as on 31st March 2015	93.34	72.51	356.19	12.74	11.25	8.59	554.62
Description of Assets	Buildings - Freehold	Leasehold Improvements	Computers and Electronic Equipments	Office Equipment	Furniture and Fixtures	Vehicles - Freehold	Total
I. Gross Block							
Balance as at 1 April, 2016	106.74	133.40	3,177.55	34.91	42.22	12.03	3,506.85
Additions	-	-	195.45	0.23	0.54	-	196.22
Disposals	-	-	466.18	-	0.16	-	466.34
Effect of foreign currency translation from functional currency to reporting currency	-	(1.04)	(80.17)	(0.89)	(0.61)	-	(82.71)
Balance as at 31 March, 2017	106.74	132.36	2,826.65	34.25	41.99	12.03	3,154.02
II. Accumulated depreciation and impairment for the year 2016-2017							
Balance as at 1 April, 2016	15.15	86.03	2,912.66	32.65	40.53	7.45	3,094.47
Depreciation / amortisation expense for the year	1.74	22.99	172.15	2.00	1.29	2.86	203.03
Eliminated on disposal of assets	-	-	464.79	-	0.13	-	464.92
Effect of foreign currency translation from functional currency to reporting currency	-	(0.61)	(76.87)	(0.83)	(0.55)	-	(78.86)
Balance as at 31 March, 2017	16.89	108.41	2,543.15	33.82	41.14	10.31	2,753.72
Net block (I-II)							
Balance as on 31st March 2017	89.85	23.95	283.50	0.43	0.85	1.72	400.30
Balance as on 31st March 2016	91.59	47.37	264.89	2.26	1.69	4.58	412.38

Notes forming part of the Consolidated financial statements
(Rupees in millions, except share and per share data, unless otherwise stated)

3b Intangible Assets

Description of Assets	Computer Software	Copyrights/ Intellectual Property Rights	Market Development and Deployment Rights	Goodwill	Total
I. Intangible Assets					
Cost					
Balance as at 1 April, 2015	1,276.09	181.90	3,901.33	705.14	6,064.46
Additions	13.22	-	4.46	-	17.68
Disposals	634.08	-	40.31	-	674.39
Derecognised on disposal of the unit	-	-	-	705.14	705.14
Effect of foreign currency exchange differences	94.50	-	89.43	-	183.93
Balance as at 31 March, 2016	749.73	181.90	3,954.91	-	4,886.54
II. Accumulated depreciation and impairment for the year 2015-2016					
Balance as at 1 April, 2015	1,035.61	181.85	2,331.52	679.62	4,228.60
Amortisation expense for the year	116.80	-	1,081.02	-	1,197.82
Eliminated on disposal of assets	633.86	-	-	-	633.86
Impairment loss recognised during the year	-	-	-	25.52	25.52
Derecognised on disposal of the unit	-	-	-	705.14	705.14
Effect of foreign currency exchange differences	82.67	-	42.12	-	124.79
Balance as at 31 March, 2016	601.22	181.85	3,454.66	-	4,237.73
Net block (I-II)					
Balance as on 31st March 2016	148.51	0.05	500.25	-	648.81
Balance as on 31st March 2015	240.48	0.05	1,569.81	25.52	1,835.86
Description of Assets					
I. Intangible Assets					
Cost					
Balance as at 1 April, 2016	749.73	181.90	3,954.91	-	4,886.54
Additions	2.91	-	-	-	2.91
Effect of foreign currency exchange differences	(13.30)	0.00	(53.88)	-	(67.18)
Balance as at 31 March, 2017	739.34	181.90	3,901.03	-	4,822.27
II. Accumulated depreciation and impairment for the year 2016-2017					
Balance as at 1 April, 2016	601.22	181.85	3,454.66	-	4,237.73
Amortisation expense for the year	107.09	-	244.73	-	351.82
Effect of foreign currency exchange differences	(13.39)	-	(44.12)	-	(57.51)
Balance as at 31 March, 2017	694.92	181.85	3,655.27	-	4,532.04
Net block (I-II)					
Balance as on 31st March 2017	44.42	0.05	245.76	-	290.23
Balance as on 31st March 2016	148.51	0.05	500.25	-	648.81

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
FINANCIAL ASSETS						
4. NON CURRENT INVESTMENTS						
Investments (At Cost)						
Unquoted Investments (fully paid-up) in Equity Shares of:						
Associate:						
Mobile Voice Konnect Private Limited						
5,000 (at March 31, 2016: 5000; April 1, 2015: 5,000) equity shares of ₹ 10 each fully paid		–		0.00		0.00
In Equity shares of other entities at FVTPL						
Turaco Mobile Private Limited		0.02		0.02		0.02
1,600 (at March 31, 2015: 1,600) equity shares of ₹ 10 each fully paid						
		0.02		0.02		0.02
Aggregate amount of unquoted investments		0.02		0.02		0.02
	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount
5. CURRENT INVESTMENT						
Designated as Fair Value Through Profit and Loss (FVTPL)						
Investments in Mutual Funds (Unquoted)						
Birla Sun life Cash Plus-Instl-Daily Dividend -Reinvestment	–	–	2,245,082	224.95	2,129,166	213.33
Birla Sun life Cash Treasury Optimizer Plan-Reinvestment	1,897,733	204.54	–	–	–	–
HDFC Liquid Fund -Dividend-Daily Reinvest Option	–	–	10,516,182	106.01	9,846,144	100.41
HDFC Floating Rate Income Fund - Short Term Plan- Dividend	16,201,628	163.33	–	–	–	–
Kotak Liquid Scheme Plan A- Daily Dividend	24,630	30.12	–	–	74,079	90.58
Reliance liquidity Fund Cash plan-Daily Dividend Reinvestment	–	–	45,007	50.14	99,324	110.66
Reliance Liquidity Fund - Treasury Plan-Institutional Option-Daily Div Option	–	–	–	–	26,524	40.55
Reliance Medium Term Fund- Daily Dividend	6,914,108	118.20	12,310,774	210.46	–	–
UTI-Treasury Advantage Fund - Institutional Plan -Daily Dividend Reinvest	–	–	173,433	173.84	–	–
Baroda Pioneer Liquid Fund - Plan A Daily Dividend	99,908	100.02	–	–	–	–
IDFC Cash Fund- Daily Dividend	–	–	–	–	105,309	105.37
IDFC Super Saver Income Fund-Short Term Plan-Monthly Dividend	–	–	9,795,579	101.83	–	–
IDFC Ultra Short Term Fund -Regular Plan-Daily Dividend	10,304,987	103.78	–	–	–	–
ICICI Prudential Liquid Plan- Daily Dividend	–	–	600,586	60.11	569,319	56.97
ICICI Prudential Ultra Short Term - Direct Plan - Daily Dividend	20,811,734	210.33	–	–	–	–
Aggregate amount of unquoted investments carried at FVTPL		930.32		927.34		717.87

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

6. TRADE RECEIVABLES				
(Unsecured)				
Considered good		1,676.13	1,983.41	2,146.71
Considered doubtful		211.68	208.41	219.75
Less: Allowance for doubtful debts*		(211.68)	(208.41)	(219.75)
		<u>1,676.13</u>	<u>1,983.41</u>	<u>2,146.71</u>

The Company uses a provisional matrix to determine impairment loss on trade receivable from third parties. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. The Company estimates the following matrix at the reporting date:

	1-90 days	91 - 180 days	181- 360 days	>360 days
Default rate	1.72%	19.28%	36.81%	63.74%
*In case of probability of non-collection, default rate is 100%				
Movement in the expected credit loss allowance*		For the year ended March 31, 2017	For the year ended March 31, 2016	
Balance at the beginning of the period		208.41	219.75	
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses and foreign exchange fluctuations.		3.27	(11.34)	
Provision at the end of the period		<u>211.68</u>	<u>208.41</u>	
*Include foreign exchange fluctuation				
		For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended April 1, 2015

7. CASH AND CASH EQUIVALENTS				
Cash on hand		0.19	0.12	0.19
Balances with bank :				
- In Current Accounts		1,349.02	1,594.32	942.36
- In Deposit Accounts		771.60	468.64	869.07
Other bank balances				
- In earmarked balances				
- Bank balance in Escrow account		6.96	182.54	156.89
- Margin money on Bank Guarantees		3.21	35.72	27.07
		<u>2,130.98</u>	<u>2,281.34</u>	<u>1,995.58</u>
Notes:				
1. The balance that meet the definition of Cash and Cash equivalents		2,120.81	2,063.08	1,811.62

2. During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

	SBN's* (₹)	Other de-nomination notes (₹)	Total (₹)
Closing cash in hand as on November 8, 2016	11,500	3,555	15,055
Add: Permitted receipts	-	40,000	40,000
Less: Permitted payments	-	18,356	18,356
Less: Amount deposited in Banks	11,500	-	11,500
Closing cash in hand as on December 30, 2016	<u>-</u>	<u>25,199</u>	<u>25,199</u>

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

3. Cash and Cash equivalents as of March 31, 2017 includes ₹ 172.72 Million restriction in repatriation.

Notes forming part of the Consolidated financial statements

(Rupees in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
8. LOANS - NON-CURRENT (Unsecured, considered good)			
Security Deposits	47.16	55.64	66.76
	47.16	55.64	66.76
9. LOANS - CURRENT			
Security Deposits	40.79	22.90	25.19
	40.79	22.90	25.19
10. OTHER FINANCIALS ASSETS - NON CURRENT			
Advances to Employees	1.77	2.51	1.63
	1.77	2.51	1.63
11. OTHER FINANCIALS ASSETS - CURRENT			
Unbilled Revenue	655.42	879.06	836.01
Advances to Employees (Refer Note 1 below)	17.84	28.02	23.30
Accrued Interest on deposits	3.85	5.00	3.58
Others			
Receivable on sale of Fixed Assets (including Capital work-in-progress)	3.97	5.23	4.93
Others (includes derivative assets, etc.)	34.49	15.24	0.34
	715.57	932.55	868.16
Note:			
1) Advance to employees include ₹ 1.34 Million (at March 31, 2016 ₹ 9.45 Million and at April 1, 2015 ₹ 1.30 Million) as advance to director.			
12. OTHER NON CURRENT ASSETS (Unsecured, Considered good)			
Capital Advances	1.72	5.04	23.87
Prepaid Expenses	-	-	6.98
Advance Taxation (net of provisions of ₹ 1,816.29 Million (at March 31, 2016 ₹ 1,644.25 Million; at April 1, 2015 ₹ 1,492.24 Million))	1,278.41	1,323.58	1,112.69
Fringe Benefit Tax (net of provisions)	0.70	0.70	0.70
	1,280.83	1,329.32	1,144.24
13. OTHER CURRENT ASSETS (Unsecured, Considered good)			
Prepaid Expenses	63.62	64.25	65.57
Balances with Statutory authorities	397.71	494.20	460.24
Advances to Vendors	18.06	55.49	30.68
	479.39	613.94	556.49
14. INVENTORIES			
Components	-	-	5.39
	-	-	5.39

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
15. SHARE CAPITAL			
Authorised			
149,500,000 Equity Shares of ₹10 each with voting rights (as at March 31, 2015 - 149,500,000 Equity Shares of ₹ 10 each)	1,495.00	1,495.00	1,495.00
500,000 Preference Shares of ₹10 each (as at March 31, 2015 - 500,000 Preference Shares of ₹10 each)	5.00	5.00	5.00
	1,500.00	1,500.00	1,500.00
Issued, Subscribed and Fully Paid up			
104,350,090 (March 31, 2016 - 108,111,402 and April 1, 2015- 109,220,336) Equity Shares of ₹10 each fully paid	1,043.50	1,081.11	1,092.20
	1,043.50	1,081.11	1,092.20

Notes:

A) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Equity Shares with voting rights						
Opening balance	108,111,402	1,081.11	109,220,336	1,092.20	114,235,502	1,142.36
Add: Exercise of Employee Stock Option Plan	306,094	3.06	423,660	4.24	784,834	7.85
Less: Buy back	4,067,406	40.67	1,532,594	15.33	5,800,000	58.00
Closing balance	104,350,090	1,043.50	108,111,402	1,081.11	109,220,336	1,092.20

B) Details of shareholders holding more than 5% of the shares of the Company

	Number of Shares	%	Number of Shares	%	Number of Shares	%
Equity Shares with voting rights						
OnMobile Systems Inc	50,923,703	48.80	50,923,703	47.10	50,923,703	46.62

