

Ref No: RML/2021-22/103

Date: July 13, 2021

To,

**BSE Limited**  
**Scrip Code: 543228**

**National Stock Exchange of India Limited**  
**NSE Symbol: ROUTE**

Dear Sir/Madam,

**Sub: Annual Report for the Financial Year 2020-21 and Notice convening the 17<sup>th</sup> Annual General Meeting of Route Mobile Limited (the 'Company')**

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Please refer to our letter dated July 2, 2021 informing that the 17<sup>th</sup> Annual General Meeting of the Company is scheduled to be held on Thursday, August 5, 2021 at 3:30 P.M. (IST).

Further to the aforesaid communication, and pursuant to Section 108 of the Companies Act, 2013 and Regulations 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report for the Financial Year 2020-21 along with Notice convening the 17<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Thursday, August 5, 2021 at 3:30 P.M. (IST) via two-way video conferencing or other audio visual means ('VC/OAVM').

The 17<sup>th</sup> Annual Report for the FY 2020-21 is also available on the Company's website at <https://routemobile.com/investors/> and are being dispatched to all eligible shareholders whose email IDs are registered with the Company/Depositories. Our Sustainability Report for the FY 2020-21 can also be accessed at <https://www.routemobile.com/wp-content/uploads/2021/07/Sustainability-Report-FY-2020-21.pdf>.

You are requested to take the above information on record.

Thanking you,  
For **Route Mobile Limited**

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**Rathindra Das**  
**Head Legal, Company Secretary & Compliance Officer**

**Enclo:**

- (a) Notice of the 17<sup>th</sup> Annual General Meeting; and
- (b) Annual Report and Annual Financial Statements for the Financial Year 2020-21

# ANNUAL REPORT

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2020-21



Dear Member,

**Invitation to attend the 17<sup>th</sup> Annual General Meeting on Thursday, August 5, 2021**

You are cordially invited to attend the 17<sup>th</sup> Annual General Meeting of Route Mobile Limited ("the Company") to be held on Thursday, August 5, 2021 at 3:30 P.M. (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"). The Notice of the meeting, containing the businesses to be transacted, is enclosed herewith.

Summarized information at a glance:		
1	Time and Date of AGM	3:30 P.M. (IST), Thursday, August 5, 2021
2	Live-Webcast	<a href="https://routemobile.com/aggm-webcast/">https://routemobile.com/aggm-webcast/</a>
3	Mode	Video Conferencing / Other Audio-Visual Means
4	Link for remote e-Voting	<a href="https://evoting.kfintech.com">https://evoting.kfintech.com</a>
5	Link for attending the AGM through VC	<a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a>
6	Helpline number for VC participation and e-Voting	KFin Technologies Private Limited at 1-800-3094-001 or write to them at <a href="mailto:evoting@kfintech.com">evoting@kfintech.com</a>
7	Speaker Registration	From 9:00 A.M. (IST), Saturday, July 31, 2021 To 5:00 P.M. (IST), Tuesday, August 3, 2021: <a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a>
8	Web-link for temporary registration of e-mail address to receive AGM Notice and credentials for E-Voting/eAGM	<a href="https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx">https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx</a>
9	Record Date for Dividend Payment	Friday, July 16, 2021
10	Book closure dates	From Saturday, July 17, 2021 to Thursday, August 5, 2021
11	Cut-off date for e-Voting	Thursday, July 29, 2021
12	E-Voting Start time and Date	9:00 A.M. (IST), Monday, August 2, 2021
13	E-Voting End time and Date	5:00 P.M. (IST), Wednesday, August 4, 2021
14	E-Voting website links (Please use as applicable to you)	<a href="https://evoting.kfintech.com/">https://evoting.kfintech.com/</a> <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a>
15	Name, address and contact details of e-Voting service provider & contact details of RTA	Mr. Umesh Pandey, Manager KFin Technologies Private Limited Address: Selenium Tower B, Plot.31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana, India Email ids: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> <a href="mailto:umesh.pandey@kfintech.com">umesh.pandey@kfintech.com</a> Website: <a href="https://www.kfintech.com">https://www.kfintech.com</a> Toll free number: 1-800-3094-001

Yours truly,

**Sandipkumar Gupta**  
Chairman of the Board

Encl: Notice of the 17<sup>th</sup> Annual General Meeting

## NOTICE OF ANNUAL GENERAL MEETING TO MEMBERS

**Registered Office:** 4<sup>th</sup> Dimension, 3<sup>rd</sup> Floor, Mind Space, Malad (West), Mumbai – 400 064. CIN: U72900MH2004PLC146323  
Tel: +91 (022) 40337676 | Fax: +91 (022) 40337650 Email: [investors@routemobile.com](mailto:investors@routemobile.com) Website: [www.routemobile.com](http://www.routemobile.com)

**NOTICE IS HEREBY GIVEN THAT THE SEVENTEENTH (17<sup>TH</sup>) ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF ROUTE MOBILE LIMITED** ("the Company") is scheduled to be held on **Thursday, August 5, 2021 at 3:30 P.M. (IST)** through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

**ORDINARY BUSINESS:**

**Item No. 1 – Adoption of Audited Financial Statements (Standalone)**

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021 and the Reports of the Board of Directors and the Auditors thereon.

**Item No. 2 – Adoption of Audited Financial Statements (Consolidated)**

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 and the Reports of the Auditors thereon.

**Item No. 3 – Declaration of Dividend**

To declare a final dividend of ₹2 per equity share for the year ended March 31, 2021.

**Item No. 4 – Appointment of a Director retiring by rotation**

To appoint a Director in place of Mr. Sandipkumar Gupta (DIN: 01272932), who retires by rotation and, being eligible, offers himself for re-appointment.

**Item No. 5 – Re-appointment of Statutory Auditors of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s Walker Chandio & Co LLP (Firm Registration. No. 001076N/N500013), be and are hereby re-appointed as Statutory Auditors of the Company for second term of five (5) years, to hold office from the conclusion of this 17<sup>th</sup> Annual General Meeting till the conclusion of 22<sup>nd</sup> Annual General Meeting of the Company, at such remuneration including applicable taxes and reimbursement of out-of-pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors (which term includes a duly constituted Committee of the Board of Directors) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient to give effect to this Resolution and / or otherwise considered by them to be in the best interest of the Company."

**SPECIAL BUSINESS:**

**Item No. 6 – Appointment of Mr. Arun Gupta as an Independent Director**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, approvals and recommendations of the Nomination and Remuneration Committee, and that of the Board, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, Mr. Arun Gupta (DIN: 05131228), who has been appointed as an Additional & Independent Director of the Company by the Board of Directors effective November 19, 2020, in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a period of five (5) years up to November 18, 2025.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**by Order of the Board of Directors  
for Route Mobile Limited**

**Date:** May 18, 2021  
**Place:** Mumbai

Sd/-  
**Rathindra Das**  
**Head Legal, Company Secretary and Compliance Officer**  
(Membership No. ACS 24421)

**NOTES:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19”, circular no. 20/2020 dated May 5, 2020 in relation to “Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” and Circular no. 02/2021 dated January 13, 2021 in relation to “Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – COVID-19 pandemic” and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID -19 pandemic” (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.
2. A member logging-in to the VC facility using the remote e-Voting credentials shall be considered for record of attendance of such member at the AGM and such member attending the AGM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed with and there is no provision for the appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 17<sup>th</sup> AGM and hence the Proxy Form, Attendance Slip are not annexed to this Notice.
3. In terms of Section 152 of the Companies Act, 2013 (the “Act”) and the Articles of Association of the Company, Mr. Sandipkumar Gupta (DIN: 01272932), Director, retires by rotation at the forthcoming AGM and being eligible, offers himself for re-appointment. The Board of Directors recommends the aforesaid re-appointment. Further, the Explanatory Statement setting out the material facts pursuant to Section 102 (1) of the Companies Act, 2013 (“the Act”), in respect of the Special Business under Item No. 6 of the accompanying Notice are annexed hereto. A statement providing additional details of the Directors along with their brief profile who are seeking appointment/ re-appointment as set out at Item Nos. 4 & 6 of the Notice dated May 18, 2021 is annexed herewith as required under Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”). As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated May 5, 2020, the matters of Special Business as appearing at Item No. 6 of the accompanying Notice, is considered to be unavoidable by the Board and hence, forms part of this Notice.
4. M/s. KFin Technologies Private Limited (“KFinTech”), Registrar & Transfer Agent of the Company (“RTA”), shall be providing facility for e-Voting and attending the AGM through VC. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC.
5. Members may note that the Board, at its meeting held on May 18, 2021, has recommended a final dividend of ₹2 per equity share. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with KFin Technologies Private Limited (“KFinTech/RTA”) (in case of shares held in physical mode) and Depository Participant (“DP”) (in case of shares held in demat mode).
  - a) A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com). Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20% and 10% in case of Members having valid Permanent Account Number (“PAN”) or as notified by the Government of India. However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during fiscal 2022 does not exceed ₹5,000/- and also in cases where members provide Form 15G (Applicable to any person other than a Company or a Firm) / Form 15H (Applicable to an individual above the age of 60 years) subject to conditions specified in the Income Tax Act, 1961 (“IT Act”)
  - b) For Non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable to them. However, Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors(FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency



Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an e-mail to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

An email communication informing the Shareholders regarding this change in the IT Act as well as the relevant procedure to be adopted by them to avail the applicable tax rate has been sent by the Company at the registered email IDs of the Shareholders on June 9, 2021. In general, to enable compliance with TDS requirements, Members were requested to complete and/or update their Residential Status, Permanent Account Number ("PAN"), Category as per the IT Act with their Depository Participants ("DPs") or in case shares are held in physical form, with the Company, by sending documents through e-mail by July 5, 2021. Kindly note that the Company is further extending the opportunity for the shareholders to submit the applicable declarations and documents up to **5:00 P.M. (IST) on Thursday, July 15, 2021** in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. No communication/documents on the tax determination / deduction shall be considered post 5:00 PM (IST) of Thursday, July 15, 2021. For further details and formats of declaration, please refer to '**General Communication on Tax Deduction**' available on Company's website at <https://routemobile.com/wp-content/uploads/2021/06/General-Communication-on-Tax-Deduction-at-Source-on-Dividend.pdf>. The aforesaid documents such as Form 15G/ 15H, documents under section 196, 197A, etc. can also be uploaded on the link <https://ris.kfintech.com/form15>. The aforesaid documents are subject to verification by the Company and in case of ambiguity, the Company reserves its right to deduct the TDS as per the provisions of the Income Tax Act, 1961.

**6. Book Closure: The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, July 17, 2021 to Thursday, August 5, 2021 (both days inclusive).**

**7. Dividend:** If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made within 30 days of AGM, as under:

(a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of end of day on **Friday, July 16, 2021**; and

(b) To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on **Friday, July 16, 2021**.

**8. SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank**

accounts of the Member(s) through Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/ Real Time Gross Settlement (RTGS)/ Direct Credit/ IMPS/ NEFT etc. The final dividend, once approved by the members in the ensuing AGM, will be paid within 30 days of the AGM electronically through various online transfer modes to those Members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out to their registered addresses. To avoid delay in receiving dividend, Members are requested to update their bank account details with their depositories (where shares are held in dematerialized mode) and with KFinTech, Company's Registrar and Transfer Agent ("RTA") (where shares are held in physical mode) to receive dividend directly into their bank account. For Members who are unable to receive the dividend directly in their bank accounts through ECS or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/Bankers' cheque/demand draft to such Members, through postal or courier services. In case of any disruption of postal or courier services due to prevalence of COVID-19 in containment zones, upon normalisation of such services.

**9. Process for registration of e-mail ID for obtaining Annual Report and user id/password for e-Voting and updation of bank account:** Members who have not registered their email address as a consequence of which the Annual Report, Notice of AGM, and e-Voting instructions could not be serviced or who have become members post sending of this Notice of AGM, may temporarily get their email address and mobile number updated with the Company's RTA i.e. KFinTech, by clicking the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> or by sending an e-mail to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). Members are requested to follow the process as guided in the above-mentioned link to capture the email address and mobile number for sending the soft copy of the Notice and e-Voting instructions along with the User ID and Password. In case of any queries, please write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

**Updating Bank Account details:**

<b>Physical Holding</b>	Members holding shares in physical form and who have not registered their bank account details with the RTA or who wish to update, can do so by emailing to <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> with the following details – a signed request letter mentioning Name, Folio No, Name & address of the Bank, Bank Account type, Bank Account Number, 9 digit MICR Code Number, 11 digit IFSC Code, Self-attested copy of PAN & cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly, and Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company. They may also send the hard copies to KFin Technologies Private Limited (Unit: <b>Route Mobile Limited</b> ), Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana, India.
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<b>Demat Holding</b>	Members holding shares in demat mode may contact their Depository Participant to update their email address and bank account details. Members are also requested to give the MICR Code of their bank to their Depository Participant(s). Further, please refer to Note No. 10.
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**Note:** Please note that in case the shares are held in electronic form/demat mode, the above facility is only for temporary registration of email address for receipt of the Notice of AGM and the e-Voting instructions along with the USER ID and Password. Members holding shares in electronic/Demat form will have to register their email address with their DPs permanently, and Members holding shares in physical form are requested to update their details with the KFinTech so that all future communications are received by them in electronic form. In case of any queries, members are requested to write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or call at the toll free number **1-800-309-4001**.

**10. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/ deletion in such bank details. Further, instructions, if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions to their respective DP regarding bank accounts in which they wish to receive dividend.**

**11. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Transfer Agent or the concerned Depository Participant(s), as the case may be: a) the change in the residential status on return to India for permanent settlement, and b) the particulars of the NRE account with a Bank in India, if not furnished earlier.**

**12. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com), or with the Company Secretary, at the Company's registered office or by writing at [investors@routemobile.com](mailto:investors@routemobile.com). Members are requested to note that dividends, if not en-cashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. There is no unclaimed or unpaid dividend, and therefore, no details available for the Company requiring any transfer to the IEPF as on date or for uploading on its website.**

**13. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of**

request received for transmission or transposition and re-lodged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's RTA, KFinTech for any assistance in this regard.

**14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website <https://www.routemobile.com/wp-content/uploads/2021/06/Form-SH-13-Nomination-Form.pdf>. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form/demat mode and to KFinTech, in case the shares are held in physical form.**

**15. Members holding shares in physical form, in identical order of names, in more than one folio, if any, are requested to send to the Company or KFinTech, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes. Members are requested to use the share transfer Form SH-4 for this purpose.**

**16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.**

**17. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013 ("the Act"), the Register of Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Act will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection [on all working days between 11:00 A.M. (IST) and 4:00 P.M. (IST)] without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. August 5, 2021. Members seeking to inspect such documents may send their request in writing in advance to the Company at [investors@routemobile.com](mailto:investors@routemobile.com).**

**18. Members holding shares in physical form are requested to send all the communications pertaining to shares of the Company including intimation of changes pertaining to their bank account details, mandates, nominations, change of address, e-mail Id etc., if any, immediately to the Company's Registrar and Share Transfer Agent i.e. KFin Technologies Private Limited, [Unit : **Route Mobile Limited**], Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad -**

500 032, Telangana, India, Toll Free No. : 1800-3094-001  
Email Id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). Members holding shares in electronic form/Demat mode must intimate the changes, if any, to their respective Depository Participants (DPs) only.

**19. Submission of Questions / Queries prior to e-AGM:**

Members desiring any additional information with regard to financial statements or any matter to be placed at the AGM are requested to write to the Company Secretary on the Company's email-id [investors@routemobile.com](mailto:investors@routemobile.com), before 5:00 P.M. (IST), Friday, July 30, 2021 so as to enable the Management to keep the information ready. Please note that, Member's questions will be answered only if they continue to hold the shares as on Cut-off Date.

**20. In compliance with the applicable MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Annual Report for the Financial Year 2020-21 are being sent only through electronic mode (by e-mail) to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice of the AGM and the Annual Report for the Financial Year 2020-21 will also be available on the Company's website at [www.routemobile.com](http://www.routemobile.com), websites of the Stock Exchanges, i.e. BSE Limited and The National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of KFintech at <https://evoting.kfintech.com>.**

Members may please note that SEBI has made PAN as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases: (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

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Members may please note that SEBI has made PAN as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases: (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

**22. Instructions for e-Voting and joining the AGM are as follows:**

**A. Voting Through Electronic Means:**

a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations and applicable Circulars, the Company is offering the facility of remote e-Voting to its Members. The facility of casting votes by a Member using a remote e-Voting system before the AGM as well as during the AGM will be provided by Company's Registrar and Transfer Agent – M/s KFin Technologies Private Limited. The instructions for remote e-Voting are given herein below and facility for those Members participating in the AGM to cast vote through e-Voting system during the AGM.

b) The remote e-Voting period commences on **Monday, August 2, 2021 at 9:00 A.M. (IST)** and ends on **Wednesday, August 4, 2021 at 5:00 P.M. (IST)**. During this period, Members holding shares either in physical form or in demat form, as on **Thursday, July 29, 2021**, (i.e. "Cut-off" Date), may cast their vote electronically.

c) The e-Voting module shall be disabled by KFintech for voting thereafter. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the Cut-off Date.

d) The Members who have cast their vote by remote e-Voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

e) The Board of Directors has appointed Mr. Dhrumil M. Shah (Membership No. FCS 8021, Certificate of Practice No.: 8978) of M/s Dhrumil M Shah & Co., Company Secretaries, as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.

f) In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-Voting to the Members, there shall be no voting by show of hands at the AGM. The Company is also offering facility for voting by way of "Insta Poll" at the AGM for the Members attending the meeting who have not cast their vote by remote e-Voting. If a Member cast votes by both modes i.e. remote e-Voting and Insta Poll at the AGM, then voting done through remote e-Voting shall prevail and Insta Poll shall be treated as invalid.

