



MSEARCH

IPO OFFERING

ROUTE MOBILE LTD



About Company

Recommendation: Subscribe for long term

Route Mobile Ltd (RML) is a Mumbai based leading provider of Cloud-communication platform as a Service ("CPaaS") to enterprises, over-the-top ("OTT") players and Mobile Network Operators ("MNOs"). Its enterprise communication services include new age solutions in Messaging, Voice, Email, and SMS Filtering, Analytics & Monetization. It has serviced over 30,150 clients, cumulatively since inception, offering a range of cloud-communication services across diverse sectors including banking & finance, aviation, retail, e-commerce, logistics, healthcare, hospitality, media and entertainment, pharmaceuticals and telecom. RML was ranked as a tier 1 application-to-peer ("A2P") service provider internationally & was also ranked 1st for its 'value added services', its 'implementation process' and its 'uptime performance' in 2017. It also has a very strong client base which includes some of the world's largest and well-known organisations, including a number of Fortune Global 500 companies.

Price Band	: Rs. 345 to 350 per share
Bid Lot size	: 40 Shares
Issue size	: Rs. 600 Cr
Issue Opens	: September 9 th 2020, Wednesday
Issue Closes	: September 11 th 2020, Friday
Min App Amount	: Rs. 14,000 /- at upper band

Important Note: All retail applications compulsory in UPI mode*. Currently IPO through UPI Mechanism in Retail Category is available only on BHIM App. Application made using third party UPI Id Or ASBA Bank A/c are liable to be rejected.

Msearch View:

We are optimistic on Route Mobile IPO considering its leading position in cloud-communication, OTT segment and MNOs space. With growing internet penetration and business models adopting digital platform with cloud communication services being need of the hour to digital world, we believe investors should tap this opportunity. Route Mobile does not have a direct comparable listed peer in India. It will become the second firm in the larger mobile communication services after Affle India. On valuations parse at upper price band (Rs 350/-), the issue is asking for market cap Rs 1,990 Cr and we believe the company can comfortably command a PE of 24x-25x, which makes the IPO valuation fairly attractive for long term investors. **Considering all the parameters we recommend to SUBSCRIBE for the issue, with the potential for healthy listing gains as well as long term stock appreciation.**