C) Aggregate Number of shares allotted as fully paid up pursuant to contracts without payment being received in cash, bonus shares and buyback of shares for the period of five years immediately preceding the Balance Sheet date as at March 31, 2017:

- During the year ended March 31, 2012, the Company made a bonus issue of 58,954,543 shares in the ratio of 1 : 1 to the shareholders by capitalisation of Securities Premium account.
 - During the year ended March 31, 2012, the Company has issued 102,540 bonus equity shares on exercise of eligible options.
- During the year ended March 31, 2012 after obtaining approval of the shareholders and completion of the formalities prescribed for buy-back of equity shares u/s.77A of the Companies Act, 1956, the Company bought back 2,936,000 Equity Shares of ₹10 each by utilising the Securities Premium Account Capital Redemption Reserve has been created out of Security Premium Account for ₹ 29.36 Million being the nominal value of equity shares bought back in terms of Sec.77AA of the Companies Act, 1956.
During the year ended March 31, 2013, the Company completed the above referred buy-back of equity shares and bought back 1,064,000 Equity Shares of Rs.10 each by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for ₹ 10.64 Million being the nominal value of equity shares bought back in terms of Sec.77AA of the Companies Act, 1956.
- During the year ended March 31, 2015 after obtaining approval of the shareholders and completion of the formalities prescribed for buy-back of equity shares u/s 68 of the Companies Act, 2013, the Company bought back 5,800,000 Equity Shares of ₹10 each by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for ₹ 58.00 Million being the nominal value of equity shares bought back in terms of Sec.68 of the Companies Act, 2013.
- The Company had made a public announcement on February 11, 2016 for buy back of maximum 5,600,000 equity shares of ₹ 10 each for an amount not exceeding Rs 700 Million. As on March 31, 2016, the buy back of 1,532,594 equity shares for Rs 176.37 Million was finalised and executed by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for ₹ 15.33 Million being the nominal value of equity shares bought back in terms of Sec.68 of the Companies Act, 2013.

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

During the year ended March 31, 2017, the Company completed the above referred buy-back of equity shares and bought back 4,067,406 Equity Shares of ₹10 each by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for ₹ 40.67 Million being the nominal value of equity shares bought back in terms of Sec.68 of the Companies Act, 2013.

D) Total number of Options outstanding under various employee stock option plans, that are convertible into equity shares, as on March 31, 2017 are 5,486,705 (at March 31, 2016: 5,579,391) (April 1, 2015: 6,134,802) (Refer Note 36)

E) Rights and restrictions attached to equity shares:

The Company has only one class of equity shares with voting rights (one vote per share). The dividend proposed by the Board of Directors is subject to approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company the equity shareholders are entitled to receive only the residual assets of the Company. The distribution of dividend is in proportion to the number of equity shares held by the shareholders.

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
16. OTHER EQUITY			
Capital Redemption Reserve	154.00	113.33	98.00
Amount equal to the cancellation of the Company's own equity instruments is transferred to Capital redemption reserve			
Securities Premium Account	2,355.13	2,806.70	2,970.24
Amount received on issue of shares in excess of par value has been classified as securities premium			
Stock Options Outstanding	105.51	73.75	20.19
The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees.			
General Reserve	13.20	13.20	13.20
This represents appropriation of profit by the Company			
Foreign Currency Translation Reserve	(36.91)	78.57	-
Foreign Currency Translation Reserve comprise of the exchange difference relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency			
Retained Earnings	2,009.20	2,025.02	2,499.16
Retained earnings comprise of the Company's prior years' undistributed earnings after taxes.			
Other items of Other Comprehensive Income	(8.23)	(2.01)	-
Other items of other comprehensive income consists of effect of re-measurement of net defined benefit liability/asset.			
	4,591.90	5,108.56	5,600.79
Distributions proposed:			
The Board of Directors at its meeting held on May 26, 2017 have recommended, subject to approval of shareholders, a dividend of ₹ 1.50 per equity share of ₹ 10 each. If approved, this would result in a cash outflow of approximately ₹ 188.39 Million, inclusive of dividend distribution tax.			

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
17. BORROWINGS - NON CURRENT			
Term loan from bank#	-	-	184.55
	<u>-</u>	<u>-</u>	<u>184.55</u>
# Line of Credit secured by OnMobile Global Limited's Standby letter of Credit.			
18. PROVISIONS - NON CURRENT			
Provision for employee benefits:			
Provision for Compensated Absences	48.88	40.70	31.80
Provision for Post employment benefits	2.79	3.23	2.87
	<u>51.67</u>	<u>43.93</u>	<u>34.67</u>
19. PROVISIONS - CURRENT			
Provision for employee benefits: (Refer Note 34)	36.30	30.38	60.88
Provision for Compensated Absences	22.05	22.48	13.97
Provision for Gratuity	6.82	8.89	1.30
Provision for post employment benefits			
Provision for tax (Net of advances of ₹ 269.41 Million (at March 31, 2016 ₹ 164.81 Million; at April 1, 2015: ₹ 89.00 Million))	109.63	138.49	127.49
Provision - Others			
Provision for contingencies (refer note 40)	8.05	8.72	25.32
	<u>182.85</u>	<u>208.96</u>	<u>228.96</u>
FINANCIAL LIABILITIES			
20. TRADE PAYABLES			
Total outstanding dues of creditors	2,120.12	2,379.75	2,271.53
	<u>2,120.12</u>	<u>2,379.75</u>	<u>2,271.53</u>
21. OTHER FINANCIAL LIABILITIES - CURRENT			
Share application Money (Refer Note 30)	-	-	0.58
Payables on purchases of Fixed Assets	40.90	41.46	12.00
Current Maturities of borrowings (Refer Note 17)	-	195.59	276.73
Current Maturities of Finance Lease obligations	-	-	0.37
Interest Accrued but not due on Borrowings	-	2.83	2.89
Others	-	12.41	1.21
	<u>40.90</u>	<u>252.29</u>	<u>293.78</u>
22. OTHER CURRENT LIABILITIES			
Income received in advance/ Unearned revenue	81.22	71.48	132.63
Advance from Customers	-	0.58	0.63
Other Payables			
Statutory remittances	271.78	379.83	459.59
Other Liability (Refer Note 32)	26.14	23.22	24.52
	<u>379.14</u>	<u>475.11</u>	<u>617.37</u>

Notes forming part of the Consolidated financial statements

(Rupees in millions, except share and per share data, unless otherwise stated)

	For the year ended March 31, 2017	For the year ended March 31, 2016
23. REVENUE FROM OPERATIONS		
Telecom Value Added Services	7,202.36	8,157.43
	7,202.36	8,157.43
24. OTHER INCOME		
Interest income on financial assets at amortised cost		
- From Banks on deposits	41.44	46.83
- On Income Tax refund	13.84	-
Dividend income from current investments	44.45	43.27
Other Non- Operating Income		
- Provisions no longer required written back	0.63	19.40
- Rental Income from Operating leases	6.66	6.20
- Miscellaneous Income	3.14	42.28
Other gains and (losses)		
- Net gain on foreign currency transactions and translations	(1.74)	121.31
- Profit on Sale of Fixed Assets (Net)	2.11	20.23
	110.53	299.52
25. COST OF SALES AND SERVICES		
Content fees	2,643.77	2,727.27
Cost of software licences and other charges	339.90	397.79
	2,983.67	3,125.06
26. EMPLOYEE BENEFITS EXPENSES		
Salaries and wages	1,729.51	1,854.61
Contractors Expenses	28.93	24.79
Contribution to provident fund and other funds (refer Note 34)	173.74	193.16
Share-based payments to employees (refer Note 36)	35.39	55.92
Staff welfare expenses	92.21	96.36
	2,059.78	2,224.84
27. FINANCE COSTS		
Interest on Short term Borrowings	7.80	17.77
	7.80	17.77

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

	For the year ended March 31, 2017	For the year ended March 31, 2016
28. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on property, plant and equipment	203.03	296.51
Amortisation of intangible assets	351.82	1,197.82
	<u>554.85</u>	<u>1,494.33</u>
29. OTHER EXPENSES		
Power and Fuel	27.16	27.88
Rent (Refer Note 35)	108.37	130.95
Repairs and Maintenance		
- Machinery	37.87	58.07
- Others	20.99	29.45
Office maintenance	45.54	55.90
Rates and taxes	54.32	139.41
Printing and stationery	3.64	4.24
Postage, courier and octroi	6.85	8.45
Communication charges	71.35	85.71
Training and Recruitment expenses	19.43	21.37
Travelling and conveyance	132.96	161.60
Legal, professional & consultancy charges	241.33	204.66
Commission to Non-whole time directors	8.45	10.08
Remuneration to auditors (Refer Note 33)	21.96	22.35
Marketing expenses	233.36	255.63
Bad Trade Receivables written off	6.85	51.38
Less: Provision for bad and doubtful debts released	6.85	51.38
Provision for Doubtful Trade Receivables	101.85	87.98
Brokerage and Commission	0.74	3.00
Bank charges	8.39	8.78
Corporate social responsibility (CSR) expenses	3.50	1.00
Net loss on foreign currency transactions and translations	-	-
Miscellaneous expenses	4.00	10.18
	<u>1,158.30</u>	<u>1,333.30</u>

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

30 Share application money represents amounts received from the employees against employee stock options, pending allotment.

31 A. Contingent liabilities

- a Claims against the Group not acknowledged as debt is ₹ 7.62 Million (March 31, 2016: Nil; April 1, 2015: Nil).
- b Disputed Service tax ₹ 19.69 Million (March 31, 2016: 19.69 Million; April 1, 2015: 19.69 Million), disputed Income Tax ₹ 457.80 Million (March 31, 2016: ₹ 146.31 Million; April 1, 2015: ₹ 271.03 Million) and disputed Value added tax ₹ 51.43 Million (March 31, 2016: Nil; April 1, 2015: Nil).

B. Capital Commitments

- a Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for is ₹ 5.60 Million (March 31, 2016: ₹ 16.45 Million ; April 1, 2015: ₹ 9.69 Million).

32 Other liability includes ₹ 26.14 Million (BRL 1.27 Million) (March 31, 2016: ₹ 23.22 Million (BRL 1.27 Million); April 1, 2015: ₹ 24.52 Million (BRL 1.27 Million)) payable to a customer in Brazil towards deploying value added services on an exclusive basis in the region.

33 Auditors Remuneration

a) Remuneration to the auditors of the Company:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
For Audit	2.85	2.85
For Taxation matters	1.30	1.30
For other attest services	5.45	3.95
Reimbursement of expenses	1.17	1.22
Total	10.77	9.32

The Company avails input credit for service tax and hence no service tax expense was accrued during the year.

b) Remuneration to the auditors of the Subsidiaries:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
For Audit	10.03	12.05
For Taxation matters	0.62	0.88
For other attest services	0.54	0.10
Reimbursement of expenses	-	-
Total	11.19	13.03

34 Employee Benefits:

I Defined Contribution Plans

During the year the Company has recognized the following amounts in the Statement of Profit and Loss:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Employer's Contribution to Provident Fund	48.85	47.27
Contribution for Foreign Branches	6.00	6.73

* Included in Note 26

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

II Defined Benefit Plans

Gratuity

Amount recognised in the statement of profit and loss in respect of gratuity cost is as follows:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Gratuity Cost		
Current Service Cost	11.39	11.39
Interest Cost	6.57	6.01
Expected Return on Plan Assets	(4.79)	(5.04)
Re-measurement-actuarial (gain)/loss recognised in OCI	9.51	3.08
Net Gratuity Cost	22.68	15.44
Assumptions		
Discount Rate	7.45% p.a	7.90% p.a
Salary increase	12% p.a. for first 6 years and 7.0% p.a thereafter	12% p.a. for first 6 years and 7.0% p.a thereafter

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The following table sets out the status of the gratuity plan:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Change in Projected benefit Obligations:			
Obligation at the beginning of the period	83.16	76.73	77.95
Current Service Cost	11.39	11.39	10.76
Interest on Defined Benefit Obligation	6.57	6.01	5.25
Benefits settled	(12.98)	(13.23)	(21.46)
Re-measurement-actuarial gain/(loss)	8.73	2.26	4.23
Obligation at the end of the period	96.87	83.16	76.73
Change in plan assets:			
Opening Fair Value of Plan Assets	60.68	62.76	74.24
Expected Return on Plan Assets	4.79	5.04	5.24
Re-measurement-actuarial gain/(loss)	(0.78)	(0.82)	0.72
Contributions by Employer (net of risk premium etc)	22.76	6.93	4.02
Benefits settled	(12.63)	(13.23)	(21.46)
Closing Fair Value of Plan Assets	74.82	60.68	62.76

Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Plan Assets:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Present value of defined benefit obligation	(96.87)	(83.16)	(76.73)
Fair Value of Plan Assets	74.82	60.68	62.76
Asset / (Liability) recognised	(22.05)	(22.48)	(13.97)

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have effected the defined benefit obligation by the amount shown below:

	At at March 31, 2017		At at March 31, 2016	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(10.11)	12.18	(8.17)	9.84
Future salary growth (1% movement)	5.00	(5.32)	4.41	(4.53)

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2017	As at March 31, 2016
Within 1 year	9.50	7.84
2-5 years	32.91	28.86
6-10 years	23.28	21.83
More than 10 years	223.80	199.59

Estimate of amount of contribution in the immediately next year ₹ 22.05 Million.