**B. The details of the process and manner for remote e-Voting are explained herein below- Applicable for Non-Individual shareholders holding securities in demat mode and Shareholders holding securities in physical mode:**

a) Launch internet browser by typing the URL <https://evoting.kfintech.com>.

b) Enter the login credentials (i.e. User ID and password as communicated in the e-mail from KFintech). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-Voting, you can use your existing User ID and password for casting your vote.

c) After entering these details appropriately, click on "LOGIN".

d) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one uppercase (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, %, etc.) The system will prompt you to change your password and update your contact details like mobile number, e-mail ID etc. on first login. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.

e) You need to log-in again with the new credentials.

f) On successful log-in, the system will prompt you to select the "EVENT" i.e. **Route Mobile Limited**.

g) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as on **Thursday, July 29, 2021, (i.e. "Cut-off" Date)**. You may also choose the option "ABSTAIN". If the Member does not indicate "FOR" or "AGAINST", it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

h) Voting has to be done for each item of the 17<sup>th</sup> AGM Notice separately.

i) Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.

j) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".

k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on all the Resolution(s).

l) For obtaining the User ID and Password for e-Voting, members may refer the instructions below:

(1) If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS to 9212993399 as per below:

in case of physical shareholders	MYEPWD<space>E-Voting Event Number+Folio No.
in case of shares held in DEMAT form	MYEPWD DP ID Client ID

Example for NSDL	MYEPWD<space>IN12345612345678
Example for CDSL	MYEPWD <space>1402345612345678
Example for Physical	MYEPWD<space>XXXX1234567890

(2) If e-mail address or mobile number of the Member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password. This is applicable for any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the Cut-off date.

m) Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-Voting. The said Resolution/Authorisation shall be sent to the Scrutinizer by e-mail through their registered e-mail address at [dhrumil@dmshah.in](mailto:dhrumil@dmshah.in) with a copy marked to KFin Technologies Private Limited, Registrar and Share Transfer Agent of the Company ('RTA/'KFintech') at [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above mentioned documents should be in the naming format "Route Mobile Limited 17<sup>th</sup> Annual General Meeting."

n) In case of any query and/or grievance, Members may refer to the Help & Frequently Asked Questions (FAQs) and e-Voting user manual available at the download section of <https://evoting.kfintech.com> or may contact **Mr. Umesh Pandey, Manager (Unit: Route Mobile Limited)** of KFin Technologies Private Limited, Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana, India or at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) and [evoting@kfintech.com](mailto:evoting@kfintech.com) or call KFintech's Toll free No.: 1-800-3094-001 for any further clarifications.

**C. The instructions for remote e-Voting are as under for Individual Shareholders holding shares in demat mode:**

In terms of the Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 issued by the Securities and Exchange Board of India dated December 9, 2020, on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual Demat account holders, by way of single login credential, through their Demat accounts/websites of Depositories/ DPs in order to increase the efficiency of the voting process. Individual Demat account holders would be able to cast their vote without having to register again with the e-Voting service provider ("ESP") thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their



mobile number and e-mail ID with their DPs in order to access e-Voting facility.

Type of Members	Log-in Method
For Members who hold shares in Demat mode with NSDL	<b>1. User already registered for IDeAS facility:</b> <ol style="list-style-type: none"> <li>Go to URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> <li>Click on the "Beneficial Owner" icon under 'IDeAS' section.</li> <li>On the new page, enter existing User ID and Password. Post successful authentication, click on "Access to e-Voting"</li> <li>Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ol>
	<b>2. User not registered for IDeAS e-Services</b> <ol style="list-style-type: none"> <li>To register click on link: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> (Select "Register Online for IDeAS Portal") or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Proceed with completing the required fields.</li> </ol>
	<b>3. First Time Users: By visiting the e-Voting website of NSDL:</b> <ol style="list-style-type: none"> <li>Go to URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a>.</li> <li>Click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</li> <li>Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol>
	<b>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</b>

## NSDL Mobile App is available on



For Members who hold shares in Demat mode with CDSL	<b>1. Existing user who have opted for Easi / Easiest</b> <ol style="list-style-type: none"> <li>Go to URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> OR URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>Click on New System Myeasi</li> <li>Login with user id and password.</li> <li>Option will be made available to reach e-Voting page without any further authentication.</li> <li>Click on company name or e-Voting service provider name to cast your vote during the remote e-Voting period.</li> </ol>
	<b>2. User not registered for Easi/Easiest</b> <ol style="list-style-type: none"> <li>Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Proceed with completing the required fields.</li> </ol>
	<b>3. First Time Users: By visiting the e-Voting website of CDSL:</b> <ol style="list-style-type: none"> <li>Go to URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>Click on the icon "E-Voting"</li> <li>Provide demat Account Number and PAN No.</li> <li>System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress.</li> <li>Click on the company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol>

Through Depository Participant(s)	<ol style="list-style-type: none"> <li>You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>Upon login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
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### Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through depository i.e. NSDL and CDSL:

Individual shareholders holding securities in demat mode with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at Toll free no.: 1800 1020 990 or 1800 22 44 30.
Individual shareholders holding securities in demat mode with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022 - 23058738 or 022 - 23058542 - 43

Important note: Members who are unable to retrieve User ID / Password are advised to use "Forgot User ID" and "Forgot Password" option available on the above-mentioned website.

### 23. INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM (E-AGM) ARE AS UNDER:

- The Company has appointed KFintech to provide VC facility for the 17<sup>th</sup> AGM of the Company.
- A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL <https://cruat04.kfintech.com/emeetings/video/howitworks.aspx>.
- Members will be able to attend the e-AGM through VC/OAVM provided by KFintech at <https://emeetings.kfintech.com/> by clicking on the tab 'video conference' and using their remote e-Voting login credentials shared through email. The link for e-AGM will be available in the Member's login where the event and the name of the Company can be selected. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice.
- Members who need technical or other assistance before or during the e-AGM can contact RTA by sending email to [emeetings@kfintech.com](mailto:emeetings@kfintech.com) or call at Helpline: 1-800-3094-001 (toll-free).
- Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience. Further Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Speaker Registration before e-AGM:** Members who wish to register as speakers are requested to visit at <https://emeetings.kfintech.com> and click on 'Speaker Registration' from 9:00 A.M. (IST), Saturday, July 31, 2021 to 5:00 P.M. (IST), Tuesday, August 3, 2021 by mentioning the demat account

number/folio number, city, e-mail ID & mobile number and submit the same. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the e-AGM. Members holding shares as on the Cut-off Date, may also visit <https://emeetings.kfintech.com> and click on the tab "Post Your Queries" and post their queries/ views/ questions in the window provided from 9:00 A.M. (IST), Saturday, July 31, 2021 to 5:00 P.M. (IST), Tuesday, August 3, 2021. Please note that questions of only those Members will be entertained/considered who are holding shares of Company as on the **Cut-off Date i.e., Thursday, July 29, 2021**. Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM and the maximum time per speaker will be restricted to 3 minutes.

- Due to limitations of transmission and coordination during the e-AGM, the Company may have to dispense with or curtail the Speaker Session & dispense with the speaker registration during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- Facility of joining the AGM through VC / OAVM shall be open fifteen (15) minutes before the time scheduled for the AGM and will be available for Members on first come first served basis and the Company may close the window for joining the VC/OAVM Facility fifteen (15) minutes after the scheduled time to start the 17<sup>th</sup> AGM.
- Members may note that the VC/OAVM Facility, provided by KFintech, allows participation of 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. may be allowed to attend the meeting without any restrictions on account of first come first served basis.

### 24. INSTRUCTIONS FOR MEMBERS FOR VOTING DURING THE E-AGM SESSION-"INSTA POLL":

- Members / shareholders, attending the AGM through Video Conference and who have not cast their vote on resolutions through Remote e-Voting system available during the AGM. Members who have voted through Remote e-Voting will be eligible to attend the AGM, however, they shall not be allowed to cast their vote again during the AGM.
- The e-Voting window shall be activated upon instructions of the Chairman during the AGM. The Chairman shall formally propose to the Members participating through VC/OAVM facility to vote on the resolutions as set out in this Notice of 17<sup>th</sup> AGM (AGM) and shall also announce the start of the casting of the vote at AGM through the e-Voting platform of our RTA - KFintech and

thereafter the e-Voting at AGM shall commence. Upon the declaration by the Chairman about the commencement of e-Voting at AGM, Members shall click on the "Vote" sign on the left-hand bottom corner of their video screen for voting at the AGM, which will take them to the 'Instapoll' page.

- c) Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.
- d) The facility of Instapoll will be available during the time not exceeding 15 minutes from the commencement of e-Voting as declared by the Chairman at AGM and can be used for voting only by those Members who hold shares as on the Cut-off Date viz. Thursday, July 29, 2021, and who are attending the meeting and who have not already cast their vote(s) through remote e-Voting.
- e) The Scrutinizer shall, immediately after the conclusion of the voting at the AGM, first count

the votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting in the presence of at least two (2) witnesses not in the employment of the Company and provide, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- f) The result declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.routemobile.com](http://www.routemobile.com) and on the website of KFinTech at <https://evoting.kfintech.com> immediately. The Company shall simultaneously forward the results to The National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed. Subject to receipt of the requisite number of votes, the resolutions shall be deemed to have been passed on the date of the AGM, i.e. Thursday, August 5, 2021.

**by Order of the Board of Directors  
for Route Mobile Limited**

**Date:** May 18, 2021  
**Place:** Mumbai

Sd/-  
**Rathindra Das**  
**Head Legal, Company Secretary and Compliance Officer**  
(Membership No. ACS 24421)

**Registered Office:** 4<sup>th</sup> Dimension, 3<sup>rd</sup> Floor,  
Mind Space, Malad (West), Mumbai 400064,  
Maharashtra, India  
Tel: +91 (022) 40337676 | Fax: +91 (022) 40337650  
Email: [investors@routemobile.com](mailto:investors@routemobile.com)  
Website: [www.routemobile.com](http://www.routemobile.com)

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 4

Pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the Company's Articles of Association, not less than two-thirds of total number of Directors of the Company shall be liable to retire by rotation. One-third of these Directors must retire from office at each AGM, but each retiring Director is eligible for re-election at such meeting. Accordingly, Mr. Sandipkumar Gupta (DIN: 01272932) is now required to retire by rotation at this AGM and being eligible, has offered himself for re-appointment. Considering Mr. Sandipkumar Gupta's skills, expertise, experience and his long association with the Company & contribution towards Company's overall growth over the years, the Board of Directors is of the opinion that it would be in the best interest of the Company to re-appoint him as a Director of the Company. Additional information in respect of Mr. Sandipkumar Gupta, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2), including his profile are provided at Annexure to this Notice. Except Mr. Sandipkumar Gupta and/or his relatives, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4. The Board of Directors recommends the resolution proposing the re-appointment of Mr. Sandipkumar Gupta as set out in Item No. 4 for approval of the Members by way of an Ordinary Resolution. Though not statutorily required, the above explanation is being provided as additional information to the Members.

### Item No. 5

M/s Walker Chandiook & Co LLP, Chartered Accounts ('WCC'; Firm Registration. No. 001076N/N500013) were appointed as Statutory Auditors of the Company by the Members at the Extra-Ordinary General Meeting ('EoGM') held on April 18, 2017 to hold office as Statutory Auditors from the conclusion of the aforesaid EoGM till the conclusion of 17<sup>th</sup> AGM of the Company to be held in the year 2021. Accordingly, their present term gets completed on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014. The present remuneration of M/s Walker Chandiook & Co LLP for the financial year 2020-21, was ₹67.21 lakhs (exclusive of Reimbursement of expenses) for statutory audit, quarterly review reports and other statutory certifications. The Board of Directors of the Company (the 'Board'), at their meeting held on May 18, 2021, on the recommendation of the Audit Committee (the 'Committee'), recommended for the approval of the Members, the re-appointment of M/s Walker Chandiook & Co LLP, Chartered Accountants, as the Statutory Auditors of the Company for second term of five (5) years from the conclusion of this 17<sup>th</sup> AGM till the conclusion of the 22<sup>nd</sup> AGM.

M/s Walker Chandiook & Co LLP, Statutory Auditors have conducted the statutory audit of the Company from FY 2016-17 to FY 2020-21 and their performance was found to be satisfactory. Before recommending their re-appointment, the Committee considered various parameters like capability to serve a diverse and complex

omni-channel communication business landscape with multiple operating locations as that of the Company, audit experience in the Company's various verticals, market reputation of the firm, various clients served, knowledge of technology etc., and found M/s Walker Chandiook & Co LLP to be adequately suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

WCC, Chartered Accountants, established in the year 1935, is a Firm Registered with the Institute of Chartered Accountants of India (& empaneled with Public Company Accounting Oversight Board Comptroller and Auditor General of India). WCC has a strong national presence having 13 offices in India and has a combined employee, partners and staff strength of more than 2000. WCC, have given their consent to act as the Statutory Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution. This statement may also be regarded as an appropriate disclosure under the Listing Regulations. The Board of Directors recommends the Ordinary Resolution set out in Item no. 5 for your approval. This explanatory statement is provided though strictly not required as per section 102 of the Act.

### Item No. 6

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had appointed Mr. Arun Gupta (DIN: 05131228) as Additional and Independent Director, not being liable to retire by rotation, with effect from November 19, 2020 for a term of five (5) years up to November 18, 2025, subject to the approval of the Members. Pursuant to the provisions of Section 161(1) of the Companies Act 2013 (the "Act") and Article 164 of the Articles of Association of the Company, Mr. Arun Gupta holds office only upto the date of this Annual General Meeting (AGM) and is eligible to be appointed as Director. The Company has received from him all statutory disclosures / declarations including, (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 ("the Appointment Rules"), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, 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 Act and Regulation 16(1)(b) of SEBI Listing Regulations. The Company has also received a notice under Section 160 of the Companies Act, 2013 from a member, intending to nominate Mr. Arun Gupta to the office of Independent Director. In line with the Company's remuneration policy for Independent Directors, Mr. Arun Gupta will be entitled to receive remuneration by way of sitting fees as approved by the Board of Directors & reimbursement of expenses for participation in the Board meetings [including Committee(s), if any]. No Commission is proposed to be paid to Mr. Arun Gupta. This resolution seeks the approval of Members for the appointment of Mr.



Arun Gupta as an Independent Director of the Company up to November 18, 2025 pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and his office shall not be liable to retire by rotation.

In the opinion of the Board, Mr. Arun Gupta is a well-respected business leader who brings in a wealth of experience to the Board. He fulfills the conditions for independence specified in the Act, the Rules made thereunder and the Listing Regulations and such other laws / regulations for the time being in force. A copy of the draft letter for the appointment of Mr. Arun Gupta as an Independent Director setting out the terms and conditions is available for electronic inspection without any fee by the Members. Additional information (including

a brief profile) in respect of Mr. Arun Gupta, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided as Annexure to this Notice.

As per the provisions of the General Circular No. 20/2020 dated 5<sup>th</sup> May 2020, this item is considered unavoidable and forms part of this Notice. No director, key managerial personnel, or their relatives except Mr. Arun Gupta, to whom the resolution relates, is interested in or concerned with the resolution in Item no. 6. The Board of Directors recommends the resolution proposing the appointment of Mr. Arun Gupta as an Independent Director of the Company, as set out in Item No. 6 for approval of the Members by way of an Ordinary Resolution.

by Order of the Board of Directors  
for Route Mobile Limited

Date: May 18, 2021  
Place: Mumbai

Sd/-  
**Rathindra Das**  
Head Legal, Company Secretary and Compliance Officer  
(Membership No. ACS 24421)

**Registered Office:** 4<sup>th</sup> Dimension, 3<sup>rd</sup> Floor,  
Mind Space, Malad (West), Mumbai 400064,  
Maharashtra, India  
Tel: +91 (022) 40337676 | Fax: +91 (022) 40337650  
Email: [investors@routemobile.com](mailto:investors@routemobile.com)  
Website: [www.routemobile.com](http://www.routemobile.com)

## Details of Directors seeking Appointment/Re-appointment at the Annual General Meeting

[Pursuant to regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings issued by the ICSI]

Name of the Director	Mr. Sandipkumar Gupta	Mr. Arun Gupta
		
DIN	01272932	05131228
Designation/Category of Directorship	Chairman, Non-Independent, Non-Executive	Independent, Non-Executive
Age	46 Years	49 Years
Date of first appointment on the Board	May 15, 2004	November 19, 2020
Qualification	Chartered Accountant, SAP certified solution consultant – mySAP Financials – Management and Financial Accounting	Master of Commerce
Expertise in specific functional areas	Aged 46 years, Mr. Sandipkumar Gupta, is the Chairman (Non-Executive, Non Independent) of our Company. He holds a bachelor's degree in commerce from Mumbai University. He is also a qualified Chartered Accountant and a member of the Institute of Chartered Accountants of India. He is a SAP certified solution consultant – mySAP Financials – Management and Financial Accounting. He is also the Promoter of our Company and has been associated with our Company since inception. Prior to incorporating our Company, he had worked with PricewaterhouseCoopers Private Limited, and Covansys (India) Private Limited. He has over 20 years of experience in audit and accounts, business analysis, SAP configuration and software system consulting.	Mr. Arun Gupta is an independent consultant in the private equity, M&A and business development space. He has served in the past as Board member / investor / mentor / adviser to various companies including Biba, House of Anita Dongre, Skechers, Clovia, Skinkraft, Vedix, Bewakoof, faballey, Crimsoune Club, Clarks, Turtle men's wear, Blue foods restaurants, Biryani by kilo, traworld luggage, Priority backpacks, Neeru's ethnic wear, Amar Chitra Katha, Famozi shoes, Tresmode shoes, Desibelle, Holii handbags, Mother Earth, Giovanni etc. He has more than 28 years of experience in Investment Banking, Media, Gaming, Animation, Education, Internet & Technology companies. In the past, he has held senior management positions at Yahoo, STAR, MTV, Mauj Mobile, Equirus Capital, Future Group and Cnet. He also serves on the investment committee of Endiya tech product vc. Mr. Gupta is a post graduate in Commerce and Economics from Mumbai University & adjunct faculty at few leading Business schools.
Remuneration	Sitting Fees as approved by the Board from time to time.	Sitting Fees as approved by the Board from time to time.
Number of Board meetings attended during the year	Seven (7)	Two (2)
Inter-se relationships between directors, Manager and key managerial personnel	Brother of Mr. Rajdikumar Gupta, MD & Group CEO and son of Mr. Chandrakant Gupta, Non-Executive Non Independent Director.	None
Membership/ Chairpersonship of Committees in other companies (excluding foreign companies)	None	None

<b>Directorships in other Companies (excluding foreign companies)</b>	<ol style="list-style-type: none"> <li>1. Cellent Technologies (India) Private Limited</li> <li>2. Start Corp India Private Limited</li> <li>3. Sphere Edge Consulting (India) Private Limited</li> <li>4. Route Connect Private Limited</li> <li>5. Call 2 Connect India Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Turtle Limited</li> </ol>
<b>No. of shares held: (a) Own</b>	a) 9,257,143 Equity Shares	None
<b>Terms and Conditions of appointment/re-appointment</b>	Re-appointment in terms of Section 152(6) of the Companies Act, 2013, as a Director, liable to retire by rotation.	Appointment as an Independent Director pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013, not liable to retire by rotation, for a term of five (5) years, upto November 18, 2025.