As at March 31, 2017, March 31, 2016 and April 1, 2015, 100% of the plan assets were invested in insurer managed funds.

III Other long- term benefits

Cost of compensated absences expensed in the Statement of Profit and Loss:

Particulars*	For the year ended March 31, 2017	For the year ended March 31, 2016
Compensated absences	13.50	22.65

* Included in Note 26

Actuarial assumptions for Compensated absences are same as disclosed above for Gratuity.

IV Other long term benefits for subsidiaries (Holiday Pay)

Amount expensed in the Statement of Profit and Loss:

Particulars*	For the year ended March 31, 2017	For the year ended March 31, 2016
Amount expensed in the Statement of Profit and Loss	14.56	13.66

* Included in Note 26

35 Operating lease:

The Group is obligated under non-cancellable operating lease for office space.

Total rental expense and future lease payments under non-cancellable operating lease for office space are as follows:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Expenses recognised in the Consolidated Statement of Profit and Loss under non-cancellable operating lease	32.44	52.48
Future lease payments under non- cancellable leases:		
Not later than 1 year	24.82	36.70
Later than 1 year and not later than 5 years	15.68	17.01
Additionally, the Group lease office space under cancellable operating leases.		
Rental expense recognised in the Consolidated Statement of Profit and Loss under cancellable operating lease	75.93	78.47

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

36 Employee Stock Option Plans

The Company instituted the Employee Stock Option Plan (ESOP), which were approved by the Board of Directors. Each option is entitled to 1 equity share of ₹ 10 each. All options expires in 5 years after the vesting date. Details of ESOPs with the terms of vesting are as follows:

Plan	Board approval date	Share holder's approval date	Total options appropriated before bonus	Terms of Vesting
OnMobile Employees Stock Option Plan – I 2003	31-Oct-03	Extra Ordinary General Meeting held on March 5, 2001, November 29, 2003 and December 30, 2003	1,026,000	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first vesting.
OnMobile Employees Stock Option Plan – II 2003	04-Dec-03		114,000	
OnMobile Employees Stock Option Plan – III 2006	24-Jul-06	24-Jul-06	61,567	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan – I 2007	12-Jul-07	17-Aug-07	975,000	25% of the Options granted would vest at the end of twelve (12) months from the date of the grant and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan-II 2007	12-Jul-07	17-Aug-07	74,360	65%, 30%, 3% and 2% of the options granted would vest at the end of one year, two years, three years and four years from the grant date, respectively.
OnMobile Employees Stock Option Plan – I 2008	18-Mar-08	18-Apr-08	26,000	100% of the Options would vest over a period of four years.
OnMobile Employees Stock Option Plan II 2008	31-Oct-08	01-Aug-08	100,000	100% of the options granted would vest at the end of two years.
OnMobile Employees Stock Option Plan III 2008	31-Oct-08	01-Aug-08	748,240	For 297,170 Options 50% of the options granted would vest at the end of one year and 25% of the options would vest on a monthly basis at the end of each of second and third years from the grant date respectively and for the balance 451,070 Options granted under the Plan the vesting would be 25% of the Options would vest at the end of one year and the rest of the options shall vest at the rate of 1/36th of the options shall vest every month for the next three years.
OnMobile Employees Stock Option Plan III 2008	29-Apr-09	01-Aug-08	113,150	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan III 2008	31-Jul-09	01-Aug-08	26,680	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan III 2008	26-Oct-09	01-Aug-08	75,000	25% of such Options granted would vest at the end of each year over a period of four years.
OnMobile Employees Stock Option Plan III 2008	28-Jan-10	01-Aug-08	68,500	25% of such Options granted would vest at the end of each year over a period of four years.
OnMobile Employees Stock Option Plan IV 2008	26-Sep-08	31-Oct-08	173,953	100% of such Options granted would vest at the end of one year.
OnMobile Employees Stock Option Plan I 2010	30-Apr-10	24-Jul-10	325,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan II 2010	30-Apr-10	24-Jul-10	875,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

Plan	Board approval date	Share holder's approval date	Total options appropriated	Terms of Vesting
OnMobile Employees Stock Option Plan 2011	30-Apr-11	4-Aug-11	1,150,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan 1, 2012	7-May-12	29-Aug-12	3,000,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan 1, 2013	15-May-13	30-Jul-13	1,500,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option

All the above plans are similar in nature and hence aggregated. Numbers of aggregated options granted, exercised and forfeited during the year under the above plans are given below:

Particulars	Year ended March 31, 2017		Year ended March 31, 2016	
	Number of Options	Weighted average exercise price (₹) per option	Number of Options	Weighted average exercise price (₹) per option
Options granted outstanding at the beginning of the year	5,579,391	47.80	6,134,802	43.14
Granted during the year	110,422	93.88	383,406	110.10
Exercised during the year	(306,094)	37.94	(405,554)	34.64
Forfeited during the year	(708,129)	45.10	(526,213)	48.75
Lapsed during the year	(182,687)	44.83	(7,050)	36.43
Options granted outstanding at the end of the year	5,486,705	58.18	5,579,391	47.80
Exercisable at the end of the period	3,043,176	45.61	2,041,177	42.68
Weighted average Share Price during the year (₹)		101.56		99.76
Weighted average remaining contractual life (years) at the year end				
Range of exercise price (after adjusting for bonus issue)		4.49 years ₹ 22.28 to ₹ 128.50		5.31 years ₹ 22.28 to ₹ 128.50

The fair value of each unit under the above mentioned plans granted during the year is estimated using the Black-Scholes model with the following assumptions:

Grant date	30 May 2016	29 Jul 2016	11 Nov 2016	16 Dec 2016	9 Feb 2017	24 Mar 2017
Weighted average fair value as on grant date	57.71	56.89	48.94	42.04	39.72	39.56
Weighted average share price	113.70	114.03	100.85	87.80	83.50	83.28
Exercise price	113.70	114.03	100.85	87.80	83.50	83.28
Expected volatility (%)	58.74%	58.53%	57.30%	57.41%	56.66%	56.57%
Expected life of the option (years)	4.37	4.37	4.37	4.37	4.37	4.37
Expected dividends (%)	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Risk-free interest rate (%)	7.90%	7.20%	7.10%	7.10%	7.45%	7.45%

37 Segment Reporting:

The Executive Chairman and Chief Executive Officer of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments.

The Company is engaged in providing value added services in telecom business globally and is considered to constitute a single operating segment in the context of segment reporting as prescribed by IndAS 108 - "Operating Segments" and the CODM evaluates the Group's performance as a single operating segment.

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

ENTITY WIDE DISCLOSURES - INFORMATION ABOUT GEOGRAPHICAL AREAS

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
I. Revenue (by location of customer)		
India	1,750.47	1,803.15
Latin America	627.28	1,425.28
Europe	3,179.98	3,134.23
Africa	626.61	735.34
America	214.32	243.23
Rest of the World	803.70	816.20
Total	7,202.36	8,157.43

II. Non-Current Assets* by geographical location	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
India	1,378.33	1,332.92	1,274.22
Latin America	80.43	124.81	837.70
Europe	85.37	205.09	425.33
Africa	75.52	98.39	127.56
America	330.96	563.14	823.48
Rest of the World	60.02	115.77	100.79
Total	2,010.63	2,440.12	3,589.08

*-(excluding Financial Instruments & Deferred Tax Assets)

III. Information about major customers:

1 customer accounted for more than 10% of the consolidated revenue, no other single customer contributed 10% or more to the Group's consolidated revenue for both year ended March 31, 2017 and March 31, 2016.

38 Earnings per Share

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit/(Loss) after tax as per the Consolidated Statement of Profit and Loss (In ₹ Million)	140.90	(276.83)
Weighted Average number of Shares	104,929,992	109,351,002
Weighted Average number of Shares for Basic EPS	104,929,992	109,351,002
Weighted average number of equity shares resulting from assumed exercise of employee stock options	557,929	1,560,418
Weighted Average Number of equity shares for Diluted EPS	105,487,921	110,911,420
	₹	₹
Nominal value of equity shares	10.00	10.00
Earnings/(Loss) Per Share		
Basic	1.34	(2.53)
Diluted	1.34	(2.53)

39 Income Tax

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Income tax expense in the Consolidated statement of profit and loss consist of:		
Current income tax:		
In respect of current period	329.67	359.43

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
In respect of previous period	10.23	7.06
Deferred tax		
In respect of current period	(104.39)	(58.04)
Income tax expense recognised in the statement of profit and loss	235.51	308.45
Income tax recognised in other comprehensive income		
Current tax arising on income and expense recognised in other comprehensive income		
Net loss/(gain) on remeasurement of defined benefit plan	(3.29)	(1.07)
Net loss/(gain) on exchange difference in translating the financial statement of foreign operations	–	13.07
	(3.29)	12.00

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit before tax	376.41	31.67
Enacted income tax rate in India	34.61%	34.61%
Computed expected tax expense	130.27	10.96
Effect of:		
Income that is exempt from tax	(103.25)	(160.11)
Expenses that are not deductible in determining taxable profit	44.44	55.42
Deferred tax asset not recognised on losses	127.28	196.81
Others	36.77	205.37
Income tax expense recognised in the statement of profit and loss	235.51	308.45

The tax rates under Indian Income Tax Act for the year ended March 31, 2017 and March 31, 2016 is 34.61%.

Deferred tax

Deferred tax assets as at March 31, 2017 are as follows:

	April 1, 2016	Recognised in Profit and loss	Recognised in OCI	Adjustment for foreign currency translation	March 31, 2017
Difference between book and tax depreciation	49.07	28.05			77.12
Others (Provision for compensated absences, gratuity, doubtful debts etc.)	179.74	(24.86)	3.29	(20.33)	137.84
MAT Credit Entitlement	62.30	101.20			163.50
	291.11	104.39	3.29	(20.33)	378.46

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

Deferred tax assets as at March 31, 2016 are as follows:

	April 1, 2015	Recognised in Profit and loss	Recognised in OCI	Adjustment for foreign currency translation	March 31, 2016
Difference between book and tax depreciation	20.89	28.18	–	–	49.07
Others (Provision for compensated absences, gratuity, doubtful debts etc.)	189.71	109.36	(12.00)	(107.33)	179.74
MAT Credit Entitlement	141.80	(79.50)	–	–	62.30
	352.40	58.04	(12.00)	(107.33)	291.11

Deferred tax liabilities as at March 31, 2016 are as follows:

	April 1, 2015	Recognised in Profit and loss	Recognised in OCI	Adjustment for foreign currency translation	March 31, 2016
Others (Provision for compensated absences, gratuity, doubtful debts etc.)	1.43	0.00	0.00	(0.26)	1.17
	1.43	0.00	0.00	(0.26)	1.17

Deferred tax liabilities as at March 31, 2017 are as follows:

	April 1, 2016	Recognised in Profit and loss	Recognised in OCI	Adjustment for foreign currency translation	March 31, 2017
Others (Provision for compensated absences, gratuity, doubtful debts etc.)	1.17	0.00	0.00	(0.09)	1.08
	1.17	0.00	0.00	(0.09)	1.08

40 The details of Provisions under IndAS 37 - "Provisions, Contingent liabilities and Contingent assets" are as under:

Nature of Expense	Probable outflow estimated within	Provision outstanding as at April 1, 2016	Provision made during the year	Provision utilized/adjusted during the year	Provision outstanding as at March 31, 2017
Other provisions - credit note and others	Not later than 1 year	8.72	–	0.67	8.05
	1-3 years	–	–	–	–
		8.72	–	0.67	8.05
Previous year		25.32	–	16.60	8.72

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

41 Transactions with related parties

I List of Related parties and relationship:

SI No.	Relationship	Related parties
Related parties with whom the Company had transactions		
(i)	Key Management Personnel	Rajiv Pancholy, Managing Director and Chief Executive Office (till 28th Feb 2017) François-Charles Sirois, Executive Chairman and Chief Executive Officer Rajiv Khaitan, Independent Director Nancy Cruickshank, Independent Director Sanjay Baweja, Independent Director Nehchal Sandhu, Independent Director Pascal Tremblay, Independent Director Naresh Malhotra, Independent Director (till 30th July 2015) Harit Nagpal, Independent Director (till 30th July 2015) Bruno Ducharme, Independent Director (till 30th July 2015) Praveen Kumar K J, Chief Financial Officer P V Varaprasad, Company Secretary
(ii)	Enterprises owned or significantly influenced by key management personnel/ Directors or their relatives	OnMobile Systems Inc., USA

II Transactions with Related Parties:

SI No.	Nature of transactions	Key Management Personnel	
		March 31, 2017	March 31, 2016
1	Remuneration to Key management personnel (Refer Note 3 below)		
	Short-term employee benefits	80.81	45.24
	Share- based payment	2.43	8.91
	Others	16.35	15.98
2	Advances given		
	Rajiv Pancholy	-	8.15
	Total	99.59	78.28

III Balances with Related Parties:

SI No.	Nature of transactions	Key Management Personnel		
		March 31, 2017	March 31, 2016	April 1, 2015
1	Amount Receivables under: Other Financial Assets			
	Rajiv Pancholy	-	9.45	1.30
	Total	-	9.45	1.30

Notes:

- 1 Related party relationships are as identified by the Company on the basis of information available and relied upon by the auditors.
- 2 No amount has been written off during the year in respect of debts due from related party.
- 3 Employment benefits excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

42 There are no dues to Micro and Small Enterprises as at March 31, 2017. The information disclosure with regard to Micro and Small Enterprises is based on information collected by the Management on enquiries made with the vendors which have been relied upon by the auditors.

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

- 43 Total expenditure incurred on Corporate Social Responsibility activities other than construction/acquisition of assets, during the year ended March 31, 2017 is Rs 3.50 Million (during the year ended March 31, 2016: ₹ 1 Million)
- 44 Research tax rebate accrued as other income for OnMobile S.A., during the year amounted to ₹ 2.51 Million (Previous year: ₹ Nil Million) and total tax receivable outstanding at March 31, 2017 amounted to ₹ 19.08 Million (March 31, 2016: ₹21.71 Million; April 1, 2015: ₹43.74 Million).
- 45 Exceptional items:
- During the year ended March 31, 2016, the Argentina Government devalued its currency Argentine Peso (ARS). The effect of restatement of the assets and liabilities from foreign currency to functional currency related to ARS at the period end rates on such devaluation is presented as exceptional item.
 - During the quarter ended March 31, 2016, the Venezuela Government introduced a new foreign currency exchange system - 'DICOM' replacing the previous 'SIMADI' system resulting in devaluation of Venezuelan Bolivar Fuerte (VEF) currency. Accordingly, the Company had used DICOM exchange rate for restatement of the assets and liabilities from foreign currency to functional currency related to VEF and the effect of such restatement is presented as exceptional item.
 - During the quarter ended December 31, 2016 and year ended March 31, 2017 and quarter ended March 31, 2016 the Central bank of Egypt had devalued its currency Egyptian Pound (EGP) against USD to strengthen its economic growth. Accordingly the effect of restatement of the assets and liabilities from foreign currency to functional currency related to EGP on such devaluation is presented as exceptional item.
- 46 The Company has working capital lines and Buyers credit facility from banks. Security details of which are as follows:
-Buyers credit facility is secured by first pari-passu charge on movable fixed assets and second pari-passu charge on current assets.
-Working capital lines is secured by first pari-passu charge on present and future stocks and book debts.

47 Financial instruments by category

Particulars	Carrying value			Fair value		
	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Financial assets						
Amortised cost						
Loans	87.95	78.54	91.95	87.95	78.54	91.95
Trade receivables	1,676.13	1,983.41	2,146.71	1,676.13	1,983.41	2,146.71
Cash and cash equivalents	2,130.98	2,281.34	1,995.58	2,130.98	2,281.34	1,995.58
Other financial assets	682.85	919.82	869.44	682.85	919.82	869.44
FVTPL						
Investments in mutual funds	930.32	927.34	717.87	930.32	927.34	717.87
Others (includes derivative assets)	34.49	15.24	0.34	34.49	15.24	0.34
Total financial assets	5,542.72	6,205.69	5,821.89	5,542.72	6,205.69	5,821.89
Financial liabilities						
Amortised cost						
Trade payables	2,120.12	2,379.75	2,271.53	2,120.12	2,379.75	2,271.53
Other financial liabilities	40.90	252.29	293.78	40.90	252.29	293.78
Borrowings	-	-	184.55	-	-	184.55
Total financial liabilities	2,161.02	2,632.04	2,749.86	2,161.02	2,632.04	2,749.86

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised at fair value and amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments under the accounting standard as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities,

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2017, March 31, 2016 and April 1, 2015.

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

Quantitative disclosures of fair value measurement hierarchy for financial assets in Level 2 (Measured using significant observable inputs)

Particulars	Date of Valuation	As at March 31, 2017	Date of Valuation	As at March 31, 2016	Date of Valuation	As at April 1, 2015
Financial asset measured at fair value						
A. Derivative financial assets:						
Foreign exchange forward contracts	Mar 31,2017	13	Mar 31,2016	33	Mar 31,2015	7
B. FVTPL financial assets designated at fair value:						
Investment in mutual funds (unquoted)	Mar 31,2017	7	Mar 31,2016	7	Mar 31,2015	7

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, borrowings, other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- i) Long-term fixed-rate receivables are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- ii) The fair value of the unquoted mutual fund are based on market observable inputs at reporting date. The fair value of other financial liabilities is estimated by credit risk and remaining maturities.
- iii) The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivative financials instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Capital Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stake holders to optimise equity. The Group's Corporate Treasury reviews the capital structure on a quarterly basis.

The capital structure of the Group consists of only equity as of March 31, 2017. The Group is not subject to any externally imposed capital requirements.

Financial risk management

The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk along with credit risk and liquidity risk.

The Group seeks to minimise the effects of these forex by hedging the forex exposures through forward contracts, liquidity risk by diversifying its investments in various schemes of debt mutual funds and fixed deposits. The Group manages its credit risks by monitoring the credit rating of the customers, banks and mutual funds. Corporate Treasury Function reports quarterly to the Group's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to Group's investments. The Group's investments are primarily short term, which do not expose it to significant interest rate risk.

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

(ii) Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective foreign operations. The Group enters into forward foreign exchange contracts to hedge its exposure to foreign currency risk arising on the net export of services.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	As at 31-Mar-2017				
Particulars	USD	EURO	BDT	Other currencies*	Total
Assets					
Trade receivables	356.06	103.94	16.07	34.39	510.46
Cash and cash equivalents	357.32	97.01	122.50	72.82	649.65
Other assets	471.27	13.44	10.46	289.45	784.61
Liabilities					
Trade payable	59.69	241.11	21.59	53.86	376.24
Other liabilities	180.84	73.95	-	106.54	361.33
Net assets/liabilities	944.11	(100.67)	127.45	236.26	1,207.15

*Other currencies include EGP,BRL,CAD,MXN,MYR, SGD,COP,PEN,ZAR etc.

	As at 31-Mar-2016				
Particulars	USD	EURO	BDT	Other currencies*	Total
Assets					
Trade receivables	237.28	146.62	18.16	38.62	440.67
Cash and cash equivalents	519.23	117.73	72.05	45.81	754.83
Other assets	521.93	12.73	78.07	257.72	870.45
Liabilities					
Trade payable	90.28	-	74.57	203.40	368.25
Other liabilities	204.15	181.13	-	111.20	496.48
Net assets/liabilities	984.01	95.96	93.71	27.55	1,201.23

*Other currencies include EGP,BRL,CAD,MXN,MYR, SGD,COP,PEN,ZAR etc.

	As at 1-Apr-2015				
Particulars	USD	EURO	BDT	Other currencies*	Total
Assets					
Trade receivables	339.70	6.01	14.92	33.18	393.81
Cash and cash equivalents	505.99	21.84	66.28	63.19	657.30
Other assets	376.46	36.62	64.83	231.34	709.26
Liabilities					
Trade payable	249.36	-	78.69	188.98	517.03
Other liabilities	141.34	74.52	10.54	168.33	394.73
Net assets/liabilities	831.45	(10.06)	56.81	(29.59)	848.61

*Other currencies include EGP,BRL,CAD,MXN,MYR, SGD,COP,PEN,ZAR etc.

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

The Group is mainly exposed to USD ,EUR & BDT for the year ended March 31,2017. Every 1% increase/decrease in the said currencies compared to Indian Rupee would impact profit and equity by 0.13%/(0.13%) and 0.17%/(0.17%) respectively. For the year ended Mar 31,2016 the impact on profit and equity was 0.14%/(0.14%) and 0.19%/(0.19%) respectively.

Derivative financial instruments

The Group is exposed to foreign currency fluctuations on foreign currency assets/ liabilities and forecasted cash flows denominated in foreign currency. The Group follows established risk management policies, including the use of derivatives to hedge foreign currency assets/ liabilities and foreign currency forecasted cash flows. The counter party in these derivative instruments is a bank and the Group considers the risks of non-performance by the counterparty as non-material.

The following table presents the aggregate contracted principal amounts of the Group's derivative contracts outstanding:

Non designated derivative Instrument	As at March 31, 2017 Nominal Value	As at March 31, 2016 Nominal Value	As at April 1, 2015 Nominal Value	Currency	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	(In ₹ Million)	(In ₹ Million)	(In ₹ Million)		(Foreign Currency in Million)	(Foreign Currency in Million)	(Foreign Currency in Million)
Forward Contract -(SELL)	-	27.50	29.73	MXN/USD	-	0.41	0.48
Forward Contract -(SELL)	226.98	464.33	31.30	USD/INR	3.50	7.00	0.50
Forward Contract -(SELL)	-	-	101.27	EUR/USD	-	-	1.50
Forward Contract -(SELL)	207.87	600.76	-	EUR/INR	3.00	8.00	-
Forward Contract -(SELL)	-	66.33	-	BRL/USD	-	1.00	-
Total Forward contracts	434.85	1,158.92	162.30	-	6.50	16.41	2.48

The foreign exchange forward contracts mature within 12 months. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as at the reporting date:

Particulars	As at March 31, 2017 Nominal Value	As at March 31, 2016 Nominal Value	As at April 1, 2015 Nominal Value
	(In ₹ Million)	(In ₹ Million)	(In ₹ Million)
Not later than 1 month	101.71	33.17	-
Later than 1 month but not later than 3 months	168.78	178.98	29.73
Later than 3 months but not later than 1 year	164.36	946.77	132.57
	434.85	1,158.92	162.30

In respect of the Group's forward contracts, a 1% decrease/increase in the respective exchange rates of each of the currencies underlying such contracts would have resulted in:

a) an approximately 0.06% increase and (0.06%) decrease in the Company's net profit and approximately 0.08% increase and (0.08%) decrease in equity as at March 31, 2017;

b) an approximately 0.13% increase and (0.13%) decrease in the Company's net profit and approximately 0.18% increase and (0.18%) decrease in equity as at March 31, 2016

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

i) Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The following table gives details in respect of percentage of revenues generated from top customer and top 4 customers:

Particulars	For the year ended	
	March 31, 2017	March 31, 2016
Revenue from top customer	2,921.56	2,888.61
Revenue from top 4 customers	4,229.06	4,213.57

1 customer accounted for more than 10% of the consolidated revenue, no other single customer contributed 10% or more to the Group's consolidated revenue for both year ended March 31, 2017 and March 31, 2016.

ii) Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Group's corporate treasury department is responsible for liquidity management, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Group invests its surplus funds in Bank fixed deposit and liquid and liquid plus schemes of mutual funds and short term mutual funds, which carry no/ low mark to market risks.