Note: The Directorship, Committee Memberships and Chairmanships do not include positions in foreign companies, position as advisory board member(s) and position in Companies under Section 8 of the Companies Act, 2013, if any.

# The RML Story

Route Mobile's history is rooted in innovation; the brand constantly strives to provide its customers with reliable, trustworthy solutions and premium service, giving them access to the best possible technologies available.

As the Company is growing internationally and has undergone a rebrand in early 2016, it is time we define our brand. Great brands are easily recognised – their missions are clear and they have customer loyalty everyone envies. In an industry, where every competitor's products / services are similar, being a great brand is of even more importance to stand out.

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1	Corporate Information	4
2	Chairman's Message	6
3	CEO's Message	8
4	Our Journey	10
5	Vision, Mission and Values	12
6	Global Statistics	13
7	Products & Services	14
8	Board of Directors	16
9	Leadership Team	18
10	Awards & Recognition	20
11	Board's Report	22
12	Corporate Governance Report	56
13	Management Discussion and Analysis	89
14	Standalone Financial Statement	
	Independent Auditor's Report on Financial Statements	97
	Balance Sheet	105
	Statement of Profit and Loss	107
	Statement of Cash Flow	109
	Statement of Changes in Equity	112
	Significant Accounting Policies	114
15	Consolidated Financial Statement	
	Independent Auditor's Report on Financial Statements	162
	Balance Sheet	170
	Statement of Profit and Loss	172
	Statement of Cash Flow	174
	Statement of Changes in Equity	177
	Significant Accounting Policies	179





# Corporate Information

**Founder**  
**Mr. Rajdikumar Gupta**

**Co-Founder**  
**Mr. Sandipkumar Gupta**

**Non-Executive (Non-Independent) Directors**

Mr. Sandipkumar Gupta  
**Chairman (w.e.f. November 19, 2020)**  
Mr. Chandrakant Gupta  
Chairman (up to November 18, 2020)

**Bankers**

Yes Bank Limited  
ICICI Bank Limited  
HDFC Bank Limited  
Kotak Mahindra Bank Limited  
Axis Bank Limited

**Non-Executive Independent Directors**

Mrs. Sudha Navandar  
Mr. Ramachandran Sivathanu  
Mr. Nimesh Salot  
Mr. Arun Gupta (w.e.f November 19, 2020)

**Head Legal, Company Secretary & Compliance Officer**

Mr. Rathindra Das

**Managing Director & Group Chief Executive Officer**

Mr. Rajdikumar Gupta

**Secretarial Auditor**

Dhrumil M. Shah & Co.

**Chief Financial Officer**

Mr. Suresh Jankar

**Registered Office**

4<sup>th</sup> Dimension, 3<sup>rd</sup> Floor, Mind Space,  
Malad (West), Mumbai 400064,  
Maharashtra, India  
Tel.: +91 (022) 4033 7676  
Fax: +91 (022) 4033 7650  
Email: [investors@routemobile.com](mailto:investors@routemobile.com)  
Website: [www.routemobile.com](http://www.routemobile.com)

**Statutory Auditor**

Walker Chandiook & Co LLP

**Corporate Identity Number**

U72900MH2004PLC146323

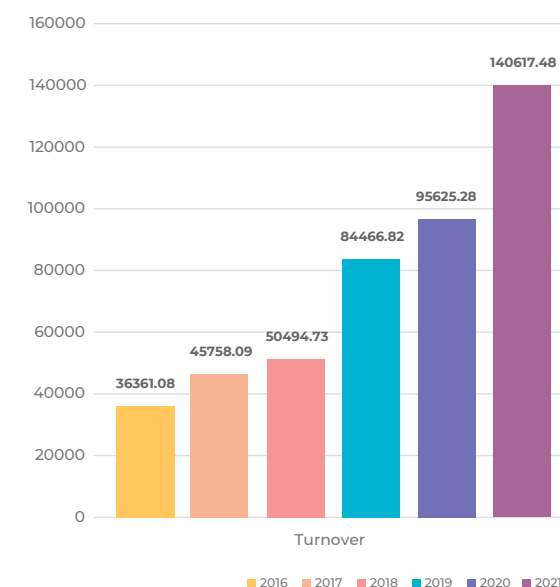
**Internal Auditor**

Pipalia Singhal & Associates,  
Chartered Accountants

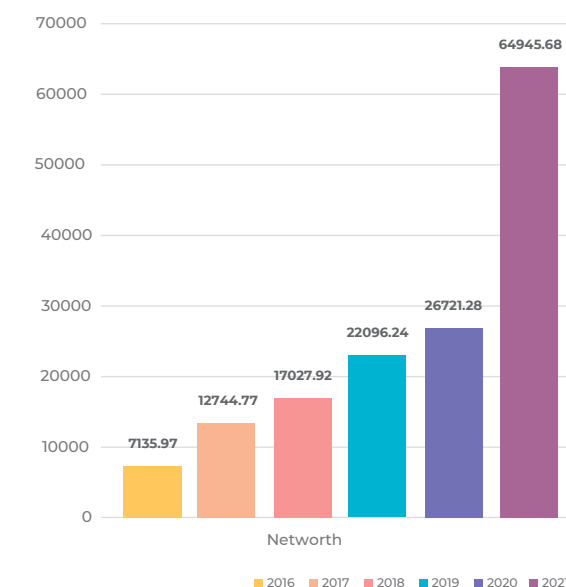
**Share Transfer Agent**

KFin Technologies Private Limited  
Selenium Tower- B, Plot No. 31 & 32, Financial District, Nanakramguda,  
Serilingampally Mandal, Hyderabad 500032, Telangana, India  
Toll Free No: 18003094001 | Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website: <https://www.kfintech.com>

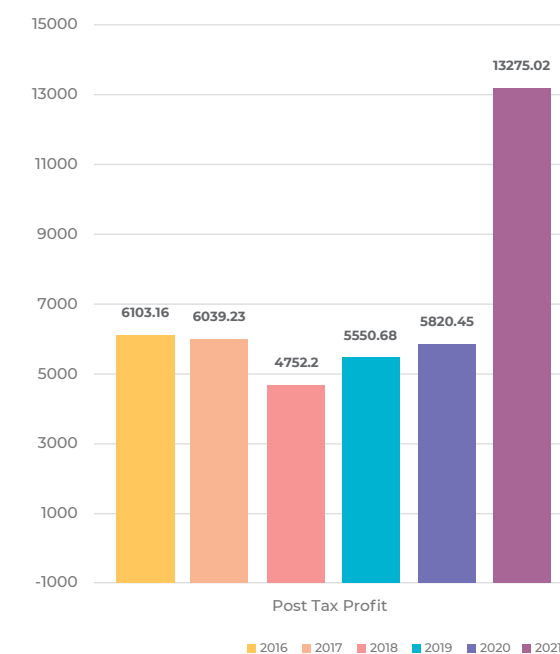
## Turnover



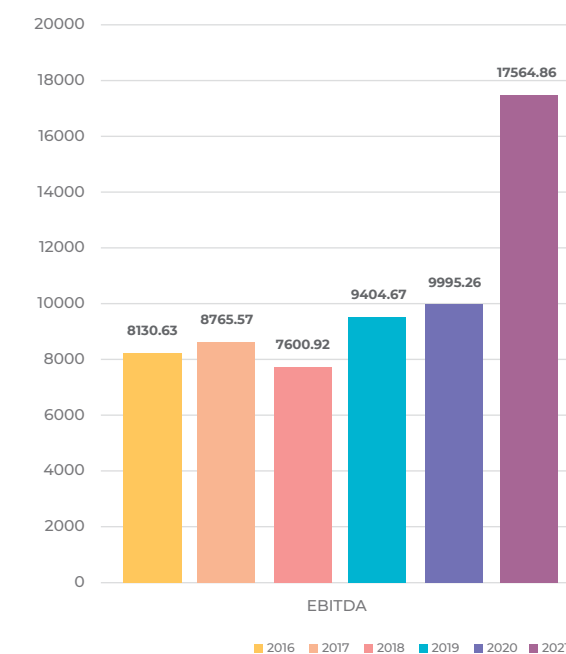
## Networth



## Post Tax Profit



## EBITDA<sup>#</sup>



\* consolidated figure: ₹ in Lakhs

<sup>#</sup> Consolidated EBITDA excludes (i) other income, (ii) exceptional expenses (incurred in FY2020) and (iii) stamp duty related to acquisitions (incurred in FY2021)

# Chairman's Message

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present to you Route Mobile's first annual report post its maiden initial public offer for the financial year ended March 31, 2021.

With much of the world still in the grips of COVID-19, my thoughts and prayers go out to those who lost their loved ones to this dreaded pandemic. I encourage each one of you to follow the safety protocol, get vaccinated, and be safe. Route Mobile continues to support communities across the country with our engagement & CSR programs.

On the business front, Route Mobile weathered the pandemic well, as we adapted quickly by prioritizing the health and safety of our colleagues while maintaining business continuity and enabling our customers in their digital transformation with simplified communication solutions.

While the economies of change triggered by the pandemic impacted several sectors in various ways, digital adoption was a key catalyst in turning the tide towards profitability for most of them. So, while a few of them were negatively affected, others such as healthcare, pharmaceuticals, e-commerce, to name a few, witnessed disruptive growth.

Consumer behavior sharply changed in numerous ways, from demanding more integrated digital experiences to prioritizing health and safety features. Our organization structure coupled with our technology-enabled business model allowed us to simplify and shorten the decision-making process for our customers and react faster to market conditions. Also, our robust balance sheet enabled us to maintain a healthy financial position, providing us with financial flexibility for future growth and expansion of the business. As Route Mobile's offerings cater to a wide spectrum of industries, digital adoption saw a manifold rise in a quick time, and the impact on our business was partially mitigated. The diversified service & product portfolio, in terms of geography and market segments, enabled us to remain resilient and sustainable in the challenging operating environment, and achieve a commendable performance of net profit after tax growth of 128% to ₹1,327.5 million from ₹582 million the previous year. Whilst implementing all necessary changes to protect the current business, we seized several opportunities to further develop the company, signing important partnerships, acquiring large customers, and increasing our footprint through acquisitions.

The discovery of COVID-19 vaccines, and countries easing lockdowns, business sentiments had slowly improved before the second wave of COVID-19 made its onset again recently. There are challenging times ahead, risks are becoming less local and more global & unanticipated but the next few months will provide Route Mobile, an opportunity as well to build innovative strategies for growth. Embracing remote work practices while safeguarding employees, will enable us to build further on our legacy of market-leading offerings & solutions. I hope we continue to become stronger to defeat the virus and its menacing impact on the lives of millions of people.

2020 was a landmark year for Route Mobile as the Company made its maiden public offer of equity shares during the Quarter ended September 2020. The Equity Shares of the Company are now listed on BSE Limited and the National Stock Exchange of India Limited (NSE Limited). The Company's IPO received an overwhelming response; the IPO of Route Mobile was subscribed nearly 73 times, reflecting a huge investor appetite for the issue. I am gratified and humbled by the faith shown in the Company by the market participants. I welcome all the new shareholders and hope to enjoy their patronage in the coming years as well.

At Route Mobile, we have always believed in doing business in a socially responsible & sustainable manner. Environmental, Social and Governance (ESG) engagement has always been a part of our core operational philosophy. This year, the Board of Directors have adopted the Environmental, Social, and Governance (ESG) policy to define our commitment as to where we can make positive contributions to maintain a high standard of environmental stewardship in the areas of GHG emissions, waste management, reduced usage of plastic and paper. I believe that businesses must shoulder their responsibility and take a leading role in the fight against climate change. I am pleased to share with you that our ESG strategy, which is an integral element of our Company strategy, CSR program, and Governance structure, also led to the publishing of our first Sustainability Report.

On behalf of the Board of Directors and employees at Route Mobile, I would like to express my deepest gratitude to Mr. Chandrakant Gupta, the outgoing Chairman, who recently stepped down from the position of Chairman after serving in that position for more than 14 years. Route Mobile has immensely benefited from the valuable stewardship of Mr. Gupta over the last decade.

I would like to extend my deepest appreciation to our management team, employees, bankers, and business associates for their contributions to the Company. I would also like to thank my fellow directors for their guidance amidst these trying times. I am grateful for the continued faith & trust of our various business partners and shareholders, thereby invigorating our long-standing relationships and allowing us to continuously foster our common vision to further make Route Mobile a truly global company. I would also like to thank the Govt. of Maharashtra, Govt. of India, Telecom Regulatory Authority of India (TRAI), The Securities and Exchange Board of India, Registrar of Companies - Ministry of Corporate Affairs, Reserve Bank of India, Central Board of Direct Taxes (CBDT), Central Board of Indirect Taxes and Customs, and various Regulatory Authorities of the markets in which we operate for keeping us safe, enabling a business-friendly environment, even in these troubled times and look forward to receiving their cooperation in coming times as well.

Warm Regards,

Sandipkumar Gupta

**Sandipkumar Gupta**  
Chairman

Mumbai  
May 18, 2021



# CEO's Message

Dear Shareholders,

The year 2020 has been eventful, to say the least. We could define it as the year of evolution towards a stronger corporate identity. The year gone by had more than its share of exceptional challenges, but for Route Mobile, the year 2020-21 had two intertwined stories, one of resilience – in the face of an unprecedented global calamity and the other of success. Finding true success in such times has truly confirmed our belief in our mantra, which is – "To build trust and deliver results."

The last year tested everyone. Families struggled with the COVID-19 pandemic and personal loss. The toll it has taken on human life is heart-breaking, while it has also caused the largest economic downturn for decades. We were the first among our peers to move to a work-from-home policy, and expanded our remote technology capacity quickly. I want to thank health care workers and all who served on the front lines, including Route Mobile's support team, who stayed in office for weeks and months to ensure that our systems & servers operate as usual.

Through all of the challenges and obstacles they have faced this year, As CEO, I am very proud of the resilience Route Mobile demonstrated through 2020, a year characterized by extreme challenge and uncertainty around the globe. Our diverse business, essential service delivery, and expert, dedicated team helped the Company achieve record results amid the COVID-19 crisis. Firstly, the IPO launch was an important milestone for Route Mobile, as we always aspired for this achievement ever since our inception in 2004. We followed this up with two acquisitions through the fiscal year supported our growth objectives with new products, solutions and an expanded customer base. Route Mobile finished the year reporting our consecutive profitable quarter throughout the FY 2020-21 and recording highest ever annual revenue.

The Company continues to evolve and invest strategically to support its growth objectives. I am pleased to share with you the appointment of John Owen as the Chief Executive Officer (CEO) of Europe and Americas, Milind Pathak as Chief Business Officer, India, Elsiyah Susanto as Country Manager for Indonesia, and Vikram Shanbhag, who joins us as Executive Vice President – Americas to our management team. With John's deep expertise in running a listed Indian company in the past, his business development capabilities, and M&A experience will ensure sustainable growth for Route Mobile. Vikram will lead and develop our Americas business. Milind will be at the helm of our New Product Development Strategy. Elsiyah will oversee the development and growth of the Indonesia and APAC market. We are taking positive strides towards our Vision 2.0, to become a global leader in CXPaaS enabling better outcomes for businesses.

In this message, I will also look back 17 years when I started this Company and talk about its journey over the years. This year marks the 17<sup>th</sup> year anniversary of a journey that started in 2004, the year Route Mobile

was founded. We are now one of the most prominent CPaaS players and largest global brands in our industry across the world, especially in Asia, Africa, and the Middle East. We have served more than 25,000 customers till date, a feat made possible because of everyone's collective efforts. Our Company has been dedicatedly serving the largest global OTT players, as a result of which we have grown tremendously over the last few years. All these led to the most significant day of my life that is to say that Route Mobile came up with its maiden initial public offer in September, 2020, and received a stellar response from the market. Post listing also, your Company's market capitalisation soared high backed by strong quarterly results and various new business inroads it made consistently; the ranking of your Company moved up to 302 as per BSE publication and 296 as per NSE publication of list of top 500 companies as on March 31, 2021. It was a dream come true for me and for all the RMLites.

I am pleased to inform you that we have ended yet another successful year with satisfactory results. Despite the increasingly challenging environment, we continued to grow our business profitably. This would not have been possible without our people. Our annual results demonstrated that the Company has remained resilient through this extreme environment, and the Company is well on its way in our pivot. Year-over-year, Route Mobile's FY2021 revenues gained 47% and EBITDA rose by 76%.

Throughout the year, we continued our commitment to delivering the highest standards of quality for our customers. I'm pleased to report that Route Mobile won 2 Gold Awards across categories at the 2021 Juniper Awards for Telco Innovation. This achievement solidifies our market leadership in the CPaaS ecosystem and our objective to simplify communications. We continue to implement new training, tools and technology in our pursuit of ever-higher quality results for our customers. Our UK subsidiary was listed as UK's top fastest-growing Indian companies, overall 45<sup>th</sup> in the 8<sup>th</sup> edition of the Grant Thornton "India meets Britain Tracker". We also achieved high-profile industry recognitions, which demonstrated our ability to add significant value as strategic partners to our customers. Call2Connect India Private Limited, our wholly subsidiary company & engaged in the business of Technology Enabled Services (ITES) and BPO company received an award from the ICICI Prudential as 'Best Service Provider'.

While the changed remote working dynamics did not hinder productivity, our engagement with new and existing customers remained consistent. I truly appreciate some of our colleagues who travelled to work during the COVID-19 restrictions to ensure business continuity, and to all those who've been working remotely, for their continued efforts and success at ensuring to move the business forward while adapting to working from home.

Let's count on our blessings and begin the New Year, with opportunities to grasp, milestones to achieve and goals to exceed. I thank you for being a credible member of the Route Mobile Family and here's to a Healthy and a Prosperous New Year FY2022, filled with success, happiness and good health!