The Fund Position of the Group is given below:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current Assets			
Cash and cash equivalents	2,130.98	2,281.34	1,995.58
Current investments	930.32	927.34	717.87
Total	3,061.30	3,208.68	2,713.45

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	Less than 1 Year	Less than 1 Year	Less than 1 Year
Trade payables	2,120.12	2,379.75	2,271.53
Other financial liabilities	40.90	252.29	293.78
Total	2,161.02	2,632.04	2,565.31

48 Transition to Ind AS

The Group has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these Consolidated financial statements, the Group's opening balance sheet was prepared as at 1 April 2015, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Previous GAAP financial statements, including the Consolidated balance sheet as at 1 April 2015 and the Consolidated financial statements as at and for the year ended 31 March 2016.

In preparing these Consolidated financial statements, the Group has availed itself of optional exemptions and mandatory exceptions in accordance with Ind AS 101 as explained below:

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

Transition Policies

Cumulative translation difference on foreign operations

Ind AS 101 permits cumulative translation gains and losses to be reset to zero at the transition date. The Group has elected to reset all cumulative translations gains and losses relating to foreign operations to zero as at transition date.

Deemed cost for Property, Plant and Equipment and Intangible assets

As there has been a change in the functional currency for certain foreign operations in the Group, Property Plant and Equipment and Intangible Assets have been recorded as per the provision of Ind AS 16.

Derecognition of financial assets and financial liabilities

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

Share based payments transactions

The Group has availed exemption available under Ind AS 101 on application of Ind AS 102, "Share Based Payment", to equity instruments that vested before the date of transition to Ind AS.

Business Combinations

"The Group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated. The Group has applied same exemption for investment in associates."

Estimates exception:

"As per Ind AS, an entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies), unless there is objective evidence that those estimates were in error.

The Group made estimates for impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as this was not required under previous GAAP.

Other Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

49 First-time Ind AS adoption reconciliations:

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

(a) Reconciliation of total equity as at March 31, 2016 and April 01, 2015

Particulars	Notes	As at March 31, 2016	As at April 01, 2015
Total equity (shareholders' fund) under previous GAAP		6,038.19	6,568.75
Proposed dividend and tax thereon	iv	195.18	197.18
Others		(43.70)	(72.94)
Total equity under Ind AS		6,189.67	6,692.99

(b) Reconciliation of total comprehensive income

Particulars	Notes	As at March 31, 2016
Net Income under previous GAAP		(126.36)
Cost of the employee stock option scheme at fair value	ii	(55.92)
Exchange differences in translating the financial statements of foreign operations	i	(109.63)
Remeasurements of the defined benefit liabilities / (asset) Actuarial Gain/ (Loss)	iii	3.08
Tax adjustments on above		12.00
Profit for the period under Ind AS		(276.83)
Other Comprehensive income		76.56
Total comprehensive income under Ind AS		(200.27)

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

(c) Cash flow statement:

There were no significant reconciliation items between cash flows prepared under Previous GAAP and those prepared under Ind AS.

Notes:

- i. Under the previous GAAP, foreign currency transactions of the Company's integral foreign operations were accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction; and exchange differences arising on settlement/ restatement of Short-term foreign currency monetary assets and liabilities were recognised as income or expense in the Statement of Profit and Loss.
Under Ind AS, the functional currency of the foreign operations were assessed at transition date and were concluded as the currency of the economic environment of the foreign operations. The results and financial position of the entities whose functional currency is different from the reporting currency (INR) are recognised in Other Comprehensive Income as a Foreign Currency Translation Reserve as follows:
 - a. assets and liabilities are translated at the closing rate at the date of that balance sheet; and
 - b. income and expenses are translated at exchange rates at the dates of the transactions.
- ii. Under the previous GAAP, the cost of employee stock options under the various stock options of the Company was recognised using the intrinsic value method. Under this method, no expense was recognised in the Statement of Profit and Loss as the fair value of the shares under the grant on the date of grant equalled its exercise price. Under Ind AS, the cost of the employee stock options is recognised in the Statement of Profit and Loss over the vesting period based on the fair value of the options at the grant date.
- iii. Under the previous GAAP, all actuarial gains and losses were recognised in the Statement of Profit and Loss. Under Ind AS, actuarial gains and losses that form part of remeasurement of the net defined benefit liability / asset and the corresponding tax effect thereon are recognised in Other Comprehensive Income.
- iv. Under Ind AS, liability for dividend is recognised in the period in which the obligation to pay is established. Under the previous GAAP, the liability for dividend was recognised in the period to which the dividend relates, though the dividend is approved by the shareholders subsequent to reporting date. Consequently dividend payable is lower and retained earnings is higher under Ind AS.

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Particulars								
Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013								
Name of the entity	Net assets, i.e., total assets minus total liabilities as at March 31, 2017		Share of profit or (loss) for the year ended March 31, 2017		Share of other comprehensive income for the year ended March 31, 2017		Share of total comprehensive income for the year ended March 31, 2017	
	As % of consolidated net assets	Amount ₹ Millions	As % of consolidated profit or loss	Amount ₹ Millions	As % of consolidated OCI	Amount ₹ Millions	As % of consolidated Total Comprehensive income	Amount ₹ Millions
Parent - OnMobile Global Limited	61%	3,430.05	-307%	(432.00)	129%	(157.36)	-3069%	(589.36)
Subsidiaries:								
Foreign:								
OnMobile Singapore Pte. Ltd.	1%	67.86	44%	62.14	11%	(12.86)	257%	49.28
PT OnMobile Indonesia	0%	3.48	-5%	(7.58)	0%	-	-39%	(7.58)
Servicios De Telefonía OnMobile Sa De Cv	0%	(4.05)	10%	13.84	-7%	8.50	116%	22.34
OnMobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda.	1%	65.89	44%	62.43	-12%	15.09	404%	77.52
OnMobile Global for Telecommunication Services	4%	207.29	61%	86.35	-34%	41.14	664%	127.49
OnMobile Telecom Burkina Faso, S.A.R.L.	0%	8.86	-1%	(1.42)	-1%	1.67	1%	0.25

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

50 Particulars								
Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013								
Name of the entity	Net assets, i.e., total assets minus total liabilities as at March 31, 2017		Share of profit or (loss) for the year ended March 31, 2017		Share of other comprehensive income for the year ended March 31, 2017		Share of total comprehensive income for the year ended March 31, 2017	
	As % of consolidated net assets	Amount ₹ Millions	As % of consolidated profit or loss	Amount ₹ Millions	As % of consolidated OCI	Amount ₹ Millions	As % of consolidated Total Comprehensive income	Amount ₹ Millions
OnMobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	0%	7.19	-8%	(11.71)	-7%	8.50	-17%	(3.21)
OnMobile Global Czech Republic S.R.O	0%	3.43	-1%	(1.23)	-1%	1.21	0%	(0.02)
OnMobile Live Inc	4%	242.12	-192%	(271.14)	-20%	24.03	-1287%	(247.11)
OnMobile Kenya Telecom Limited	1%	29.98	-19%	(26.88)	0%	0.14	-139%	(26.74)
OnMobile Telecom Limited	0%	9.66	1%	1.18	-1%	0.82	10%	2.00
OnMobile Mali SARL	0%	(0.21)	0%	(0.35)	-1%	0.75	2%	0.40
OnMobile Senegal SARL	0%	0.13	0%	(0.67)	-1%	1.12	2%	0.45
OnMobile Servicios Corporativos De Telefonía S.A. DE C.V.	0%	(0.54)	-24%	(33.12)	0%	(0.36)	-174%	(33.48)
OnMobile Costa Rica OBCR, S.A.	0%	11.73	16%	22.91	0%	(0.30)	118%	22.61
OnMobile Ghana Telecom Limited	0%	4.31	-3%	(3.99)	-2%	2.89	-6%	(1.10)
OnMobile Madagascar Telecom Limited	0%	1.80	0%	(0.25)	0%	0.10	-1%	(0.15)
OnMobile Nigeria Telecom Limited	2%	109.30	31%	44.23	-8%	10.06	283%	54.29
OnMobile Rwanda Telecom Limited	0%	2.17	-1%	(2.06)	-1%	1.70	-2%	(0.37)
OnMobile Uganda Limited	0%	6.72	-7%	(9.46)	-1%	1.61	-41%	(7.85)
OnMobile Zambia Telecom Limited	0%	14.41	9%	12.95	1%	(0.76)	63%	12.19
OnMobile Telecom Sierra Leone Limited	0%	(4.52)	-4%	(5.95)	-6%	7.44	8%	1.49
OnMobile Uruguay SA	0%	2.20	6%	8.52	0%	(0.48)	42%	8.04
OnMobile Global Solutions Canada Limited	0%	(1.49)	-20%	(28.01)	0%	(0.20)	-147%	(28.21)
OnMobile Global SA	2%	139.52	11%	15.53	-8%	9.25	129%	24.78
OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira)	0%	(0.22)	0%	(0.09)	0%	0.33	1%	0.24
OnMobile Europe B.V.	1%	56.03	0%	(0.13)	18%	(21.54)	-113%	(21.67)
OnMobile S.A.	3%	172.45	-102%	(143.72)	15%	(18.80)	-846%	(162.51)
OnMobile USA LLC	2%	109.47	-146%	(206.35)	1%	(0.62)	-1078%	(206.98)
OnMobile De Venezuela C.A.	0%	12.02	-5%	(7.51)	-3%	3.28	-22%	(4.22)
OnMobile Bangladesh Private Limited	4%	235.68	89%	125.46	12%	(14.72)	577%	110.74

Notes forming part of the Consolidated financial statements (Rupees in millions, except share and per share data, unless otherwise stated)

50 Particulars								
Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013								
Name of the entity	Net assets, i.e., total assets minus total liabilities as at March 31, 2017		Share of profit or (loss) for the year ended March 31, 2017		Share of other comprehensive income for the year ended March 31, 2017		Share of total comprehensive income for the year ended March 31, 2017	
	As % of consolidated net assets	Amount ₹ Millions	As % of consolidated profit or loss	Amount ₹ Millions	As % of consolidated OCI	Amount ₹ Millions	As % of consolidated Total Comprehensive income	Amount ₹ Millions
OnMobile Global Spain S.L	11%	642.58	622%	876.12	27%	(33.08)	4391%	843.04
OnMobile Global Italy SRL	0%	(1.32)	-1%	(1.15)	0%	0.05	-6%	(1.10)
OnMobile Tanzania Telecom Limited	0%	(0.47)	-1%	(2.10)	0%	0.33	-9%	(1.77)
OnMobile Latam holding SL	0%	0.48	0%	(0.01)	0%	(0.04)	0%	(0.05)
OnMobile Global South Africa (PTY) Ltd	1%	47.41	10%	14.51	0%	(0.50)	73%	14.01
OnMobile Global Limited Colombia S.A.S	0%	4.00	-6%	(8.39)	0%	(0.09)	-44%	(8.48)
Associates (Investment as per the equity method):								
Indian:								
Mobile Voice Konnect Private Limited	0%	-	0%	(0.00)	0%	-	0%	(0.00)

Notice to the 17th Annual General Meeting

Notice is hereby given that the Seventeenth Annual General Meeting (AGM) of the Members of OnMobile Global Limited will be held on Wednesday, September 6, 2017 at 11:00 a.m. IST at Hotel Royal Orchid, adjoining KGA Golf Course, HAL Airport Road, Bangalore-560 008, Karnataka, India to transact the following business:

ORDINARY BUSINESS

Item No. 1: Adoption of financial statements

To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2017, the Statement of Profit and Loss for the financial year ended as on that date and the Reports of the Directors and Auditors thereon.

Item No. 2: Declaration of dividend

To declare a dividend of ₹ 1.50/- per equity share for the financial year ended March 31, 2017.

Item No. 3: Retirement of Director by rotation, François Charles Sirois

To appoint a Director in place of François-Charles Sirois who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 4: Appointment of Statutory Auditors

To consider and if thought fit, to pass the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification and enactment thereof for the time being in force) M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) be and are hereby appointed as the Statutory Auditors of the Company in place of M/s. Deloitte Haskins & Sells (Firm Registration No. 008072S) the retiring Statutory Auditors, to hold office for a term of five years from the conclusion of this Annual General Meeting to the conclusion of 22nd Annual General Meeting to be held in the calendar year 2022 subject to ratification of their appointment by the members at every Annual General Meeting at such remuneration as may be fixed by the Board of Directors in mutual consultation with the Auditors.”

SPECIAL BUSINESS

Item No. 5: Appointment of Chris Arsenault as an Independent Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Chris Arsenault (DIN 07825919), a Director of the Company, who was appointed as an Additional Director w.e.f. May 26, 2017 and who holds office until the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office up to the date of AGM to be held during the calendar year 2020, not liable to retire by rotation.”

Item No. 6: Appointment of Sanjay Kapoor as an Independent Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Sanjay Kapoor (DIN 01973450), a Director of the Company, who was appointed as an Additional Director w.e.f. June 21, 2017 and who holds office until the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office up to the date of AGM to be held during the calendar year 2020, not liable to retire by rotation.”

Item No. 7: Re-appointment of Rajiv Khaitan as an Independent Director

To consider and if thought fit, to pass the following resolution as a special resolution:

“RESOLVED THAT pursuant to provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder read with Schedule IV to the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force), Rajiv Khaitan (DIN 00071487), who was appointed earlier as an independent director of the Company for a term of three years by the shareholders and who holds office as such up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing

his candidature for the office of a Director, be and is hereby re-appointed as an Independent Director of the Company to hold office upto the date of AGM to be held during the calendar year 2020, not liable to retire by rotation."

Item No. 8: Re-appointment of Nancy Cruickshank as an Independent Director

To consider and if thought fit, to pass the following resolution as a special resolution:

"RESOLVED THAT pursuant to provisions of Sections 149,152, and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder read with Schedule IV to the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force), Nancy Cruickshank (DIN 06928547), who was appointed earlier as an independent director of the Company for a term of three years by the shareholders and who holds office as such up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of a Director, be and is hereby re-appointed as an Independent Director of the Company to hold office up to the date of AGM to be held during the calendar year 2020, not liable to retire by rotation."

Item No. 9: Appointment of François-Charles Sirois, Executive Chairman as Chief Executive Officer and re-designate as 'Executive Chairman and CEO' and payment of remuneration thereof

To consider and if thought fit, to pass the following resolution as a special resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 and Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, subject to the approval of the Central Government as may be required, consent of the members of the Company be and is hereby accorded to the appointment of François-Charles Sirois (DIN-06890830), Executive Chairman as Chief Executive Officer and re-designate as 'Executive Chairman and Chief Executive Officer' of the Company effective March 01, 2017, on the remuneration and other terms and conditions as set out hereunder and the remuneration is for remaining period of his tenure starting from April 1, 2017 till October 31, 2019 in terms of proviso to Section II of Part II of Schedule V of the Companies Act, 2013.

Fixed Compensation (FC) : ₹ 5,525,000 per annum
(equivalent of US \$ 85,000)

Other Terms and Conditions : As per the Companies policies from time to time

RESOLVED FURTHER THAT subject to the approval of the

Central Government notwithstanding anything herein above stated where in any financial year closing on or after April 1, 2017, during the remaining tenure of François-Charles Sirois as 'Executive Chairman and CEO' of the Company, the Company incurs loss or its profits are inadequate, the Company shall pay to François-Charles Sirois the said remuneration as a minimum remuneration irrespective of whether the same exceeds or not the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter and vary the terms of appointment and/or remuneration of François-Charles Sirois and to do all such acts, deeds, matters and things as may be deemed fit for the purpose of giving effect to the above resolution and matters related thereto."

Item No. 10: Adoption of new Articles of Association of the Company in conformity with the Companies Act, 2013

To consider and if thought fit, to pass the following resolution as a special resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 or any other law for the time being in force (including any statutory modifications or re-enactments thereof, for the time being in force), the Articles of Association of the Company, a copy of which is available for inspection at the registered office of the Company and also available on the website of the Company <http://www.onmobile.com/index.html>, be and is hereby approved and adopted in total exclusion, substitution and superseding the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and matters related thereto."

By Order of the Board of Directors
For OnMobile Global Limited

Sd/-

Date: July 27, 2017
Place: Gurgaon

P V Varaprasad
Company Secretary

Regd. Office:

OnMobile Global Limited,
Tower#1, 94/1C & 94/2,
Veerasandra Village, Attibele Hobli,
Anekal Taluk, Electronic City Phase-1,
Bangalore-560100, Karnataka, India
CIN: L64202KA2000PLC027860

NOTES:

1. Statement pursuant to Section 102(1) of the Companies Act, 2013 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing the proxy, duly completed must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
4. A person can act as proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. However, a member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
6. A member shall be entitled, during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 'three days' of notice in writing is given to the Company.
7. Members/proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
9. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
10. **The Register of Members and Share Transfer Books of the Company shall remain closed from August 31, 2017 to September 6, 2017 (both days inclusive) for the purpose of payment of dividend and the 17th AGM of the Company.**
11. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the AGM will be paid within 30 days from the date of declaration to those members whose names appear on the Register of Members as on August 30, 2017.
12. Members whose shareholding is in electronic mode are requested to inform change of address and updates of savings bank account details to their respective depository participants.
13. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agent, Karvy Computershare Private Limited (Unit OnMobile), Karvy Selenium Tower B, Plot no. 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, India.
14. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary, at the Company's registered office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013 be transferred to the Investor Education and Protection Fund.
15. We request you to update your email address with your depository participant to ensure that the annual report and other documents reach you on your preferred email account.
16. The Notice of the 17th AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
17. Members may also note that the Notice of the 17th AGM and the Annual Report 2017 will be available on the Company's website, **www.onmobile.com**. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: **investors@onmobile.com**
18. Additional information pursuant to sub-regulation (3) of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking appointment/re-appointment at the AGM are annexed hereto and forms part of the Notice.
19. The Securities and Exchange Board of India (SEBI)

has mandated submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.

20. Information and other instructions relating to e-voting are as follows:

- i. In compliance with Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Karvy Computershare Private Limited ("Karvy"). The facility for voting through Poll will be made available at the meeting and the members attending the meeting who have not cast their votes by remote e-voting shall be able to cast their votes at the meeting through physical Poll.
- ii. The members who have voted through remote e-voting may attend the AGM but shall not be entitled to cast their vote again.
- iii. The Company has engaged the service of Karvy Computershare Private Limited ("Karvy") as the Agency to provide e-voting facility.
- iv. Voting rights shall be reckoned on the paid up value of equity shares registered in the name of the member/beneficial owner as on **August 30, 2017 being the cut-off date.**
- v. A person, whose name is appearing in the register of members or in the register of beneficial owners maintained by the depositories as on the **cut-off date i.e. August 30, 2017** shall only be entitled to avail the facility of remote e-voting /poll.
- vi. Any person who becomes the member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date may write to Karvy on their e-mail ID **einward.ris@karvy.com** or Karvy Computershare Private Limited (Unit OnMobile), Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500032 or contact S V Raju on 040-67162222 requesting for User ID and password. After receipt of above credentials, a member may follow the instructions for e-voting to cast his votes. If the member is already registered with Karvy e-voting platform then he can use his existing

User ID and password for casting his votes through remote e-voting.

- vii. The remote e-voting facility will be open only during the following voting period:

Commencement of Remote e-voting:	9.00 a.m. (IST) on September 2, 2017
End of Remote e-voting:	5.00 p.m. (IST) on September 5, 2017

The detailed instructions sheet for remote e-voting is attached.

21. The Board of Directors of the Company have appointed Parameshwar G Hegde, a Practising Company Secretary as the Scrutinizer, for conducting both remote e-voting and Poll voting process at the meeting in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the purpose.
22. The Scrutinizer, after scrutinizing the votes cast at the meeting by Poll and remote e-voting, will not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman.
23. The results declared along with the consolidated Scrutinizer's report shall be placed on the website of the Company **www.onmobile.com** and on the website of Karvy **https://evoting.karvy.com**. The results shall simultaneously be communicated to the Stock Exchanges.
24. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the meeting i.e. September 6, 2017.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 5

Chris Arsenault was appointed as an Additional Director of the Company by the Board of Directors effective May 26, 2017 pursuant to Section 161 of the Companies Act, 2013, read with Article 102 of the Articles of Association of the Company.

In terms of the provisions of Section 161 of the Act, Chris Arsenault will hold office up to the date of the ensuing AGM. The Company has received a notice in writing from a member along with a deposit of requisite amount under Section 160 of the Act proposing the candidature of Chris Arsenault for the office of Director.

The resolution seeks the approval of the shareholders for appointment of Chris Arsenault as an Independent Director of the Company for a term up to the date of AGM to be held

during the calendar year 2020 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made there under. Further, he is not liable to retire by rotation.

The Company has received from Chris Arsenault (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and confirming his eligibility for such appointment and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Chris Arsenault fulfils the conditions for his appointment as an Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Chris Arsenault is independent of the management. A copy of the draft letter for appointment of Chris Arsenault as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day upto the date of the AGM.

No director, key managerial personnel or their relatives, except Chris Arsenault to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 5 for the approval of the shareholders.

Item No. 6

Sanjay Kapoor was appointed as an Additional Director of the Company by the Board of Directors effective June 21, 2017 pursuant to Section 161 of the Companies Act, 2013, read with Article 102 of the Articles of Association of the Company.

In terms of the provisions of Section 161 of the Act, Sanjay Kapoor will hold office up to the date of the ensuing AGM. The Company has received a notice in writing from a member along with a deposit of requisite amount under Section 160 of the Act proposing the candidature of Sanjay Kapoor for the office of Director.

The resolution seeks the approval of the shareholders for appointment of Sanjay Kapoor as an Independent Director of the Company for a term up to the date of AGM to be held during the calendar year 2020 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made there under. Further, he is not liable to retire by rotation.

The Company has received from Sanjay Kapoor (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules,

2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and confirming his eligibility for such appointment and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Sanjay Kapoor fulfils the conditions for his appointment as an Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Sanjay Kapoor is independent of the management. A copy of the draft letter for appointment of Sanjay Kapoor as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day upto the date of the AGM.

No director, key managerial personnel or their relatives, except Sanjay Kapoor to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 6 for the approval of the shareholders

Item No. 7

Rajiv Khaitan who was appointed earlier as an Independent Director for a period of three years w.e.f September 10, 2014 pursuant to the provisions of Companies Act, 2013, is due to retire from his first term on September 6, 2017. On recommendation of the Nomination and Compensation Committee based on evaluation of his performance during the tenure and considering his skills, experience, knowledge and expertise, it is proposed to re-appoint Rajiv Khaitan for another term of three years from the conclusion of the ensuing AGM to be held in 2017 upto the conclusion of the 20th AGM to be held during the calendar year 2020 as an Independent Director of the Company.

The Company has received notice in writing pursuant to Section 160 of the Companies Act, 2013, from a member along with a deposit as prescribed under the Act proposing the candidature of Rajiv Khaitan for the office of Independent Director in terms provisions of Section 149 of the Companies Act, 2013.

The Company has received from Rajiv Khaitan (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of The Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, confirming his eligibility for such re-appointment, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Rajiv Khaitan fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder for re-appointment as an Independent Director of the Company and is independent of the Management. A copy of the draft letter of re-appointment of Rajiv Khaitan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered office of the Company during normal business hours on any working day up to the date of Annual General Meeting.

The Board considers that his continued association would be of immense benefit to the Company and it is in the interest of the Company to continue to avail the services of Rajiv Khaitan as an Independent Director.

No director, key managerial personnel or their relatives, except Rajiv Khaitan to whom the resolution relates, is interested in or concerned with the resolution.

The Board recommends the resolution set forth in Item no. 7 for the approval of the Members.

Item No. 8

Nancy Cruickshank who was appointed earlier as an Independent Director for a period of three years w.e.f September 10, 2014 pursuant to the provisions of Companies Act, 2013, is due to retire from her first term on September 6, 2017. On recommendation of the Nomination and Compensation Committee based on evaluation of her performance during the tenure and considering her experience, knowledge and expertise, it is proposed to re-appoint Nancy Cruickshank for another term of three years from the conclusion of the ensuing AGM to be held in 2017 upto the conclusion of the 20th AGM to be held during the calendar year 2020 as an Independent Director of the Company.