I would like to thank our leadership team for their relentless pursuit of excellence throughout the last financial year and for their unmatched guidance through the real test of character throughout the recent adversity. We all hope that FY2022 will be the year in which the world can leave the coronavirus pandemic behind. For us as a Company, it will be a milestone year. Route Mobile will play an integral role in important moments in connectivity and communication, making lives simpler.

Warm Regards,

Rajdipkumar Gupta

**Rajdipkumar Gupta**  
Managing Director & Group CEO

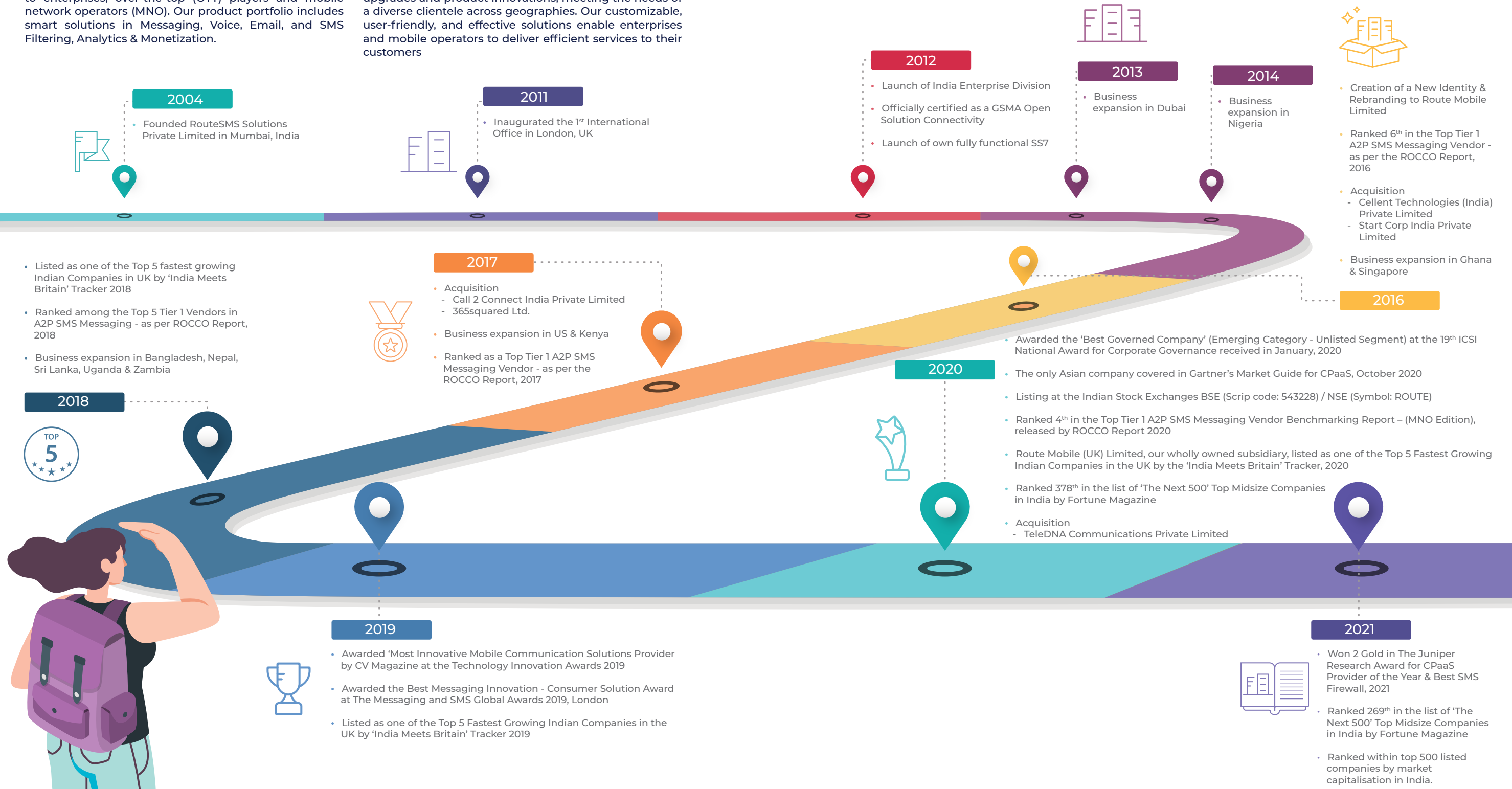
Mumbai  
May 18, 2021



# Our Journey

Route Mobile Limited ("RML/Route Mobile") is a leading Cloud Communication Platform service provider, catering to enterprises, over-the-top (OTT) players and mobile network operators (MNO). Our product portfolio includes smart solutions in Messaging, Voice, Email, and SMS Filtering, Analytics & Monetization.

Since its inception in 2004, Route Mobile has been enhancing mobile communications through technology upgrades and product innovations; meeting the needs of a diverse clientele across geographies. Our customizable, user-friendly, and effective solutions enable enterprises and mobile operators to deliver efficient services to their customers



## Vision

Route Mobile's vision is to connect the world through mobile technology, helping customers, partners and employees prosper locally as well as globally. What drives us is:



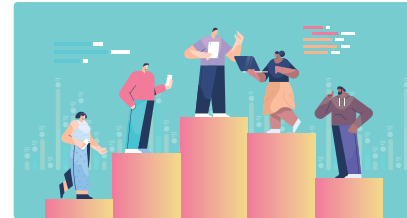
### People

Inspiring our people, celebrating their success, helping them achieve their goals and assisting them in improving their lives.



### Partners

Cultivating valuable relationships with our global customers and partners based on mutual trust, loyalty as well as respect.

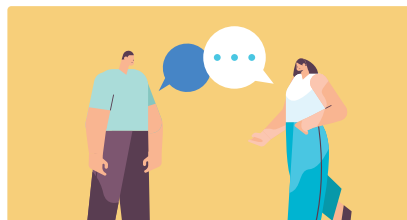


### Portfolio

Being pioneers with a dedicated research and development team, able to offer our customers products and solutions that meet their needs while exceeding their expectations.

## Mission

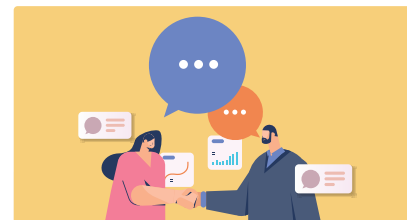
Route Mobile is committed to being a leading global messaging and voice API company; leading in terms of quality, value offered, customer service, talent development and consistent growth. Our mission is:



To simplify communications



To enable seamless global messaging & voice solutions



To connect our customers to their world, helping them make a difference to their customers' lives

## Values

Route Mobile operates adhering to the following corporate values:



### People

Our people are like our family. We help them be the best they can be, making them feel valued & appreciated. We love success & celebrating it as a team!



### Reliability

We prove reliability by delivering on our commitments. We focus on finding solutions that work and on achieving the best results, personally committing to the success of the business.



### Passion

We are passionate about our business & show pride in our brand's heritage. We promote an innovative, energetic and fun environment to delight customers with high quality service.

## Global Statistics

### Numbers Highlighting Our Growth

Since 2004, Route Mobile has focused on building mutually beneficial relationships, product innovation, and geographical expansion to serve enterprise clients locally, all of which, have contributed to our success



**32+ Billion**  
Transactions processed in fiscal 2020-21



**265+**  
Super Network of Direct MNO connects



**2.6+ Billion**  
Transactions Processed / month



**15+**  
Offices globally



**2,000+**  
Active monthly billable clients



**10**  
Firewalls deployed with MNOs globally



**300+**  
Number of employees



**4**  
Regional heads aligned by geography

# Product & Services

## Messaging

Reach global audiences instantly through our customizable messaging platform

A2P Messaging	2-Way Messaging	Acculync	Route OTP
Route Connector	Mail2SMS	RCS Business Messaging	Viber Business Messaging
Whatsapp Business Messaging	Omnichannel Communications	Google's Business Messages	Facebook Messenger for Business
Truecaller Business Messaging <small>Upcoming</small>	Apple Business Chat <small>Upcoming</small>		

## Identity Solutions

Safeguard the end-user security and send trusted business communications with Identity Solutions

Branded Message	Branded Call	Verified Messages	Verified Calls
TrueCaller Verified Caller ID	Brand		
Phone Number Verification	Authorization	Auto Form Fill	User
HLR	MNP	Active and Inactive	Number Sense

## Operator

Powerful solutions backed by a robust infrastructure

Route Shield (Firewall)	Route Hub	Platform as a Service - Operator	SMSC as a Solution
Instant Virtual Numbers (IVR)			

## Email

Send emails through a safe network without being classified as spam

Route Mailer
--------------

## Voice

Step-up customer experience through customizable & innovative voice solutions

Outbound Dialer	Interactive Voice Response	Call Patching	Missed Call
Click2Call	Contact Center	SMS2Call	

## Communicate globally through our unified solutions

We offer swift, reliable and cost-effective channels to stay in touch with our customers





# Board of Directors



## Sandipkumar Gupta

Aged 46 years, is the Chairman & Non-Executive Director of our Company. He holds a bachelor's degree in commerce from Mumbai University. He is also a qualified chartered accountant and a member of the Institute of Chartered Accountants of India. He is a SAP certified solution consultant – mySAP Financials – Management and Financial Accounting. He is also the Promoter of our Company and has been associated with our Company since inception. Prior to incorporating our Company, he has worked with PricewaterhouseCoopers Private Limited, and Covansys (India) Private Limited. He has over 20 years of experience in audit and accounts, business analysis, SAP configuration and software system consulting.



## Rajdipkumar Gupta

Aged 45 years, is the Managing Director and Group Chief Executive Officer of our Company. He holds a bachelor's degree in science (physics) from Mumbai University and master's diploma in software engineering from Aptech Computer Education. He is also a certified HTML programmer, Javascript programmer and active server pages programmer from rainbench. He is the Promoter of our Company and has been associated with our Company since inception. Prior to incorporating our Company, he has worked with Approved Information Systems (I) Private Limited and Gurukul Online Learning Solutions (P) Limited. He has more than 19 years of experience in in the field of software designing and development. He is responsible for our Company's growth and business development.



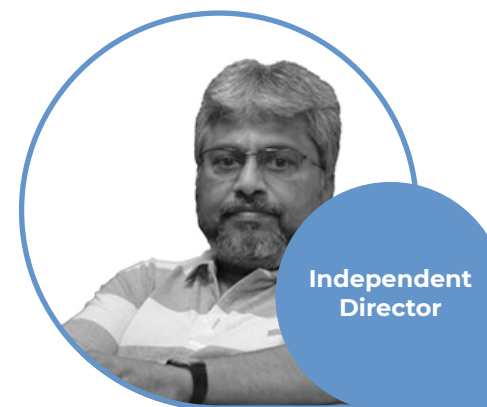
## Chandrakant Gupta

Aged 67 years, is the Non-executive Director of our Company. He received the higher secondary school examination certificate from Balbhadra Inter College, Pratapgarh (Uttar Pradesh). He has been a Director on our Board since 2007.



## Sudha Navandar

Aged 54 years, is an Independent Director of our Company. She is a qualified Chartered Accountant and a member of Institute of Chartered Accountants of India. She is a Certified Public Accountant, USA and also an Insolvency Professional registered with Indian Institute of Insolvency Professional of ICAI. She is currently a partner in M/s. Pravin R. Navandar & Co., Chartered Accountants, with main focuses on corporate audits (internal and statutory), bank audits, company law cases, income leakage and corporate advisory services. She is also an Independent Director on the board of Goa Glass Fibre Limited and Tribhovandas Bhimji Zaveri Limited.



## Ramachandran Sivathanu

Aged 55 years, is an Independent Director of our Company. He holds a bachelor's degree in science from University of Madras and holds a master's degree in business administration from Sikkim Manipal University. He has more than 20 years of experience in the field of sales and marketing. Prior to joining our Company, he has worked with Loop Telecom Private Limited, Loop Mobile (India) Limited, Meridian Mobile Private Limited, RPG Cellular Services Limited, Red Bottle Telecommunications Consultancy Private Limited, Clothesline Media Private Limited and Eureka Forbes Limited.



## Arun Gupta

Aged 49 years, Mr. Arun Gupta is an Additional and Independent Director. He is an independent consultant in the private equity, M&A and business development space. He has served in the past as Board member / investor / mentor / adviser to various companies including Biba, House of Anita Dongre, Skechers, Clovia, Skinkraft, Vedix, Bewakoof, faballey, Crimsoune Club, Clarks, Turtle men's wear, Blue foods restaurants, Biryani by kilo, traworld luggage, Priority backpacks, Neeru's ethnic wear, Amar Chitra Katha, Famozi shoes, Tresmode shoes, Desibelle, Holii handbags, Mother Earth, Giovanni etc. He has more than 28 years of experience in Investment Banking, Media, Gaming, Animation, Education, Internet & Technology companies. In the past, he has held senior management positions at Yahoo, STAR, MTV, Mauj Mobile, Equirus Capital, Future Group and Cnet. He also serves on the investment committee of Endiya tech product vc. Mr. Gupta is a post graduate in Commerce and Economics from Mumbai University & adjunct faculty at few leading Business schools.



## Nimesh Salot

Aged 51 years, is an Independent Director of our Company. He holds a bachelor's degree in commerce from University of Mumbai. He is a qualified Chartered Accountant and a member of the Institute of Chartered Accountants of India. He is also a qualified Cost Accountant and a member of the Institute of Cost Accountants of India. He has more than 14 years of experience in the field of investment banking. He has previously worked with Ladderup Corporate Advisory Private Limited, Mape Advisory Group Private Limited, Rabo Finance Limited, Ernst and Young, India, DSJ Communications Limited and Kayjay Financial Research Services Private Limited.

# Leadership Team



## John Owen

John Owen is the Chief Executive Officer, Europe & Americas of Route Mobile (UK) Limited. He brings over 30 years of international senior executive leadership experience in leading global organizations. In his most recent role as the Group CEO at Mastek Ltd ("Mastek"), he has transformed Mastek into a growth leader in digital transformation delivering outstanding results. Prior to Mastek, John held senior executive roles in organizations like Serco, HP, Sycamore Networks and Nortel.



## Gautam Badalia

Gautam Badalia is the Chief Strategy Officer of our Company. He has over 14 years of experience handling functions across strategy, investment banking, mergers and acquisitions and structured finance. He is responsible for formulating corporate strategies as well as its disciplined execution and leading various other strategic initiatives, including M&A, transformation and cost reduction to support long term growth of our Company and enhance shareholders value. Prior to joining our Company, he has worked with YES Bank Limited. He holds a bachelor's degree in economics and a master's degree in business administration (finance).



## Milind Pathak

Milind Pathak is Chief Business Officer at Route Mobile. He has 25 years of experience in domestic and international markets with OnlineSales.ai, where he was the Chief Revenue Officer, Milind has also worked with blue-chip organizations like Paytm / Madhouse Mobile (GroupM), Comviva, Buongiorno etc. He has a Bachelor's Degree in Engineering from Maharashtra Institute of Technology and a Master's Degree in Business Administration from Jamnalal Bajaj Institute of Management Studies.



## Suresh Jankar

Suresh Jankar is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from University of Pune and is qualified chartered accountant from the Institute of Chartered Accounts of India. He has 25 years of experience in finance sector. Prior to joining our Company, he has worked with the Capricorn Lifestyle Private Limited. He leads the finance and accounts team and is responsible for activities pertaining to the accounts of our Company in India.



## Mujahid Rupani

Mujahid Rupani heads Route Mobile's and its group companies' technical teams based in Mumbai and Malta. He is known as 'Mojo' in tech circles. Mr. Rupani has a knowledge base spanning Linux, virtualization, SAN technologies and routing combined with a brain that thinks in logical patterns makes him the go to advice person for telecom industry. He is always on the lookout for the next technological challenge. Over his 20 years of exploration in the Telecom field he has designed and implemented solutions for companies like Ceat Ltd, Bayer Pharma Ltd, Poonawalla Group, amongst others.



## Tonio Ellul

Tonio Ellul co-founded 365Squared Ltd. in 2013 and is the Chief Executive Officer as well as a member of the Board. Based in Malta, Tonio is responsible for driving the strategy, performance, and growth at 365Squared Ltd. As an experienced technology executive, Tonio has over 22 years of leadership experience in driving enterprise-wide transformation in Network and Telecom companies, operating in highly competitive markets.



## Tushar Agnihotri

Tushar Agnihotri heads the India & APAC regions for Route Mobile and is responsible for driving sales and operations for the India market. He holds a master's degree in business management from Bundelkhand University. He has 25 years of overall work experience, with over 16 years of experience in the telecom sector. Prior to joining our Company, he has worked with Tata Teleservices (Maharashtra) Limited, Reliance JioInfocom Limited, Arvind Mills Limited, Kodak India Limited, Reliance Infocomm Limited and Blowplast Limited .



## Sharad Kumar Thukral

Sharad Kumar leads RML's Middle East region and responsible for building up Middle East and Operations and expanding further into Africa market. He holds a bachelor's degree in engineering (electronics and telecommunications) from University of Mumbai and a post graduate certificate in business management from XLRI, Jamshedpur and has over 17 years of experience in the telecom sector. Prior to joining our Company, he has worked with Bharti Airtel Limited, Reliance Communications Limited and the United Nations.



## Sammy Mamdani

Sammy Mamdani heads RML's global Operations, and is responsible for day-to-day management and coordination between worldwide offices. With over 18 years of international experience, Sammy has successfully held senior positions at Protiviti's (formerly Andersen Consulting) Business Risk division in the U.S. as well as a private investment firm based out of Mumbai, where he managed diverse business units in India and the UAE. Most recently, Sammy served as C.O.O at Cellent Technologies (India) Private Limited, which was acquired by Route Mobile in August 2016. He holds an MBA from the University of Central Florida.



## Vikram Shanbhag

Vikram Shanbhag is Executive Vice President – Americas. He comes with 25+ years of successful global experience working with leading customers and partners in Telecoms and Enterprise segments providing solutions in domains spanning Fixed and Wireless Networks, Mobile Value Added Services and Digital Transformation technologies. He has enabled established companies such as AT&T Bell Labs, Covansys and Coriant, and start-ups such as Trilogy and FixStream, in achieving growth through product innovation, market expansion, operational excellence, and key acquisitions. Vikram holds Bachelor's and Master's degrees in Engineering from the College of Engineering Pune and the University of Akron respectively, and M.B.A. from the Ohio State University.