The Company has received notice in writing pursuant to Section 160 of the Companies Act, 2013, from a member along with a deposit as prescribed under the Act proposing the candidature of Nancy Cruickshank for the office of Independent Director in terms provisions of Section 149 of the Companies Act, 2013.

The Company has received from Nancy Cruickshank (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of The Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, confirming her eligibility for such re-appointment, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Nancy Cruickshank fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder for re-appointment as an Independent

Director of the Company and is independent of the Management. A copy of the draft letter of re-appointment of Nancy Cruickshank as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered office of the Company during normal business hours on any working day up to the date of Annual General Meeting.

The Board considers that her continued association would be of immense benefit to the Company and in the best interest of the Company.

No director, key managerial personnel or their relatives, except Nancy Cruickshank to whom the resolution relates, is interested in or concerned with the resolution.

The Board recommends the resolution set forth in Item no. 8 for the approval of the Members.

Item No. 9

The shareholders at their meeting held on September 8, 2015 approved the appointment of François-Charles Sirois as Executive Chairman of the Company for a period of five years w.e.f November 1, 2014 and remuneration for a period starting from November 1, 2014 to October 31, 2017. Further, the Central Government approval is in place for his appointment as Whole Time Director (i.e. Executive Chairman) valid upto October 31, 2019 and for the remuneration of ₹18,450,000/- per annum upto March 31, 2017.

Subsequent to the resignation of Rajiv Pancholy from the position of the Chief Executive Officer, the Nomination and Compensation Committee at their meeting held on February 23, 2017, considering the fact that François-Charles Sirois, Executive Chairman has been intimately involved with the company for the past three years, and is very familiar with plans and people of the Company, recommended the appointment of François-Charles Sirois, Executive Chairman as Chief Executive Officer and re-designate as 'Executive Chairman and Chief Executive Officer' of the Company.

The Nomination and Compensation Committee recommended for the payment of remuneration of ₹ 5,525,000 per annum (equivalent of US \$ 85,000) w.e.f. April 1, 2017 till October 31, 2019 in terms of proviso to Section II of Part II of Schedule V of the Companies Act, 2013, subject to approval of the shareholders of the Company.

After considering the recommendations of the Nomination and Compensation Committee, the Board felt that François-Charles Sirois is therefore best positioned to take up the additional responsibilities and take the Company forward and accordingly approved the appointment of François-Charles Sirois, Executive Chairman as Chief Executive Officer and re-designate as 'Executive Chairman and Chief Executive Officer' of the Company on the remuneration and other terms and conditions as recommended by the Nomination and Compensation Committee.

STATEMENT OF INFORMATION AS PER SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013:

Sl. No. General Information				
1.	Nature of industry	Telecom Value Added Services OnMobile is a global leader in the delivery of high quality Value Added Services, which are used by many of the best known mobile operators to provide information, entertainment, and personalization services to their customers.		
2.	Date or expected date of commencement of commercial production	Year 2000 (Date of Incorporation : September 27, 2000)		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable		
4.	Financial performance based on given indicators	Financial Year 2016-17 (₹ in Millions)	Financial Year 2015-16 (₹ in Millions)	
	Paid up capital	1,043.50	1,081.11	
	Other Equity	5,741.07	5,899.91	
	Turnover	3,049.98	3,331.55	
	Profit/(Loss) before tax	490.48	146.99	
	Profit/(Loss) after tax	426.28	(21.25)	
5.	Export performance and net foreign exchange earned	Financial Year 2016-17 : ₹ 1,831.34 Millions; and Financial Year 2015-16 : ₹ 2,138.68 Millions.		
6.	Foreign investments or collaborations, if any.	(No. of Shares)		
		Particulars	F.Y 2016-17	F.Y 2015-16
		Individuals	173,066	140,804
		Companies	50,923,703	50,923,703
		Foreign Institutional Investors (FIIs)	10,185,574	11,493,042
		NRIs/PIO	1,054,881	558,103
Information about the appointee				
1.	Background details	<p>François-Charles Sirois holds a Bachelor of Business Administration, options in finance and marketing, HEC Montreal.</p> <p>François-Charles Sirois is the President and CEO of Telesystem, a global media and technology holding company. He is also the President and Chief Executive Officer of OnMobile Systems Inc., the largest shareholder of OnMobile. François-Charles has more than 15 years of experience in corporate mergers, acquisitions and financing. His entrepreneurship expertise and talent for developing successful joint ventures with innovative partners have enabled Telesystem to leverage the momentum in the media and technology industry. Before joining Telesystem, François-Charles founded and helmed up2 technologies, Microcell i5 and Masq. He currently serves on the Boards of OnMobile Systems Inc., Telesystem, Stingray Digital, iPerceptions, Zone3, CVTCORP Transmission, Intersect Software, OnMobile Global Solutions Canada Limited, OnMobile USA LLC and OnMobile Live Inc.</p>		

2.	Past remuneration	<p>The details of remuneration drawn by François-Charles Sirois, the appointee in the preceding three financial years (2013-14, 2014-15 and 2015-16) indicating the name of the organization and the position held by him and whether the same was within the limits of the Companies Act or with the Central Government approval are provided below.</p> <table border="1" data-bbox="635 395 1459 782"> <thead> <tr> <th data-bbox="635 395 744 586">Financial Year</th> <th data-bbox="744 395 859 586">Position Held</th> <th data-bbox="859 395 1020 586">Name of Company</th> <th data-bbox="1020 395 1114 586">Public/ Private</th> <th data-bbox="1114 395 1298 586">Cash Compensation</th> <th data-bbox="1298 395 1459 586">Whether within the limits of the Act or with the Central Government Approval</th> </tr> </thead> <tbody> <tr> <td data-bbox="635 586 744 651">2013-14</td> <td data-bbox="744 586 859 651">President and CEO</td> <td data-bbox="859 586 1020 651">Telesystem Ltd.</td> <td data-bbox="1020 586 1114 651">Private</td> <td data-bbox="1114 586 1298 651">CAD\$608,508</td> <td data-bbox="1298 586 1459 651">Not Applicable.</td> </tr> <tr> <td data-bbox="635 651 744 715">2014-15</td> <td data-bbox="744 651 859 715">President and CEO</td> <td data-bbox="859 651 1020 715">Telesystem Ltd.</td> <td data-bbox="1020 651 1114 715">Private</td> <td data-bbox="1114 651 1298 715">CAD\$1,008,408</td> <td data-bbox="1298 651 1459 715">Not Applicable.</td> </tr> <tr> <td data-bbox="635 715 744 782">2015-16</td> <td data-bbox="744 715 859 782">President and CEO</td> <td data-bbox="859 715 1020 782">Telesystem Ltd.</td> <td data-bbox="1020 715 1114 782">Private</td> <td data-bbox="1114 715 1298 782">CAD\$1,678,700</td> <td data-bbox="1298 715 1459 782">Not Applicable.</td> </tr> </tbody> </table>	Financial Year	Position Held	Name of Company	Public/ Private	Cash Compensation	Whether within the limits of the Act or with the Central Government Approval	2013-14	President and CEO	Telesystem Ltd.	Private	CAD\$608,508	Not Applicable.	2014-15	President and CEO	Telesystem Ltd.	Private	CAD\$1,008,408	Not Applicable.	2015-16	President and CEO	Telesystem Ltd.	Private	CAD\$1,678,700	Not Applicable.
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3.	Recognition or awards	--																								
4.	Job profile and his suitability	<p>François-Charles Sirois will play a central role in developing the long term strategic plan for OnMobile Global to oversee its implementation in a phased manner. He will play a key role in implementing organisational transformation, conceptualising innovative products, developing marketing strategies and international business development.</p> <p>In addition he will contribute his expertise in digital media, as well as guide the OnMobile teams on matters pertaining to content procurement and sourcing on a global scale.</p> <p>François-Charles Sirois, by virtue of his vast expertise in steering numerous companies through growth cycles, has the leadership skills and domain knowledge to lead OnMobile into the next phase of its growth.</p>																								
5.	Remuneration proposed	₹ 5,525,000 per annum (equivalent of US \$ 85,000).																								
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Comparative remuneration benchmarks were considered from well-known executive search firms. The indicative salary range for this role is ₹ 3 Crores to 4 Crores per annum.																								
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	François-Charles Sirois has no pecuniary relationship either direct or indirect with the company and he is not related to any director of the company, except he represents the promoter of the Company i.e OnMobile Systems Inc.																								
Other Information																										
1.	Reason for loss or inadequate profits	The Profit After Tax for the FY 2016-17 is ₹ 426.28 million and the Net Profit as per section 198 of the Companies Act, 2013 for the FY 2016-17 is ₹ 660.66 million. However, the statement of information as per Section II of Part II of Schedule V of Companies Act, 2013 is being provided herewith in apprehension of inadequate profits, if any during the remaining tenure of François-Charles Sirois.																								
2.	Steps taken or proposed to be taken for improvement	<ol style="list-style-type: none"> 1. Rationalisation of manpower and operating expenses. 2. Low margins/loss making geographies and product verticals identified and put in place a strategy for turning around these into profitable verticals. 3. Many unprofitable products have been discontinued and the associated development costs have been eliminated. 4. Unprofitable or legacy businesses have been hived off to reduce expenses and to increase the cash position of the Company and the Company earned a Profit After Tax. 																								

3.	Expected increase in productivity and profits in measurable terms.	Financials on Standalone basis for three years:			
		(in ₹ Million)			
		Financial Year	2016-17	2017-18	2018-19
			(Actuals)	(Projected)	(Projected)
		Total Turnover	3,698	4,068	4,475
PBT	491	516	542		
PAT	426	447	493		

The resolution seeks the approval of the shareholders for appointment of François-Charles Sirois, Executive Chairman as Chief Executive Officer and re-designate as 'Executive Chairman and Chief Executive Officer' of the Company effective March 01, 2017 and for the payment of remuneration of ₹ 5,525,000 per annum (equivalent of US \$ 85,000) w.e.f. April 1, 2017 till October 31, 2019 in terms of proviso to Section II of Part II of Schedule V of the Companies Act, 2013.

With the approval of the shareholders vide their special resolution dated September 14, 2016, François-Charles Sirois had also been appointed as 'President and Secretary' in OnMobile Global Solutions Canada Limited, wholly owned subsidiary of the Company, being an office or place of profit within the meaning of Section 188 of the Companies Act, 2013 for a period of three years w.e.f. October 1, 2016 at a total remuneration of USD 318,387 (equivalent of ₹ 19,740,000 approximately) per annum.

No director, key managerial personnel or their relatives, except François-Charles Sirois to whom the resolutions relates, is interested or concerned in the resolution.

The Board recommends the special resolution set forth in Item No. 9 for the approval of the shareholders.

Item No. 10

The existing Articles of Association ('AOA') of the Company are based on the provisions of the Companies Act, 1956.

Members are aware that the Ministry of Corporate Affairs ('MCA') has notified most of the section of the Companies Act, 2013 ('the Act') which replace the provisions of the Companies Act, 1956. The MCA has also notified the Rules pertaining to the further notified sections.

In order to bring the existing AOA of the Company in line with the provisions of the Act, the Company will have to make numerous changes in the existing AOA. It is therefore considered desirable to adopt a comprehensive new set of Articles of Association of the Company ('New Articles'), in substitution of and to the exclusion of the existing AOA.

Pursuant to the provisions of Section 14 of the Act, approval of the shareholders of the company by special resolution is required for the adoption of the New Articles to replace the existing AOA and accordingly, the approval of the shareholders is being sought for the adoption of the New Articles.

A copy of the proposed New Articles to be adopted are available for inspection by the members at the registered office of the Company during normal business hours on all working days from the date of dispatch of the notice, up to the last date of voting i.e. September 5, 2017 and is also available on the website of the Company at <http://www.onmobile.com/index.html>.

The below table provides summary of the key changes to the existing AOA of OnMobile Global Limited pursuant to the requirements under the Companies Act, 2013.