## Rathindra Das

Rathindra Das is the Head of Legal, Compliance Officer and Company Secretary of our Company. In his current role, he is responsible for overseeing Legal Operations including general corporate advisory, Contract Management & Litigations, Regulatory Compliance applicable to our Company. He has over 14 years of experience in legal, compliance and secretarial matters. He has in the past worked with Reliance ADAG, Ashok PIRAMAL Group, Cipla, NSEIT and Hinduja Group. He holds a bachelor's degree in commerce and a bachelor's degree in law from Assam University and is a Member of the Institute of Company Secretaries of India, by training and education.



## Elsa Shibu

Ms Elsa Shibu heads the People Management Function at Route Mobile. She has over 19+ years of work experience in the people management function. She started her career with Lintas while at college. She pursued a career into the people management function with KPMG and then went on to work with Tata Donnelley's, UPS, Ugam Solutions and Euronet Worldwide. She has a mixed bag of exposure into Indian companies and MNC's as well as various industry sectors. She holds a degree in Economics from St Xavier's College Mumbai.



# Awards & Recognition

The only Asian company covered in **Gartner's Market Guide for CPaaS**, October 2020

Ranked in **Top 6 as Tier 1 Vendors in A2P SMS Messaging** as per ROCCO Consulting report thrice (2016 -20)

'**Best Messaging Innovation - Consumer Summit**' award at Messaging and SMS London 2019, London

Listed in Fortune Magazine's - **The Next 500 India's Top Midsize Companies** - 2020

Awarded '**Most Innovative Mobile Communication Solutions Provider 2019**' in Technology Innovator Awards by CV Magazine

Identified as an Estantished Leader in **Juniper's CPaaS Deep Dive Strategy & Competition 2020-2025**

Won 2 Gold in **Juniper Research's Award** for CPaaS Provider of the Year & Best SMS Firewall

Inclusion in the **MSCI India Small-Cap Index** - 2021

**Top 5 fastest growing Indian Companies in UK** by 'India Meets Britain, Tracker 2018, 2019 & 2020

Awarded **19<sup>th</sup> ICSI National Award for Corporate Governance with "Best Governed Company"** (Emerging Category - Unlisted Segment) - 2020



**Route Mobile Honoured as "Best Governed Company" (Emerging Category) in Unlisted Segment at the 19<sup>th</sup> ICSI National Award for Corporate Governance**



# Board's Report

Dear Members of Route Mobile,

Your Directors are pleased to present the Seventeenth Annual Report of Route Mobile Limited ('Company/RML/Route Mobile') along with the audited financial statements (consolidated as well as standalone) for the financial year ended March 31, 2021.

## 1. Corporate Overview

Route Mobile is a leading Cloud Communication Platform service provider, catering to enterprises, over-the-top (OTT) players and mobile network operators (MNO). Our range of enterprise communication services include smart solutions in A2P Messaging, Voice, Email, and SMS Filtering, Analytics & Monetization. Since its inception in 2004, Route Mobile has been enhancing mobile communications through technology upgrades and product innovations, meeting the needs of a diverse

clientele across geographies. Our customizable, user-friendly, and effective solutions enable enterprises and mobile operators to deliver efficient services to their customers. Route Mobile offers reliable, unified digital communication solutions that enable enterprises provide a superior customer experience globally. The Company did its maiden public offer of its equity shares in September 2020 and made its debut on the Indian bourses BSE Limited (BSE Scrip Code: **543228**) & National Stock Exchange of India Limited (NSE Symbol: **ROUTE**) on September 21, 2020.

## 2. State of the Affairs of the Company

The performance of our omni-channel communication & other businesses are detailed out in the Management Discussion and Analysis Report, which forms part of the Annual Report.

## 3. Financial Summary and State of Affairs

(₹ in Lakhs except per equity share data)

Particulars	For the financial year ended March 31, 2021		For the financial year ended March 31, 2020	
	Standalone	Consolidated	Standalone	Consolidated
<b>Total Revenue</b>	38,795.61	142,215.40	42,508.60	96810.17
<b>EBITDA</b>	3,036.54	17,564.86	1,407.39	9,995.26
<b>Profit before tax</b>	2,976.73	16,153.57	1,008.36	6936.33
<b>Less: Current tax</b>	683.33	2,977.92	187.60	1082.53
<b>Deferred Tax Charge/(Credit)</b>	60.89	(99.37)	66.07	33.35
<b>Profit for the year</b>	2,232.51	13,275.02	754.69	5820.45
<b>Total other comprehensive income (net of tax)</b>	(9.54)	129.73	(14.17)	573.06
<b>Total comprehensive income for the year</b>	2,222.97	13,404.75	740.52	6393.51
<b>Earnings per share (EPS)</b>				
<b>Basic</b>	4.15	24.76	1.51	11.65
<b>Diluted</b>	4.06	24.23	1.51	11.65

Standalone EBITDA excludes (i) other income, and (ii) exceptional expenses (incurred in FY2020)

Consolidated EBITDA excludes (i) other income, (ii) exceptional expenses (incurred in FY2020) and (iii) stamp duty related to acquisitions (incurred in FY2021)

## 4. Business Overview, Company's Performance and Note on Financial and Operations

We are among the leading Omnichannel Cloud Communication Service Provider (CPaaS) with a customer base including world's largest and well known organizations across social media companies, banking and financial services, aviation, retail, e-commerce, logistics, healthcare, hospitality, telecom sector, etc. The business verticals of the Company include Enterprises, Mobile Operator, and Business Process Outsourcing for customers across Africa, Asia Pacific, Europe, Middle East and North America. The Company operates through prepaid and post-paid business models with high operating margins and low cost base. The indigenously developed CPaaS platform is scalable with limited capital expenditure

requirements. As per Gartner estimates, by 2023, 90% of Global enterprises will leverage API enabled CPaaS offerings to enhance their digital competitiveness, up from 20% in 2020. Further, Gartner estimates the CPaaS market projected to grow at a CAGR of 33%. Our customers include some of the world's largest and well-known organisations, including a number of Fortune Global 500 companies.

Route Mobile (UK) Limited, our wholly owned subsidiary in the United Kingdom, received an honourable recognition of being amongst the fastest growing companies in Technology & Telecom sector and overall 45<sup>th</sup> in the UK's top fastest growing Indian companies in the UK 2021 (Source: 8<sup>th</sup> edition of the Grant Thornton India meets Britain Tracker, developed in collaboration with the Confederation of

Indian Industry). The Tracker includes Indian-owned corporates with operations headquartered or with a significant base in the UK, with turnover of more than £5 million, year-on-year revenue growth of at least 10% and a minimum two-year track record in the UK, based on the latest published accounts filed as at March 31, 2021. It provides insight into the evolving scale, business activities, locations and performance of the Indian-owned companies who are making the biggest impact in the UK.

We were incorporated in 2004 and are headquartered in Mumbai, India. As of March 31, 2021, we have serviced a cumulative (since the time of inception) customer base of over 32,400 customers (at a consolidated level). As of March 31, 2021, our global operations included nine direct and twelve step-down subsidiaries serving our clients through 19 locations across Africa, Asia Pacific, Europe, Middle East and North America. Route Mobile processed more than 32.3bn billable transactions through its cloud communications platform in FY2021, following the nationwide lockdown imposed in late March 2020. In comparison, the platform managed more than 30.3bn billable transactions in FY2020.

Total revenue on a consolidated basis increased by 47.10% and profit went up by 128.08%. On a standalone basis, total revenue went down by 7.42% and PAT went up by 195.82%. EBITDA (consolidated basis) as % of Gross Profit went from 52% in FY2020 to 63.4% in FY 2021.

## 5. Awards and Recognition

FY 2020-21 ushered in many accolades for the Company. Your Company was conferred with awards at various prestigious industry platforms in the area of corporate management, marketing, digital engagement. Some awards are listed below:

- 2 Gold Awards across categories at the 2021 Juniper Awards for Telco Innovation. The award honours leading players in the Enterprise Telecommunications, Network Security, and Anti-Fraud Markets. Route Mobile won the Gold CPaaS Provider of the Year Award in the Enterprise Telco Innovation Category and another Gold Best SMS Firewall Award in the Security & Fraud Innovation Category.
- Route Mobile Limited has been listed as a Representative Vendor in the "Gartner October 2020 Market Guide for Communications Platform as a Service".
- Call 2 Connect India Private Limited, our wholly-owned subsidiary company & engaged in the business of Information Technology Enabled Services (ITES) and BPO received an award from the ICICI Prudential as 'Best Service Provider'. The award is known as 'Tatwa Award' which symbolizes the philosophy of excellence and represents aspiration to excel.
- UK's top fastest-growing Indian companies, overall 45<sup>th</sup> in the 8<sup>th</sup> edition of the Grant Thornton India meets Britain Tracker.

- Listed in Fortune Magazine's - The Next 500 India's Top Midsize Companies - 2020

## 6. Share Capital: Initial Public Offer and Listing of Shares

The Company made its maiden public offer of equity shares during the Quarter ended September, 2020 of equity shares in accordance with SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2018, wherein, 6,857,142 Equity Shares were issued through fresh Issue and 10,285,714 Equity Shares through offer for sale. The IPO comprised of fresh issue of ₹240 crore and an offer for sale of ₹360 crore by the selling shareholders. The public issue was opened on September 09, 2020 and closed on September 11, 2020 at an offer price of ₹350/- per equity Share (including a share premium of ₹340/- per equity Share). The shares were allotted on September 16, 2020, at an Offer price of ₹350 per equity share to the respective applicants under various categories. The Equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited (NSE Limited) with effect from September 21, 2021. The Company's IPO received an overwhelming response; of all the initial public offerings (IPOs) that hit the market in FY 2020-21, Route Mobile's stands out. The IPO of Route Mobile was subscribed nearly 73 times, reflecting huge investor appetite for the issue. The ₹600-crore public offer received bids for over 89 crore shares as against the total issue size of 1.21 crore shares. Not only did the IPO listed with a gain of over 102 per cent, it has given a return of 303 per cent, the highest for companies that hit the primary market during the previous year. Route Mobile shares jumped over 100% to ₹725 on BSE as compared to the issue price of ₹350 on the listing day. Post listing also, your Company's market capitalisation soared high backed by strong quarterly results and various new business inroads it made consistently; the ranking of your company moved up to 302 as per BSE and 296 as per NSE publication of list of top 500 companies as on March 31, 2021. We see this as an endorsement of our consumer-focussed approach as well as our ethos of trust, transparency, and innovation in everything we do. We are gratified and humbled by the faith shown in the Company by the market participants and grateful to our customers for their continued trust shown in our capabilities to deliver consistent high quality services & innovative solutions.

The change in paid-up share capital during the year was as under:

Particulars	No. of Securities Allotted	Cumulative Paid-up Share Capital
Capital at the beginning of the year, i.e., as on April 01, 2020.	-	50,00,00,000
Allotment of 68,57,142 Equity Shares of ₹10 each fully paid-up pursuant to Initial Public Offer [on September 16, 2020 at an offer price of ₹350/Equity Share]	68,57,142	56,85,71,420
Allotment of 5,00,000 Equity Shares of ₹10 each fully paid-up pursuant to Route Mobile Limited Employee Stock Option Plan 2017 [on November 23, 2020 at an Exercise Price of ₹300/Option]	5,00,000	57,35,71,420
Allotment of 2,24,475 Equity Shares of ₹10 each fully paid-up pursuant to Route Mobile Limited Employee Stock Option Plan 2017 [on February 26, 2021 at an Exercise Price of ₹300/Option]	2,24,475	57,58,16,170
Allotment of 1,31,966 Equity Shares of ₹10 each fully paid-up pursuant to Route Mobile Limited Employee Stock Option Plan 2017 [on February 26, 2021 at an Exercise Price of ₹326.16/Option]	1,31,966	57,71,35,830
Capital at the end of the year, i.e., as on March 31, 2021	-	57,71,35,830

#### 7. Details of utilisation of funds & Statement of deviation(s) or variation(s)

Pursuant to Regulation 32 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations/LODR') there was no deviation/variation in the utilization of proceeds as mentioned in the objects stated in the Prospectus dated September 14, 2020, in respect of the Initial Public Offering of the Company. Your Company has appointed Axis Bank Limited as Monitoring Agency in terms of regulation 41(2) of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 as amended from time to time, to monitor the utilization of IPO proceeds and Company has obtained monitoring reports from the Monitoring Agency from time to time. The said report is filed with BSE & NSE where equity shares of the Company are listed as mandated under Regulation 32 (6) of the Listing Regulations. The Monitoring Agency Reports are available under Investors section on our website at [www.routemobile.com](http://www.routemobile.com).

#### 8. Listing Fees

Your Company has paid requisite annual listing fees to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) where its securities are listed.

#### 9. Dividend

Your Directors have recommended dividend of 20% i.e. ₹2/- per equity share of ₹10/- each for the financial year ended March 31, 2021. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 17, 2021 to Thursday, August 5, 2021 (both days inclusive) for the purpose of payment of dividend for the financial year ended March 31, 2021. The dividend recommended is in line with the Dividend Distribution Policy of the

Company. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on the Company's website at <https://www.routemobile.com/corporate-policies>. There are no unclaimed dividends pertaining to past years as on the date of this report.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders w.e.f. 1st April 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates as per the Income-tax Act, 1961. An email communication (followed by a newspaper notice) informing the Shareholders regarding this change in the IT Act as well as the relevant procedure to be adopted by them to avail the applicable tax rate has been sent by the Company at the registered email IDs of the Shareholders. For more details in this regard, please refer to the 'Notes' section of the Notice to the AGM.

#### 10. Transfer to Reserves

The closing balance of the retained earnings (Excl. securities premium) of the Company for FY 2021, after all appropriation and adjustments was ₹46.55 crore.

#### 11. Update on COVID-19 Response & related measures

On January 17, 2020, the Ministry of Health and Family Welfare had acknowledged the emergence of a new coronavirus disease (COVID-19) that was spreading across the world. The Ministry of Home Affairs through its notification No. 40-3/2020-DM-I(A), dated March 24, 2020 announced a 21-day lockdown to contain the spread of COVID-19 from March 25, 2020 to April 14, 2020. During the lockdown, all establishments, other than those providing essential goods and services, and those involved in agricultural operations, remained closed. The aforesaid lockdown was further extended throughout the country in various degrees including

Govt. of Maharashtra extending it up to July 31, 2020, consequent to which our offices remained closed except for bare minimum staff staying in office to continue the support function. At RML, under the able leadership of its CEO, 'work from home' guidance was issued with effect from March 17, 2020, much before the nationwide lockdown started from March 24, 2020 in India to ensure the health and well-being much before of all employees, and on minimizing disruption to services for all our customers spread across the globe. The entire transition happened seamlessly and as of March 31, 2020, work from home was enabled for almost all key departments and functions.

With Govt. of Maharashtra's 'Mission Begin Again' directives dated October 14, 2020, we gradually resumed office in Mumbai with the presence of critical staff initially and normalcy was restored by the March of 2021. However, with the second wave of COVID-19 hitting India, especially major cities like Mumbai where our registered and corporate office is located and further pursuant to Govt. of Maharashtra directive dated March 27, 2021 announcing state wide lockdown, and keeping in mind the health and safety of our employees, we again decided to 'work from home'. Likewise at the start of the year, this time again our CEO had issued 'work from home' instruction much earlier on March 23, 2021 keeping in mind the health and well-being of all employees. Notwithstanding the same, we continue to operate at full strength with no material disruption to our business and servicing our customers. We are accelerating innovation across all our technologies to continue solving our customers' business problems and we maintain the belief that caring for our people, our communities and our planet is simply the right thing to do to create a better, safer world.

Many of the insights that drove critical business decisions at the beginning of FY 2020 no longer apply. As a new normal emerged, we adjusted quickly to keep our employees safe – and focus on helping our customers through these difficult times. We found ways to use tech enabled communication channels to keep our customers moving forward. As we cater to some of the most critical industries like banking, aviation, insurance etc., we take immense pride to have been able to support them during the critical times. Given the scale of the pandemic, various measures were implemented for the entire business eco-system helping the end-customers, vendors and employees to wade through this crisis e.g., timely payments to all our business partners, including vendors and full salaries were paid to all our employees during this period. It's hard to conceive that for more than a year the COVID-19 pandemic has wreaked havoc around the world. Many of us have never lived through anything like the coronavirus, nor such an incredible amount of disruption in our daily lives.

Almost throughout the year 2020, we stayed agile and kept our focus on what's important, which is to keep moving forward. The pandemic has undoubtedly altered consumer behavior, driving business leaders to quickly respond and adapt in order to provide a seamless customer experience. By remaining committed to fostering a meaningful workplace culture and staying true to our values, we weathered

the challenging past year and became even stronger than we were before. Commitment to employees, communities, education and the environment has been rooted in our DNA since day one. It drives the innovation that we provide to our customers and makes a positive impact on the society.

#### The COVID-19 environment, and its positive impact on business

COVID-19 resulted in accelerated adoption of digitization initiatives by enterprises across the globe. Enterprises implemented significantly larger number of digital communication case studies, leveraging various communication channels. Route Mobile witnessed positive momentum in revenues through the first 6 months of FY 2020-21 which continued even later during the year as well. One of the significant achievements during the first half of year was the acquisition of Telecom Operator related business from TeleDNA Communications Private Limited ("TeleDNA") on slump sale basis. The strategic intent behind this business acquisition was backward integration of 365squared (365squared Ltd is one of our wholly-owned step down subsidiary) solution stack which would support holistic solution offering for MNOs, higher margin retention in the MNO solutions business. TeleDNA predominantly operated in telecom middleware and has developed telecom solutions including SMSC, MMSC, WAP (Wireless Application Protocol) Gateway, USSD (Unstructured Supplementary Service Data), LBA (Location Based Application), CBC (Cell Broadcast Centre), and Alert SMSC, and has a number of telecom operators as clients. This strategic acquisition was targeted to enable Route Mobile and 365squared Ltd to offer a deeper and comprehensive portfolio of products to the telecom operators, thereby fortifying Route Mobile's relationship with MNOs (Mobile Network Operators). More about COVID-19 and how it accelerated digital adoption and growth for the Company are available in the Management Discussion and Analysis section which forms part of the Annual Report.

#### 12. Deposits

The Company has not accepted any deposits during the FY 2020-21 and, as such, no amount of principal or interest was outstanding as on the balance sheet closure date.

#### 13. Highlights of Performance of Subsidiaries Companies

Your Company along with its subsidiaries and other group companies provide a wide range of cloud communication platform services to enterprises, over-the-top ("OTT") players and detection and traffic analytics, monitoring traffic and administration of SMS Firewall and a comprehensive 24/7 Managed Service and customer support solutions, back office & consultancy services. At the beginning of the year, your Company had Nine (9) direct subsidiaries and Twelve (12) step down subsidiaries and the same remained unchanged as on March 31, 2021. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its



subsidiaries, are available on our website at [www.routemobile.com](http://www.routemobile.com). A short description of business and performance of major subsidiaries are provided below:

**Routesms Solutions FZE ('Routesms FZE'):** Routesms FZE is engaged in the business of inter alia providing technology services for mobile communications with a focus on messaging and voice solutions. The Revenue of the company for FY 2020-21 stood at AED 7,93,03,050 (Previous Year: AED 9,03,40,253). Routesms FZE earned net profit for the year AED 1,27,77,105 (Previous Year: AED 89,47,070).

**Route Mobile (UK) Limited ('RML UK'):** RML UK is engaged in the business of inter alia providing technology services for mobile communications with a focus on messaging. The Standalone Gross Revenue of RML UK for FY 2020-21 stood at GBP 97,086,414 (Previous Year: GBP 49,003,937) and the Profit after Tax stood at GBP 9,198,248 (Previous Year: GBP 5,534,397)

**365squared Ltd. ('365squared'):** 365squared is engaged in the business of inter alia providing technology services for mobile communications with a focus on SMS filtering, analytics and monetisation. 365analytics is a real time detection and traffic analytics software with an intelligence that is updated constantly based on our global intelligence. 365squared have developed the most sophisticated product in the market that works with any SMS Firewall. Some of its prime service offerings include Real-time grey route detection, Real-time SIM box detection, Real-time fraud detection, Automated OTT brand simulation, detailed traffic analytics and reporting, Seamless integration, Intelligence database integration, Adaptive learning technology and User friendly graphical interface. Classification and reporting of traffic is done not only by SMS type but by Brand and moreover by Brand Message Type. Sample reports include Traffic volumes report (per Global Title, Network Operator, Brand, Brand Type, Brand Message Type, Message Type, Sender ID etc.), Bulk Analysis Report, Brand Analysis and Performance Report, Message Simulator Report, SIM Box Detection Report, Detailed Daily / Monthly Report and Customized Reports. The Revenue of 365squared for FY 2020-21 stood at EURO 7,041,731 (Previous Year: EURO 14,416,652). 365squared earned a Profit after tax of EURO 1,751,913 (Previous Year: EURO 2,549,322).

**Call 2 Connect India Private Limited ('Call2Connect'):** Call2Connect is a leading Information Technology Enabled Services (ITES) and BPO company. It offers world-class customer support solutions, back office & consultancy services through a network of over 1200 employees across offices in Mumbai, Patna, Noida (Delhi) and Bangalore. It delivers the entire spectrum of business process management (BPM) services across all its centres, including Business Process Outsourcing (BPO), Call Centre - Voice & Non-Voice, Consulting, Soft skill training, Collection management and Telemarketing. In addition, it also offers e-payment / governance consulting services. Combining operational excellence with deep domain expertise, Call 2 Connect has brought business value to more than 75 clients across key industry verticals including Telecom, Banking & Financial services, Healthcare, Lifestyle, Insurance, Manufacturing,

Media & Entertainment, Retail, Travel & Leisure, State Governments & PSUs, Automobile, Petroleum, Web Portals, Transaction Processing, Food & Beverage, Consumer Durables and more. The Revenue of Call2Connect for FY 2020-21 stood at ₹24,90,33,631 (Previous Year: ₹30,25,40,728). Call2Connect earned a Profit after tax (Loss) of ₹(221,03,816) (Previous Year: ₹(92,20,696)).

#### Material subsidiaries:

Pursuant to regulation 16(1)(c) of the Listing Regulations, the Company has three material subsidiaries as on March 31, 2021, i.e. Routesms Solutions FZE, Route Mobile (UK) Limited and 365squared Ltd. and the Company is in compliance with respect to governance requirements in terms of Regulation 24 (5) & (6) of the Listing Regulations. None of these subsidiaries have sold, disposed off or leased assets of more than 20% of its assets during the current year. The Board of Directors of the Company has approved a Policy for determining material subsidiaries in line with the Listing Regulations. The Policy has been uploaded on the Company's website and can be accessed at <https://www.routemobile.com/corporate-policies>.

#### 14. Consolidated Financial Statements

As stipulated by Regulation 33 of the Listing Regulations, the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards. The audited Consolidated Financial Statements, together with Auditors' Report, form part of the Annual Report. Further, the report on the performance and financial position of the subsidiaries and salient features of the Financial Statements in the prescribed Form AOC-1 is annexed to this report (**Annexure 1**). The statement also provides details of the performance and financial position of each of the subsidiaries.

Pursuant to Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the Company's website on <https://www.routemobile.com/investors>.

The names of the Companies that have become or ceased to be subsidiaries, joint ventures and associates during the year are disclosed in the annexure to this report (**Annexure 2**).

#### 15. Insurance

All the properties and operations of the Company, to its best judgement have been adequately insured. As per the provisions of the Act and in compliance with Regulation 25(10) of the Listing Regulations, we have also procured a directors' and officers' liability insurance to indemnify our directors and officers for claims brought against them to the fullest extent permitted under applicable law.

#### 16. Employee Stock Option Plan

The Company has two Employee Stock Option Plans ("RML ESOP Plans") as at March 31, 2021 viz.

Route Mobile Limited Employee Stock Option Plan 2017 (RML ESOP 2017) and Route Mobile Limited - Employee Stock Option Plan, 2021 (together referred as 'Schemes'). The approval of the shareholders for the Route Mobile Limited - Employee Stock Option Plan, 2021 (RML ESOP 2021) was received on April 19, 2021. All the plans are administered by the Route Mobile Employee Welfare Trust. The objective of employee stock option plan is to reward employees to align individual performance with Company objectives and drive share-holders' value creation, create a culture of ownership among the executives, and employees to enhance their commitment to organization, to collaborate and attract and retain key talent critical to organization's success. There are no material changes made to the above Schemes and these Schemes are in compliance with the SBEB Regulations. During FY 2020-21, no employee was issued stock options equal to or exceeding 1% of the issued share capital of the Company at the time of grant.

The RML ESOP Plans are in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [SEBI (SBEB) Regulations, 2014]. In compliance with the Regulation 13 of the SEBI (SBEB) Regulations, 2014, a certificate from auditor, confirming implementation of RML ESOP 2017 in accordance with the said regulations and shareholder's resolution, will be available electronically for inspection by the members during the annual general meeting of the Company.

The requisite disclosures under Regulation 14 of the SEBI (SBEB) Regulations, 2014 (read with SEBI Circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015) as on March 31, 2021 is uploaded on the Company's website under Investors section and the same be accessed at <https://www.routemobile.com/wp-content/uploads/2021/07/Information-under-SEBI-Share-Based-Employee-Benefits-Regulations-2014.pdf>.

#### 17. Directors and Key Managerial Personnel

##### Re-appointment

Pursuant to the provisions of the Companies Act, 2013, Mr. Sandipkumar Gupta, Director (Chairman, Non-Executive) of the Company will retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment. A brief resume, nature of expertise, details of directorships held in other companies of the Director proposed to be re-appointed, along with his shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the LODR, is forming part of the Notice of the ensuing AGM.

##### Appointment

Further, Mr. Arun Gupta was appointed as the Additional & Independent Director w.e.f. November 19, 2020 to hold office till the conclusion of the next Annual General Meeting and subject to the approval of the Members in the ensuing Annual General Meeting, for appointment as an Independent Director to hold office for a term upto Five (5) consecutive years. A brief resume, nature of expertise, details of directorship held in other companies of the Director proposed to be appointed, along with his shareholders in the

Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the LODR, is forming part of the Notice of the ensuing AGM.

#### Statement Regarding Opinion of the Board with Regard to Integrity, Expertise and Experience (Including the Proficiency) of the Independent Directors Appointed During the Year:

The Board of Directors ("Board") is of the opinion that Mr. Arun Gupta, Independent Director of the Company possess requisite qualifications, experience and a well respected business leader who brings in a wealth of experience to the Board; he has the highest standards of integrity and his expertise in M&A, business development etc. would tremendous value to the Company.

#### Key Managerial Personnel

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company: -

1. Mr. Rajdipkumar Gupta, Managing Director & Group CEO.
2. Mr. Suresh Jankar, Chief Financial Officer.
3. Mr. Rathindra Das, Head - Legal, Company Secretary & Compliance Officer.

#### 18. Remuneration policy

The Company has in place a policy for remuneration of Directors, Key Managerial Personnel and senior management personnel; the policy also lays down the parameters for selection of candidates for appointment to the said positions, which has been approved by the Board. The policy on remuneration of Directors, Key Managerial Personnels is provided in the Corporate Governance section which forms part of this Report and is also available on the website of the Company and can be accessed at <https://www.routemobile.com/corporate-policies>.

#### 19. Declarations by Independent Directors

The Company has received declarations from all Independent Directors of the Company confirming that they continue to meet the criteria of independence, as prescribed under Section 149 (6) of the Companies Act, 2013 and Regulation 25(8) read with Regulation 16(1)(b) of the LODR. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct of Board of Directors and Senior Management Personnel.

The Independent directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

## 20. Committees of Board, Meetings of the Board and Board Committees

The Board currently has Seven (7) Committees, namely, the Audit Committee, the Nomination and Remuneration Committee, the Corporate Social Responsibility Committee, the Stakeholders Relationship Committee, IPO Committee, Operations Committee and the Risk Management Committee. Further, the Company also has an Operations Committee to deal with the matters relating to frequent banking and business affairs.

During the year under review, the Board met seven (7) times. A detailed update on the Board, its composition, including synopsis of terms of reference of various Board Committees, number of Board and Committee meetings held during FY 2020-21 and attendance of the Directors at each meeting is provided in the Report on Corporate Governance, which forms part of this report.

## 21. Human Capital

We all had a challenging business year behind us. The COVID-19 pandemic has impacted all of us and called for rapid and yet well-considered actions, including in the area of Human Resource. The health of our employees was of highest priority and at the same time business continuity had to be ensured. Thus mobile working and virtual collaboration was established in many areas of everyday work. During the peak period of COVID-19 in March and April, all of our employees worked from home and quickly adapted to the new situation within a very short time.

Despite the Challenging times, our people count globally went up from 290 employees in 2020 to 367 as on March 31, 2021.

Another milestone this year was the successful integration of over 20 employees from TeleDNA. The people integration was done successfully despite the fact that all were working from home.

We believe that our employees need to be kept updated on the organization wins and successes, Company vision and direction. The town hall provided a platform to all our leaders to share information with employees at large.

Feedback within the Company is very important to us. We have launched various mechanisms through which we collate feedback in order to better understand the atmosphere and needs of the employees. Regular feedbacks were obtained from employee periodically via Skip Meetings and Exit Interviews. These feedbacks in turn were worked on so as to enrich the work experiences of our employees. In future, we will look at incorporating employee surveys in order to obtain consistent and sustainable feedback from our employees.

Our employees and managers are at the centre of all our actions. Accordingly, we maintain a focus on harmonized HR services based on a consolidated and user-friendly Process and work environment. HR processes are continuously optimized so that we can

provide our HR services in a high-quality, transparent and efficient manner.

People are in the centre of our actions. Dedicated, healthy and successful employees are absolutely necessary if we are to retain and expand our leading position and thus shape a successful future for all of us. This has guided us in aligning our actions with expectations of the years to come.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report (**Annexure 3**).

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules forms part of this report. However, in terms of first provision of Section 136(1) of the Act, the Annual Report and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid information. If any Member is interested in obtaining a copy thereof, such member may write to the Company Secretary, whereupon a copy would be sent.

## 22. Quality initiatives

The Company continues to sustain its commitment to the highest levels of quality, superior service management, robust information security practices and mature business continuity management. Our quality management system certified by KVQA Certification Services Private Limited complies with ISO 9001:2015 while our information security management system is certified by KVQA Certification Services Private Limited as ISO/IEC 27001:2013 compliant.

## 23. Board Diversity and Policy on Director's Appointment and Remuneration

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board will be able to leverage different skills, qualifications, professional experiences, perspectives and backgrounds, which is necessary for achieving sustainable and balanced development. The policy on 'Nomination and Remuneration' and 'Board Diversity' adopted by the Board sets out the criteria for determining qualifications, positive attributes and independence while evaluating a person for appointment / re-appointment as a Director or as KMP, with no discrimination on the grounds of gender, race or ethnicity, nationality or country of origin. The Board Diversity policy is available on the Company's website at <https://www.routemobile.com/corporate-policies>.

## 24. Board Evaluation

In compliance with the Corporate Governance Code, the Board of Directors conducted a self-evaluation. The evaluation is focused on Board accountability

and composition, the Board's role in setting strategy, risk management, cyber security, crisis management, gender diversity, talent strategy and succession planning and the effectiveness of the Board committees. The evaluation is in the form of a survey. The overall conclusion was that the Board worked well and continued to function in an open and collaborative way with a high level of trust and respect. The Board of Directors agreed that no further follow-up was required.

A note on the Board evaluation process undertaken and familiarisation programme adopted by the Company for orientation and training of the Directors in compliance with the provisions of the Companies Act, 2013 and the LODR is provided in the Report on Corporate Governance, which forms part of this Report.

## 25. Remuneration to Managing Director / Whole - Time Director from Holding or Subsidiary Companies

In terms of Section 197 (14) of the Companies Act, 2013, remuneration paid to our Managing Director from subsidiary company viz. Route Mobile (UK) Limited was GBP 48,000.

## 26. Auditors & Audit Reports

- The Company has received the Statutory Auditors' certificate on corporate governance for FY 2020-21. The certificate does not contain any qualification, reservation or adverse remark.
- The Secretarial Auditor's Report for FY 2020-21 does not contain any qualification, reservation or adverse remark.
- The Statutory Auditors' Report for FY 2020-21 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the financial statements in this Annual Report.
- Cost records and cost audit: Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

## 27. Statutory Auditors

Members of the Company at the Extra-Ordinary General Meeting ('EoGM') held on Tuesday, April 18, 2017, had approved the appointment of Walker Chandiook & Co LLP, Chartered Accountants ('WCC'), as the Statutory Auditors of the Company for a period of five years commencing from the conclusion of the Annual General Meeting ('AGM') held on 22<sup>nd</sup> September, 2017 until the conclusion of 17<sup>th</sup> Annual General Meeting of the Company to be held in the year 2021.

M/s Walker Chandiook & Co LLP, Chartered Accountants, would be eligible for re-appointment at the conclusion of the forthcoming AGM in accordance with section 139 of the Companies Act, 2013. The Board of Directors, on the recommendation of the Audit Committee, proposed the re-appointment of Walker Chandiook & Co

LLP, Chartered Accountants ('WCC'), as the Statutory Auditors of the Company for a second term of five years commencing from the conclusion of the 17<sup>th</sup> Annual General Meeting to be held on August 5, 2021 until the conclusion of 22<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2026. The re-appointment of the Statutory Auditors is proposed to the Members in the Notice of the forthcoming AGM through item no. 5.

WCC has audited the book of accounts of the Company for the Financial Year ended March 31, 2021 and have issued the Auditors' Report thereon. The Auditors' Report for FY 2020-21 does not contain any qualification, reservations, or adverse remark. The said report for the financial year ended March 31, 2021 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report.

## Reporting of Fraud

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee or the Board, under Section 143 (12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

## 28. Internal Financial Controls, their adequacy and Internal Auditors

The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. With a view to maintain independence and objectivity in its working, the Internal Audit function reports directly to the Audit Committee. Company's internal financial controls encompass policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of business, including adherence to its policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information. Internal financial control systems of the Company are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable accounting standards and relevant statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. The Company has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information. Based on the framework of internal financial controls established and maintained by the Company, work performed by the internal, statutory, and secretarial auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the



Board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2020-21. The Board has re-appointed M/s Pipalia Singhal & Associates, Chartered Accountants, Mumbai as the Internal Auditor of the Company for FY 2021-22 to conduct the internal audit.

### 29. Particulars of contracts or arrangements with Related Parties:

All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. Thereafter, a statement giving details of all related party transactions, entered pursuant to omnibus approval so granted, is placed before the audit Committee on a quarterly basis for its review. All contracts/arrangements / transactions entered into by the Company with its related parties during the year were in the ordinary course of business and on an arm's length basis. The Company has put in place a mechanism for certifying the related party transactions statements placed before the Audit Committee and the Board of Directors from an independent Chartered Accountant firm. Particulars of Transactions with Related Parties referred to in section 188(1), as prescribed in AOC-2 under Rule 8 (2) of the Companies (Accounts) Rules, 2014 is attached as **Annexure 4**. Details of other related party transactions have been included in Note 40 to the standalone financial statements. The Policy on the Related Party Transactions is available on the Company's website at <https://www.routemobile.com/corporate-policies>.

### 30. Transfer of Equity Shares, Unpaid/ Unclaimed Dividend to the IEPF

Pursuant to the Section 124 applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all the unpaid or unclaimed dividends are required to be transferred to the IEPF established by the Central Government, upon completion of seven (7) years. Further, according to the Investor Education & Protection Fund ("IEPF") Rules, the shares in respect of which dividend has not been paid or claimed by the Shareholders for seven (7) consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. Your Company does not have any unpaid or unclaimed dividend or shares relating thereto which is required to be transferred to the IEPF as on the date of this Report.

### 31. Secretarial Audit

Pursuant to section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Dhrumil M Shah & Co., Practising Company Secretaries to conduct secretarial audit for the financial year 2020-21. The Report of the Secretarial Auditor is annexed to this report (**Annexure 5**). The report of the Secretarial Auditor for the financial year 2020-21 is unmodified and does not contain any qualification, reservation or adverse remark. The

Board has re-appointed M/s. Dhrumil M Shah & Co. to conduct the secretarial audit for the financial year 2021-'22. They have confirmed their eligibility for the appointment.