Sl. No.	Existing Article reference as per old AOA	New Article reference as per new AOA	Summary of Change
1	Interpretation – Definitions	Interpretations – Definitions	Definitions are appropriately modified to align with the provisions of the Companies Act, 2013.
2	Article 5 – Restriction on Allotment	Article 6 – Allotment of securities	Amendment is proposed to align with the relevant provisions of the Companies Act, 2013.
3	Article 66 – Buy Back of Shares	Article 59 – Buy Back of Shares	Amendment is proposed to align with the relevant provisions of the Companies Act, 2013.
4	Article 77 – Notice for General Meetings	Article 69– Notice for General Meetings	Amendments are proposed to align with the provisions of the Companies Act, 2013 regarding length of the Notice calling the general meeting, requirement of to whom the notice for the general meeting needs to be given, nature of the business to be transacted at the general meetings.

5	Article 90 – Voting Rights of Members	Article 79 – Voting Rights of Members	Amendment proposed to include voting of the members through electronic means.
6	Article 98 to 108 – Directors	Article 86 to 97 –Directors Independent Director (Article 87 is newly inserted)	Amendment proposed to include the appointment of Independent Director in linewith relevant provisions of Companies Act, 2013
7	Article 119 to 128 – Meetings of the Board	Article 103 to 110 – Proceedings of the Board	Meetings of Board of Directors, quorum for the meeting, notice calling the meeting, etc. including the operational parts are amended to align with the provisions of the Companies Act, 2013.
8	Article 138 to 142 – Managing Director(s)/ Whole Time Director(s)	Article 119 to 124 – Managing Director(s)/ Whole Time Director(s)/ Key Managerial Personnel	Amendment proposed to align new provisions relating to appointment of Key Managerial Personnel (KMP).
9	Article 178 & 179 – Indemnity and responsibility	Article 149 & 150 – Indemnity and responsibility	Amendment proposed to provide for indemnification to Directors and Officers.

No director, key managerial personnel or their relatives are interested in or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 10 for the approval of the shareholders.

Additional information on Directors seeking Appointment/Re-appointment at the Annual General Meeting pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	François-Charles Sirois	Rajiv Khaitan	Nancy Cruickshank	Chris Arsenault	Sanjay Kapoor
Date of Birth	05-05-1975	13-04-1960	24-12-1970	17-11-1971	28-02-1962
Date of Appointment	26-06-2014	07-05-2012	31-07-2014	26-05-2017	21-06-2017
Qualifications	Bachelor of Business Administration, options in finance and marketing, HEC Montreal.	Bachelor of Commerce degree and an LLB from the Calcutta University.	Graduated from Leeds University with History Honours degree.	Rimouski CEGEP (College), Administration and Finance.	Bachelor's degree in Commerce (Hons.) from Delhi University, MBA from Cranfield School of Management (UK) and Graduate of The Wharton Advanced Management Program.
Expertise in specific functional areas	Wide experience in Media (multi-platform music services and digital content production, distribution and promotion), Internet, Software, Venture Capital & Private Equity industries.	Wide experience in general legal practice with focus on business laws.	Serial entrepreneur, currently the founder and CEO of MyShowcase Ltd., a new kind of online and direct beauty retailer that champions female entrepreneurialism.	Extensive experience in business development, strategic planning, sales, marketing and communications.	Wide experience in telecommunications sector, entrepreneurship, consulting & advisory and investing in & mentoring start-ups.
Directorships held in other companies (including foreign companies) as on date	<ol style="list-style-type: none"> 1. OnMobile Systems Inc. 2. Telesystem Ltd. 3. Stingray Digital Group Inc. 4. Zone3 Inc. 5. Telesystem Media, Inc 6. iPerceptions Inc. 7. Telesystem Energy Ltd. 8. CVTCORP Transmission Inc. 9. Interset Software, Inc. 10. OnMobile Global Solutions Canada Ltd 11. OnMobile USA LLC 12. OnMobile Live Inc. 	<ol style="list-style-type: none"> 1. EFD Induction Private Limited 2. Himatsingka Seide Limited 3. Khaitan Consultants Limited 4. ABC Consolidated Private Limited 5. Bharat Fritz Werner limited 6. Himatsingka Wovens Private Limited 7. Himatsingka Holdings NA Inc. 	<ol style="list-style-type: none"> 1. MyShowcase Ltd 2. SEUK 3. Carlsberg 	<ol style="list-style-type: none"> 1. iNovia Capital Inc. 2. iNovia Capital GP-III Inc. 3. iNovia Capital US Inc. 4. AppDirect Inc., 5. Lightspeed POS Inc., 6. Poka Inc., 7. Well.ca Inc., 8. Gamerizon Studios Inc. 	<ol style="list-style-type: none"> 1. VLCC Health Care Limited 2. Tech-Connect Retail Pvt. Ltd. 3. IBUS Network and Infrastructure Pvt. Ltd. 4. Z-Axis Management Consultants & Strategic Advisors Limited Liability Partnership
Disclosure of relationship between directors inter-se	François-Charles Sirois is not related to any other Director of the Company	Rajiv Khaitan is not related to any other Director of the Company	Nancy Cruickshank is not related to any other Director of the Company	Chris Arsenault is not related to any other Director of the Company	Sanjay Kapoor is not related to any other Director of the Company

Particulars	François-Charles Sirois	Rajiv Khaitan	Nancy Cruickshank	Chris Arsenault	Sanjay Kapoor
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders Relationship Committee)	-	Audit Committee 1. Himatsingka Seide Limited 2. Himatsingka Wovens Pvt. Ltd. Stakeholders Relationship Committee 1. Himatsingka Seide Limited	-	Audit Committee 1. App Direct Inc., 2. Lightspeed POS Inc., 3. Poka Inc., 4. Well.ca Inc.,	-
Number of shares held in the Company	-	-	-	-	-

By Order of the Board of Directors
For OnMobile Global Limited

Sd/-
P V Varaprasad
Company Secretary

Date: July 27, 2017
Place: Gurgaon

Regd. Office:

OnMobile Global Limited,
Tower#1, 94/1C & 94/2,
Veerasandra Village, Attibele Hobli,
Anekal Taluk, Electronic City Phase-1,
Bangalore-560100, Karnataka, India
CIN: L64202KA2000PLC027860

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OnMobile Global Limited

Registered Office: OnMobile Global Limited, Tower#1, 94/1C & 94/2, Veerasandra Village, Attibele Hobli, Anekal Taluk, Electronic City Phase-1, Bangalore-560100, Karnataka, India Corporate Identity Number (CIN): L64202KA2000PLC027860; Phone: + 91 80 40096000, Fax: + 91 80 40096009, E-mail: investors@onmobile.com, Website: www.onmobile.com

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

17th Annual General Meeting - September 6, 2017

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I / We, being the member(s) of shares of the above named company, hereby appoint

Name : Email:.....

Address:.....

Signature:

or failing him / her

Name : Email:.....

Address:.....

Signature:

or failing him / her

Name : Email:.....

Address:.....

Signature:

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 17th Annual General Meeting of the Company, to be held on Wednesday, September 6, 2017 at 11:00 a.m. IST at Hotel Royal Orchid, adjoining KGA Golf Course, HAL Airport Road, Bangalore-560 008, Karnataka, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Table with 4 columns: Resolution number, Description, I/We assent to the Resolution (FOR), I/We dissent to the Resolution (AGAINST). Rows include: Adoption of financial statements, Declaration of dividend, Retirement of Director by rotation, etc.

Signed this day of 2017

Signature of the member

Signature of the proxy holder(s).....



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



OnMobile Global Limited

Registered Office: OnMobile Global Limited, Tower#1, 94/1C & 94/2, Veerasandra Village, Attibele Hobli, Anekal Taluk, Electronic City Phase-1, Bangalore-560100, Karnataka, India Corporate Identity Number (CIN): L64202KA2000PLC027860; Phone: + 91 80 40096000, Fax: + 91 80 40096009, E-mail: investors@onmobile.com, Website: www.onmobile.com

ATTENDANCE SLIP

17th Annual General Meeting - September 6, 2017

Regd. Folio No./DP Client ID

Grid for Regd. Folio No./DP Client ID

No. of shares held

Grid for No. of shares held

I/we here by record my/our presence at the 17th Annual General Meeting held at Hotel Royal Orchid, adjoining KGA Golf Course, HAL Airport Road, Bangalore-560 008, Karnataka, India at 11.00 a.m. IST on September 6, 2017

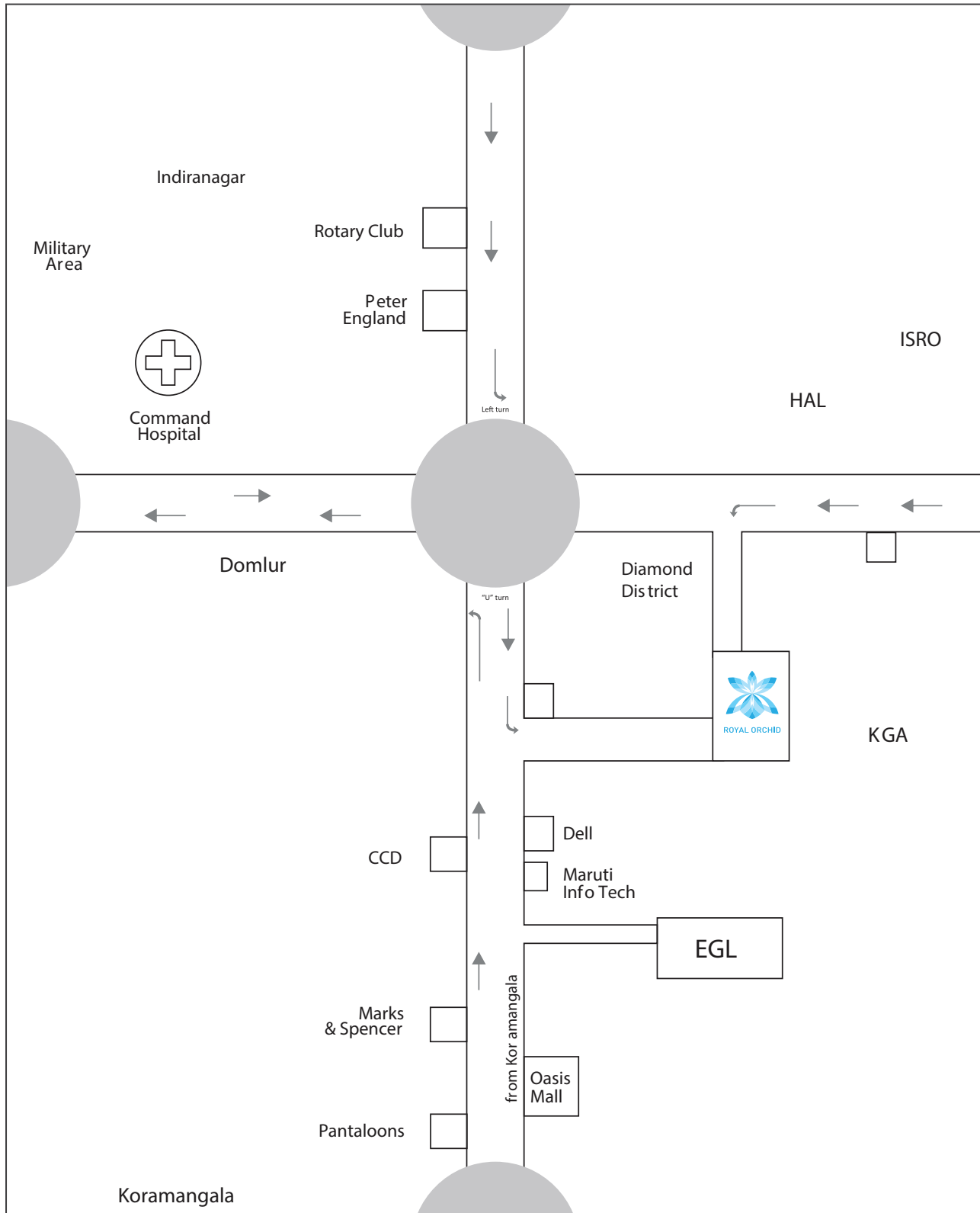
Name of the member/proxy (in BLOCK letters)

Signature of the member/proxy

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NOTES

Route Map to venue of AGM



Disclaimer

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward looking statements that set out anticipated results based on management’s plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as ‘anticipate’, ‘estimate’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’ and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.





onmobile

OnMobile Global Limited
Tower # 1, 94/1 C & 94/2,
Veerasandra Village, Attibele Hobli,
Anekal Taluk, Electronic City Phase-1,
Bangalore - 560100, India

Phone: +91 80 4009 6000