### 32. Risk Management

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. The Company has duly approved a Risk Management Plan. The objective of this Policy is to have a well-defined approach to risk. The policy lays down broad guidelines for timely identification, assessment, and prioritization of risks affecting the Company in the short and foreseeable future. The Policy suggests framing an appropriate response action for the key risks identified, so as to make sure that risks are adequately addressed or mitigated. Risk Management Plan is available on the website of the Company at <https://www.routemobile.com/corporate-policies>. Further, Regulation 21 of the Listing Regulations mandates that top 500 listed entities, determined on the basis of market capitalisation, as at the end of the immediate previous financial year shall constitute a Risk Management Committee. Company's ranking as on December 31, 2020 was 315. (Source: <https://www.nseindia.com/regulations/listing-compliance/nse-market-capitalisation-all-companies>) Accordingly, the Board in its meeting held on January 28, 2021 constituted the Risk Management Committee of the Company in compliance with regulation 21 of the Listing Regulations. The terms of reference, composition of the Committee etc. are provided in the corporate governance section forming part of this Annual Report.

The Company has developed and implemented a risk management plan and in the opinion of the Board of Directors, no risks have been identified which may threaten the existence of the Company. Your Company continuously monitors business and operational risks. All key functions and divisions are independently responsible to monitor risks associated within their respective areas of operations such as finance & taxation, regulatory & compliance, insurance, legal and other issues like cyber security, data privacy, health, safety and environment.

#### Cyber Security

With increased reliance on IT systems and the widespread usage of internet for doing business, there is a constant threat to the Company's sensitive data assets being exposed to unethical hacking and misuse. The ramifications from cyber-attacks may not only be confined to mere loss of data but may result in business and reputation loss. The Company's IT systems are fully geared to meet the threat of "DDOS" attacks which are highly probable. The Indian Government having recognized the cyber risks, has also introduced tighter Cyber Security laws. Responsibilities have been entrusted to the Directors of the Company under the Listing Regulations to take appropriate steps to ensure cyber security and the same is included as one of the terms of reference for the Risk Management Committee as provided under Regulation 21 (4) *ibid*. Route Mobile has a strong firewall and well

established Disaster Recovery System. The Company's cyber security management framework aligns with industry standards and regulations. The Company has mandated the Risk Management Committee specifically to review adequacy of processes and systems on a regular basis & update the Board on the steps taken to mitigate cyber security risks from time to time.

### 33. Particulars of Loans, Guarantees and Investments

Particulars of loans, guarantees and investments under section 186 of the Companies Act, 2013 ('Act') made by the Company are set out in Note 4 & 5 to the Standalone Financial Statements of the Company.

### 34. Whistle Blower Policy: Vigil mechanism

The Company is committed to principles of professional integrity and ethical behaviour in the conduct of its affairs. The Whistle-blower Policy provides for adequate safeguards against victimisation of director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. It is affirmed that no person has been denied access to the Audit Committee. The Compliance officer and Audit Committee is mandated to receive the complaints under this policy. The Board on a yearly basis is presented an update on the whistle-blower policy. Whistle Blower policy is available on the website of the Company at <https://www.routemobile.com/corporate-policies>. The Policy ensures complete protection to the whistle-blower and follows a zero tolerance approach to retaliation or unfair treatment against the whistle-blower and all others who report any concern under this Policy. During the year under review, the Company did not receive any complaint of any fraud, misfeasance etc. The Company's Whistle-Blower Policy (Vigil Mechanism) has also been amended to make employees aware of the existence of policies and procedures for inquiry in case of leakage of Unpublished Price Sensitive Information to enable them to report on leakages, if any, of such information.

### 35. Disclosure under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

At RML, we strive to create an open and safe workplace where employees feel safe and protected to contribute to the best of their abilities, irrespective of gender and sexual preferences. The Company has zero tolerance towards sexual harassment at the workplace and has implemented a policy for prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('Act') and the Rules made thereunder. Under the said Act, Internal Complaints Committee has also been constituted. During the year under review, the Company did not receive any complaint of sexual harassment.

### 36. Secretarial Standards

The Company has in place proper systems to ensure compliance with the provisions of the applicable Secretarial Standards issued by The Institute of

Company Secretaries of India and such systems are adequate and operating effectively.

### 37. Corporate Social Responsibility

The objective of the Company's Corporate Social Responsibility ('CSR') initiatives is to improve the quality of life of communities through long-term value creation for all stakeholders. The Company remains focused on improving the quality of life and engaging communities through health, education, livelihood, sports and infrastructure development. The Company has in place a CSR policy which provides guidelines to conduct CSR activities of the Company. Brief terms of CSR policy is included in the corporate governance section which forms part of the Annual Report. The CSR policy is available on the website of the Company <https://www.routemobile.com/corporate-policies>. The Annual Report on CSR activities, in terms of Section 135 of the Companies Act, 2013 ('Act') and Rule 8 (1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended by Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, effective January 22, 2021 (hereinafter "CSR Rules"), is annexed to this report (**Annexure 6**).

Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 as effective from 22<sup>nd</sup> January, 2021 mandates that with respect to CSR obligations, the Board of a Company shall ensure that the CSR activities are undertaken by the Company itself or through, inter alia, a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company. Accordingly the Company has set up a section 8 Company namely "Route Mobile Foundation for Education and Sports" for carrying out all future CSR activities of the Company. This was done with the objective of achieving ease and convenience of operations, control and carrying out CSR obligations through a separate entity in a dedicated and streamlined manner.

### 38. Other Disclosures

- There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.
- The Company has not issued any shares with differential voting rights/sweat equity shares.
- There was no revision in the Financial Statements.
- There has been no change in the nature of business of the Company as on the date of this report.
- None of the Directors or KMPs of the Company have resigned during the year under review except for Mr. Chandrakant Gupta who resigned from the position of Chairman of the Board; he however continues to serve on the board as a Non-Executive Non Independent Director.
- There has been no change in the nature of business carried out by the Company.

- No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable; and
- The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

### 39. Directors' Responsibility Statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Accordingly, pursuant to Section 134 (3) (c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability confirm:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b) That we have selected such accounting policies and applied them consistently and made judgements 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 of the Company for that period;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the annual accounts have been prepared on a going concern basis;
- e) That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively; and
- f) That proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

### 40. Annual Return

Pursuant to sections 92(3) and 134(3)(a) of the Act read with Rule 12 of Companies (Management and Administration) Rules, 2014 (as substituted by the Companies (Management and Administration) Amendment Rules, 2021 dated 05.03.2021), a copy of the annual return is made available on the website of the Company at <https://www.routemobile.com/wp-content/uploads/2021/07/Draft-Annual-Return-2021.pdf>.

### 41. Significant and material orders passed by the Regulators or Court

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.

### 42. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Details of the energy conservation, technology absorption and foreign exchange earnings and outgo are annexed to this report as **Annexure 7**.

### 43. Corporate Governance

Pursuant to the Listing Regulations, the Report on Corporate Governance for the year under review, is presented in a separate section, forming part of the Annual Report. A certificate from M/s. Walker Chandio & Co LLP, Statutory Auditors, confirming compliance of conditions of Corporate Governance, as stipulated under the Listing Regulations, also forms part of the Corporate Governance Report.

### 44. Management Discussion and Analysis Report

Pursuant to Regulation 34 of the Listing Regulations the Management Discussion and Analysis Report for the year under review, is presented in a separate section, forming part of the Annual Report. As required under the provisions of the Listing Regulations, the audit Committee of the Company has reviewed the management discussion and analysis report of the Company for the year ended March 31, 2021.

### 45. Business Responsibility Reporting

The Business Responsibility Report as stipulated under Regulation 34 of Listing Regulations describing the initiatives taken by Company from environmental, social and governance perspective, has been appended herewith as **Annexure 8**. This year, the Company is publishing its first ever sustainability report which forms part of this report and is available on the website of the Company at <https://www.routemobile.com/wp-content/uploads/2021/07/Sustainability-Report-FY-2020-21.pdf>.

### 46. Anti-Bribery and Anti-Corruption Policy

In furtherance to the Company's philosophy of conducting business in an honest, transparent and ethical manner, the Board has laid down Anti-bribery and Anti-Corruption Policy as part of the Company's Code of Business Conduct & Work Ethics Policy (TCOC). Route Mobile has zero-tolerance to bribery and corruption and is committed to act professionally and fairly in all its business dealings. To spread awareness about the Company's commitment to conduct business professionally, fairly and free from bribery and corruption policy education & questionnaire to evaluate understanding of the key requirements of the policy was conducted by Human resource department.

### 47. Code of Conduct

In accordance with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code on Prohibition of Insider Trading. The code was made applicable for the designated persons from the date of filing of the Red Herring Prospectus with the Registrar of Companies, Mumbai pursuant to the initial public offer w.e.f September 4, 2020.

### 48. Environmental, Social, and Governance ("ESG") Policy

Every business, is deeply intertwined with Environmental, Social, and Governance (ESG) concerns. It makes sense, therefore, that a strong ESG proposition can create value. Meeting Environmental, Social and Governance (ESG) criteria has become an important goal for organizations. Customers and market demands are placing increased pressure on corporations to engage in more sustainable business practice, and investors are increasingly using ESG criteria to evaluate the companies in which they might want to invest or do business with. The Indian legislation has been trying to cover the various aspects of ESG in a fragmented manner. For instance, the board's report shall disclose the conservation of energy, technology absorption, etc. The aspects that have to be dealt with in detail are viz. – steps taken or impact on conservation of energy, steps taken to utilise alternate sources of energy, capital investment in energy conservation equipment, efforts towards technology absorption, etc. Also, CSR activities required to be disclosed separately in the annual report. However, the closest requirement is that of Business responsibility Reports (BRR) which has been mandated from ESG perspective only. BRR or Business Responsibility Report can be said to be the foremost step in India in promoting non-financial reporting in India, on a mandatory basis. The Securities and Exchange Board of India (SEBI), in 2012, through its listing conditions mandated the top 100 listed entities by market capitalisation to file BRR from ESG perspective. This was extended to top 500 companies in FY 2015-16. The coverage has been extended to 1000 companies now to publish the BRR describing the initiatives taken by them from an environmental, social and governance perspective and the same should form part of the Annual Report w.e.f December 26, 2019. Our commitment to do business in a socially responsible manner therefore reflects the objective for adoption of an ESG policy for the Company. This policy is intended to communicate to our customers and all other stakeholders about how Route Mobile integrates ESG considerations into business decision-making processes across all service and product offerings. As India's one of the leading omni-channel communication company, we are committed to positively impact the environment, our customers, employees, and the community at large. The ESG policy is available on our website at <https://www.routemobile.com/corporate-policies>.

### 49. Cautionary Statement

Statements in the Director's Report and the Management Discussion and Analysis describing the Company's objectives, projections, outlook, expectations, estimates, etc. may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include: global and domestic demand and supply conditions, mobile operators pricing and other business policies, changes in government regulations and tax laws, overall economic growth rate, economic developments within India and the countries within which the Company conducts business etc.

### 50. Acknowledgements

Your Directors take this opportunity to thank the employees, customers, vendors, investors of the Company and the communities in which the Company operates, for their unstinted co-operation and valuable support extended to the Company during the year. Your Directors also thank the Government of India, Government of various States in India and concerned government departments/agencies like the Ministry of Corporate Affairs, the Central Board of Direct Taxes, the Central Board of Indirect Taxes and Customs, GST authorities, the Reserve Bank of India, Securities and Exchange Board of India (SEBI) for their co-operation and look forward to their continued support in the future. Your Directors appreciate and value the contributions made by every member of Route Mobile family.

For and on behalf of the Board of Directors

**Sandipkumar Gupta**  
Chairman

**Place:** Mumbai  
**Date:** May 18, 2021



Sr. No.	Name of Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries (as on March 31, 2021)	Share capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1.	Sphere Edge Consulting (India) Private Limited	NA	INR	1	1,211.02	3,607.33	2,395.31	-	12,518.86	535.07	135.15	399.92	-	100%
2.	Cellent Technologies (India) Private Limited	NA	INR	4.97	87.29	204.04	111.77	-	443.19	47.89	(23.44)	71.34	-	100%
3.	Start Corp India Private Limited	NA	INR	1	126.49	148.88	21.39	-	79.69	0.46	0.34	0.11	-	100%
4.	Route Mobile (UK) Limited	NA	GBP (Exchange Rate - 100.96 & Average Rate - 97.83)	20.19	20,525.03	63,144.58	42,599.35	17,534.04	94,979.64	9,846.98	848.33	8,998.65	-	100%
5.	Routesms Solutions FZE	NA	AED (Exchange Rate - 19.92 & Average Rate - 20.36)	8.31	14,775.11	24,895.60	10,112.18	29.29	16,147.02	2,601.57	-	2,601.57	-	100%
6.	Routesms Solutions Nigeria Ltd.	NA	NGN (Exchange Rate - 0.193 & Average Rate - 0.194)	19.25	1,514.45	3,654.22	2,120.52	-	10,697.72	1,102.62	379.47	723.14	-	100%
7.	Route Mobile Pte. Ltd.	NA	SGD (Exchange Rate - 54.43 & Average Rate - 53.83)	13.61	(202.68)	223.48	412.56	-	164.21	15.89	-	15.89	-	100%

8.	Call 2 Connect India Private Limited	NA	INR	21.93	707.63	2,453.81	1,724.26	0.26	2,490.34	(221.04)	-	(221.04)	-	100%
9.	Route Connect Private Limited	NA	INR	1.00	12.77	313.05	299.29	-	-	3.54	4.46	(0.92)	-	74%
10.	Route Mobile Limited (Ghana)	NA	GHS (Exchange Rate - 12.94 & Average Rate - 12.65)	148.05	(201.34)	156.65	209.93	-	69.32	(8.88)	-	(8.88)	-	70% holding by Route Mobile (UK) Limited
11.	Route Mobile INC.	NA	USD (Exchange Rate - 73.17 & Average Rate - 74.78)	0.15	(1,495.34)	379.38	1,874.57	-	353.16	(202.63)	0.63	(203.25)	-	100% holding by Route Mobile (UK) Limited
12.	Route Connect (Kenya) Limited	NA	KES (Exchange Rate - 0.67 & Average Rate - 0.70)	66.89	(8.87)	67.47	9.45	-	-	(2.36)	-	(2.36)	-	100% holding by Route Mobile (UK) Limited
13.	365squared Ltd	NA	EUR (Exchange Rate - 85.92 & Average Rate - 84.73)	1.72	3.74	2,406.37	2,400.91	-	5,966.18	2,275.47	791.15	1,484.33	-	100% holding by Route Mobile (UK) Limited
14.	Route Mobile Nepal Private Limited	NA	NPR (Exchange Rate - 0.62 & Average Rate - 0.62)	31.10	(6.59)	51.68	27.17	-	2.22	(1.01)	(0.25)	(0.76)	-	100% holding by Route Mobile (UK) Limited
15.	Route Mobile Lanka (Private) Limited	NA	LKR (Exchange Rate - 0.37 & Average Rate - 0.38)	0.37	(6.74)	8.46	14.84	-	12.38	3.18	-	3.18	-	100% holding by Route Mobile (UK) Limited
16.	Route Mobile (Bangladesh) Limited	NA	BDT (Exchange Rate - 0.86 & Average Rate - 0.88)	30.09	(99.80)	22.33	92.04	-	20.37	(47.04)	(0.00)	(47.04)	-	99.99% holding by Route Mobile (UK) Limited
17.	Route Mobile Malta Limited	NA	EUR (Exchange Rate - 85.92 & Average Rate - 84.73)	1.80	(3.76)	2.88	4.84	-	-	(2.44)	-	(2.44)	-	100% holding by Route Mobile (UK) Limited
18.	Route Mobile Uganda Limited	NA	UGX (Exchange Rate - 0.0199 & Average Rate - 0.0200)	9.98	(45.42)	33.61	69.04	-	5.23	(16.95)	-	(16.95)	-	100% holding by Route Mobile (UK) Limited
19.	Route SMS Zambia Limited	NA	ZMW (Exchange Rate - 3.31 & Average Rate - 3.75)	0.50	(10.48)	2.80	12.78	-	-	(6.83)	-	(6.83)	-	99.993% holding by Route Mobile (UK) Limited



20.	Route Mobile L.L.C.	NA	AED (Exchange Rate - 19.92 & Average Rate - 20.36)	59.77	(550.86)	1,884.73	2,375.82	-	4,313.22	(106.56)	(106.56)	-	49% hold by Route Sms Solutions FZE
21.	Spectrum Telecom FZ LLC	NA	AED (Exchange Rate - 19.92 & Average Rate - 20.36)	-	-	-	-	-	-	-	-	-	100% holding by Route Mobile (UK) Limited

**Notes:**

- Names of subsidiaries which are yet to commence operations: Route SMS Solutions Zambia Limited; Route Mobile Malta Limited; Spectrum Telecom FZ-LLC.
- Names of subsidiaries which have been liquidated or sold during the year: N.A.
- The Company does not have any Joint Venture and/or Associate Company.
- Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates for Balance Sheet figures as on March 31, 2021 and for Profit and Loss figures, converted using average rate.

**\*\*Spectrum Telecom FZ-LLC has been voluntarily de-registered w.e.f May 9, 2021.**

For and on behalf of the Board of Directors

**Sandipkumar Gupta**  
Chairman

**Rajdikumar Gupta**  
Managing Director and Group Chief Executive Officer

**Suresh Jankar**  
Chief Financial Officer

**Rathindra Das**  
Head Legal, Company Secretary & Compliance officer

Date: May 18, 2021  
Place: Mumbai

## Annexure 2

Companies which became / ceased to be Company's Subsidiaries, Joint Ventures or Associate Companies as per the provisions of the Companies Act, 2013:

- The names of companies which have become Subsidiaries, Joint Ventures or Associate Companies during the year: None.
- Companies / Bodies Corporate which became Step down Subsidiaries, Joint Ventures or Associate Companies during the year: None
- Companies / Bodies Corporate ceased to be Subsidiaries, Joint Ventures or Associate Companies during the year during the year:\* None

\* Spectrum Telecom FZ-LLC, a wholly owned step-down subsidiary of the Company, was voluntarily de-registered with effect from May 9, 2021.

For and on behalf of the Board of Directors

**Sandipkumar Gupta**  
Chairman

# Annexure 3

Details pertaining to remuneration as under Section 197(12) of Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(A) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during FY 2020-21 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2020-21 are as under:

(Amount in ₹ except MRE)

Sr. No.	Name of Director / KMP and Designation	% increase/decrease of remuneration in 2021 as compared to 2020	Ratio of remuneration to median remuneration of employees (MRE)
<b>Executive Director(s)</b>			
1.	Mr. Rajdipkumar Gupta, Managing Director and Group CEO	Nil	15.58 <sup>3</sup>
<b>Non-Executive Non-Independent Directors<sup>1</sup></b>			
2.	Mr. Chandrakant Gupta	N.A.	N.A.
3.	Mr. Sandipkumar Gupta	N.A.	N.A.
<b>Independent Directors</b>			
4.	Mr. Ramachandran Sivathanu	N.A.	N.A.
5.	Mrs. Sudha Navandar	N.A.	N.A.
6.	Mr. Nimesh Salot	N.A.	N.A.
7.	Mr. Arun Gupta <sup>2</sup>	N.A.	N.A.
<b>Key Managerial Personnel ('KMP')</b>			
8.	Mr. Suresh Jankar, Chief Financial Officer (CFO)	Nil	N.A.
9.	Mr. Rathindra Das, Company Secretary (CS)	Nil	N.A.

Notes:

- (1) Non-Executive Non Independent Directors & Independent Directors were in receipt of sitting fees only. There has been no change in the payment criteria for remuneration to Non-Executive / Independent Directors. Sitting Fees paid to the Directors has not been considered as remuneration.
- (2) Mr. Arun Gupta was appointed as Additional and Independent Director w.e.f November 19, 2020.
- (3) Mr. Rajdipkumar Gupta, Managing Director and Group CEO, was entitled to a total salary of ₹1,52,10,825 (5% of ₹30,42,16,508 being net profit for the year computed as per Section 198 of the Companies Act, 2013) during the FY 2020-21. In view of the unprecedented situation due to COVID-19, uncertainty in business is likely to last for the next foreseeable future & to show his support with the team in the current scenario, he voluntarily waived his partial salary i.e., ₹65,92,880 and was paid ₹86,17,945 during the FY 2020-21.

(B) The percentage increase in the median remuneration of the employees in the financial year: **1.56%**

(C) The number of permanent employees on the rolls of the Company as on March 31, 2021: **318**

(D) Average percentage increase already made in the salaries of employees other than the managerial personnel in FY 2020-21 and its comparison with the percentage increase in the managerial remuneration and justification thereof: The average increase in the remuneration of employees excluding KMPs during FY 2020-21 was 1.56% and the average increase in the remuneration of KMPs was 0%. Salary increases were awarded as a retention measure to only those employees who were critical to business.

(E) Affirmation that the remuneration is as per the remuneration policy of the company: **Yes.**

# Annexure - 4

## Form No. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)  
Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

2. **Details of material contracts or arrangement or transactions at arm's length basis:** Material contracts or arrangements or transactions entered into during the year ended March 31, 2021 crossing the materiality threshold of 10% of the annual consolidated turnover of the Company:

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / Transactions and 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, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Route Mobile (UK) Limited Wholly owned Subsidiary	Purchase of messaging services ₹165.44 crore	Term / Renewal: 1 Year and Auto-renewal  Salient terms: Reciprocal messaging Service Agreement wherein both the parties can buy and sell the messages to the other Party.	Since these RPTs are in the ordinary course of business and are at arms' length basis, approval of the Board is not applicable.	Nil	Not Applicable
Sphere Edge Consulting (India) Private Limited Wholly owned Subsidiary	Purchase of messaging services ₹142.08 crore	Term / Renewal: 1 Year and Auto-renewal  Salient terms: Reciprocal messaging Service Agreement wherein both the parties can buy and sell the messages to the other Party.	However, necessary approvals were granted by the Audit Committee from time to time.	Nil	Not Applicable

For and on behalf of the Board of Directors

Date: May 18, 2021  
Place: Mumbai

Sandipkumar Gupta  
Chairman

# Annexure 5



**FORM NO MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**ROUTE MOBILE LIMITED**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ROUTE MOBILE 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 (records were verified in electronic form due to situation of "COVID-19") and the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2021 generally 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 **March 31, 2021** 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 ("FEMA") and the rules and regulations made thereunder to the extent of Foreign Direct Investment and overseas Direct Investment and Overseas Direct Investment and External Commercial Borrowings.
- 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 (Issue of Capital and Disclosure Requirements) Regulations, 2018
  - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable to the company for the financial year ended March 31, 2021**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not applicable to the company for the financial year ended March 31, 2021**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not applicable to the company for the financial year ended March 31, 2021; and**

- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

vi. I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws:

Business related Laws

- i. The Telecom Commercial Communication Customer Preference Regulation, 2018 ("TCCCPR")
- ii. The Telecom Regulatory Authority of India Act, 1997

I have also examined compliance of Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Independent Directors and Woman Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions have been taken unanimously and no dissent recorded in Board Meetings.
- I further report that there are 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.
- The following event has occurred during the year which has a major bearing on the company's affairs in pursuance of the Laws, Rules, Regulations, Guidelines Standards etc. referred to above.
  - i. During the year, the Company had issued 68,57,142 equity shares were issued through fresh issue and 1,02,85,714 equity shares through offer for sale at an offer price of ₹350 per equity shares by virtue of initial public offer (IPO). The equity shares of the Company were listed on Main Board of BSE Limited & National Stock Exchange of India Limited on September 21, 2020.
  - ii. Allotment of 5,00,000 equity shares on November 23, 2020 under Route Mobile Limited Employee Stock Option Plan, 2017 at an exercise price of ₹300/- each to Route Mobile Employee Welfare Trust (Trust). All the shares issued were subsequently listed on BSE Limited & National Stock Exchange of India Limited.
  - iii. Allotment of 2,24,475 equity shares on February 26,2021 under Route Mobile Limited-Employee Stock Option Plan, 2017 at an exercise price of ₹300 each/- to Route Mobile Employee Welfare Trust (Trust). All the shares issued were subsequently listed on BSE Limited & National Stock Exchange of India Limited.
  - iv. Allotment of 1,31,966 equity shares on February 26,2021 under Route Mobile Limited-Employee Stock Option Plan, 2017 at an exercise price of ₹326.16 each/- to Route Mobile Employee Welfare Trust (Trust). All the shares issued were subsequently listed on BSE Limited & National Stock Exchange of India Limited.

**For Dhrumil M Shah & Co.**  
**UDIN: F008021C000339099**

**Dhrumil M Shah**  
**Practicing Company Secretary**  
**FCS 8021; CP 8978**  
**PR No. 995/2020**

**Place: Mumbai**  
**Date: May 18, 2021**

*This Report is to be read with my letter of even date which is annexed as Annexure- I and forms an integral part of this report.*



To,  
The Members,  
ROUTE MOBILE LIMITED

My report of even date is to be read along with this letter:

- 1) Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report 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 Dhrumil M Shah & Co.  
UDIN: F008021C000339099

Dhrumil M Shah  
Practicing Company Secretary  
FCS 8021; CP 8978  
PR No. 995/2020

Place: Mumbai  
Date: May 18, 2021

## Annexure - 6

### Annual Report on CSR Activities

#### 1. Brief outline on CSR Policy of the Company.

Guided by our board governed Corporate Social Responsibility (CSR) policy and further by the CSR Committee, the Company strives to create value for marginalized communities in the country, through well-structured programs and interventions. Our CSR programmes focus on 3 distinct areas of intervention namely: Promotion of Education, Healthcare & Hygiene and Sports for young children. Social responsibility is an integral part of our corporate citizenship. We strive to foster a socially responsible corporate culture by introducing a balanced approach to business. This is done by addressing social and environmental challenges through required investments, necessary resource allocation and engaging with the stakeholders. In accordance with the recent

regulatory amendments, Route Mobile has set up the Route Mobile Foundation which would lead all our future CSR programmes. Route Mobile is also committed to the pursuit of better living for people with disabilities and enhancement in the quality of primary education. Our Outreach programs are in the form of grants or donations that help in the infrastructure development and poverty alleviation. Financial assistance is provided for medical care, shelter, food, education and clothing. Beyond the requirements of law, during COVID-19 situation in 2020-21, we made specific commitments to reach out to the displaced and poorer sections of the society with food, clothes, medical supplies and other essential amenities. Also read our Sustainability Report which is available at <https://www.routemobile.com/wp-content/uploads/2021/07/Sustainability-Report-FY-2020-21.pdf>.

#### 2. Composition of CSR Committee

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ramachandra Sivathanu	Chairman - Independent Director	2	2
2	Mr. Chandrakant Gupta	Member - Non-Executive Non-Independent Director	2	2
3	Mr. Sandipkumar Gupta	Member - Non-Executive Non-Independent Director	2	2
4	Mr. Nimesh Salot	Member - Independent Director	2	0

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company. <https://routemobile.com/investors>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). N.A.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any. N.A.

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
---------	----------------	--	---

NA

6. Average net profit of the company as per section 135(5). ₹9,85,87,073/-
7. (a) Two percent of average net profit of the company as per section 135(5). ₹26,40,223/-
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. N.A.
- (c) Amount required to be set off for the financial year, if any. N.A.
- (d) Total CSR obligation for the financial year (7a+7b-7c). ₹26,40,223/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹48,98,995	N.A.	N.A.	N.A.	N.A.	N.A.

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NA												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes / No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Eradicating poverty	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Mumbai, Maharashtra		1,80,000	Yes	NA	NA

2.	Providing Education, Promoting Healthcare and Training and Promotion of nationally recognized sport	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.  Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water. training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.	Yes	Mumbai, Maharashtra	47,18,995*	No	Route Mobile Foundation For Education And Sports	CSR00003956
<b>Total</b>					<b>48,98,995</b>			

\* Inclusive of unspent amount for past years.

(d) Amount spent in Administrative Overheads	N.A.
(e) Amount spent on Impact Assessment, if applicable	N.A.
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	₹48,98,995/-
(g) Excess amount for set off, if any	N.A.

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	N.A.
(ii)	Total amount spent for the Financial Year	N.A.
(iii)	Excess amount spent for the financial year [(ii)-(i)]	N.A.
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A.
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	N.A.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2017-18	Nil	N.A.	N.A.	N.A.	N.A.	N.A.
2.	2018-19	Nil	N.A.	N.A.	N.A.	N.A.	N.A.
3.	2019-20	Nil	N.A.	N.A.	N.A.	N.A.	N.A.
	<b>Total</b>	<b>Nil</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sr. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
N.A.								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year. (Asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s). N.A.
- (b) Amount of CSR spent for creation or acquisition of capital asset. N.A.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. N.A.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): N.A.

Mr. Rajdipkumar Gupta  
Managing Director & Group CEO

Mr. Ramachandran Sivathanu  
Chairman – CSR Committee

Date: May 18, 2021  
Place: Mumbai

## Annexure - 7

### Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules]



(A) **Conservation of Energy and Technology absorption:** In our strategy to combat climate change and transitioning to a low carbon economy, we strive to reduce our carbon footprint by taking on initiatives to monitor and reduce our energy consumption by incorporating energy efficient building designs where applicable, implementing automated energy management solutions to reduce energy consumption and by reducing server rack space, using Lithium ion batteries in UPS devices and use ozone friendly refrigerants for cooling etc., as may be practicable and wherever possible. Please refer our Sustainability Report to read about details of various efforts taken towards conservation of energy and technology absorption which is available on <https://www.routemobile.com/wp-content/uploads/2021/07/Sustainability-Report-FY-2020-21.pdf>.

(B) Details of foreign exchange earned and used during the year are as follows:

Particulars	April 1, 2020 to March 31, 2021	April 1, 2019 to March 31, 2020
Actual Foreign Exchange Earnings	1,99,31,33,921	2,42,71,90,107
Actual Foreign Exchange Outgo	1,80,83,50,708	95,23,84,687



# Annexure - 8

## Business Responsibility Report

SEBI, in 2012, mandated the top 100 listed entities by market capitalisation to file Business Responsibility Reports (BRR) as per the disclosure requirement emanating from the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs).

The decision by SEBI was part of its larger efforts to improve corporate governance practices and bring in more transparency in terms of reporting of various socially responsible activities carried out by the listed entities. In 2019, the Ministry of Corporate Affairs revised NVGs and formulated the National Guidelines on

Responsible Business Conduct (NGRBC). In December 2019, SEBI extended the BRR requirement to the top 1000 listed entities by market capitalisation, from the financial year 2019-20 describing the initiatives taken by them from an environmental, social and governance perspective. The philosophy of responsible business is based on the principle of business being accountable to all its stakeholders. Our Business Responsibility Report includes our responses to questions on our practices and performance on key principles defined by Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, covering topics across environment, governance and stakeholder relationships.

### Section A : General information about the Company

Sr. No.	Particulars												
1.	Corporate Identity Number (CIN) of the Company *U72900MH2004PLC146323												
2.	Name of the Company Route Mobile Limited												
3.	Registered address 4 <sup>th</sup> Dimension, 3 <sup>rd</sup> Floor, Mind Space, Malad (West), Mumbai 400064, Maharashtra, India												
4.	Website <a href="http://www.routemobile.com">www.routemobile.com</a>												
5.	E-mail id <a href="mailto:investors@routemobile.com">investors@routemobile.com</a>												
6.	Financial Year reported April 1, 2020 - March 31, 2021												
7.	Sector(s) that the Company is engaged in (industrial activity code-wise) Other information services activities NIC Code: 63999												
8.	List three key products/services that the Company manufactures/provides (as in balance sheet) Enterprise Communication Services like A2P messaging, Voice, Email, IP messaging and Mobile Network Operator Solutions like Firewall, SMSCs, MMSCs												
9.	Total number of locations where business activity is undertaken by the Company Number of Locations: 19 locations (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations												
	(a) International locations – 13 Breakup for the top 5 regions is as below:												
	<table border="1"> <thead> <tr> <th>Region</th> <th>Delivery Centre</th> </tr> </thead> <tbody> <tr> <td>UK &amp; Europe</td> <td>2</td> </tr> <tr> <td>USA</td> <td>1</td> </tr> <tr> <td>Asia Pacific</td> <td>4</td> </tr> <tr> <td>Africa</td> <td>5</td> </tr> <tr> <td>MENA</td> <td>1</td> </tr> </tbody> </table>	Region	Delivery Centre	UK & Europe	2	USA	1	Asia Pacific	4	Africa	5	MENA	1
Region	Delivery Centre												
UK & Europe	2												
USA	1												
Asia Pacific	4												
Africa	5												
MENA	1												
	(b) Domestic locations – 6												
10.	Markets served by the Company – Local/State/National/International The Company sells its products & services across all states in India as well as several countries in the world like North America, United Kingdom, Continental Europe, Asia Pacific, Middle East and Africa.												

\*The CIN of the Company with prefix "L" to denote Listed entity will be updated post filing of the Annual Return (MGT-7) with the Registrar of Companies. MGT-7 shall be due for filing within 60 days from the date of the AGM 2021.

### Section B: Financial details of the Company

Sr. No.	Particulars
1.	Paid up Capital (₹ in crore) ₹57,71,35,830
2.	Revenue from operations (₹ in lakhs) ₹37,638.36 (Standalone) ₹140,617.48 (Consolidated)
3.	Total profit after taxes (₹ in lakhs) ₹2232.51 (Standalone) ₹13,275.02 (Consolidated)
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) Company's total spending on CSR for the year ended March 31, 2021 was ₹48,98,995 which is more than 2% of the average net profit of preceding three (3) financial years calculated as per Section 198 of the Companies Act, 2013.
5.	List of activities in which expenditure in 4 above has been incurred:- Please refer Annexure 6 to Board's Report for details on CSR initiatives undertaken by the Company.

### Section C: Other details

Sr. No.	Particulars
1	Does the Company have any Subsidiary Company/Companies? During the year under review, the Company had 21 subsidiaries including 16 foreign subsidiaries and step down subsidiaries.
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) As the BR Initiatives of the Company are determined by senior management of the holding company and run at global level, all subsidiaries participate in the BR Initiatives.
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%] The Company has not mandated any supplier, distributor etc. to participate in the BR initiatives of the Company. However, they are encouraged to adopt BR Initiatives and follow the practise expected from responsible businesses.

### Section D: BR Information

#### 1. Details of Director/Directors responsible for BR

Sr. No.	Particulars	
<b>(a) Details of the Director/Directors responsible for implementation of the BR policy</b>		
1.	DIN 01272947	
2.	Name Mr. Rajdipkumar Gupta	
3.	Designation Managing Director & Group CEO	
<b>(b) Details of the BR Head</b>		
No.	Particulars	Details
1.	DIN (if applicable)	01272947
2.	Name	Mr. Rajdipkumar Gupta
3.	Designation	Managing Director & Group CEO
4.	Telephone number	+91 (022) 40337676
5.	E-mail id	<a href="mailto:investors@routemobile.com">investors@routemobile.com</a>

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

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

Principle No.	Principle
1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
3	Businesses should promote the well-being of all the employees.
4	Businesses should respect the interests of, and be responsive towards all its stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
5	Businesses should respect and promote human rights.
6	Businesses should respect, protect and make efforts to restore the environment.
7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
8	Businesses should support inclusive growth and equitable development.
9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

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	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	All policies have been developed as a result of detailed consultations and research on the best practices adopted across the globe including ten principles of United Nations Global Compact.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	-	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Functional heads ensure various policies are adhered to under the overall aegis of various committees like Nomination & Remuneration Committee, CSR Committee, Risk Management Committee etc.								
6	Indicate the link for the policy to be viewed online?	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
8	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	-	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	-	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The policies are evaluated internally from time to time and updated whenever required. The Company continues to sustain its commitment to the highest levels of quality, superior service management, robust information security practices and mature business continuity management. Our quality management system certified by KVQA Certification Services Private Limited complies with ISO 9001:2015 while our information security management system is certified by KVQA Certification Services Private Limited as ISO/IEC 27001:2013 compliant.								

## (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	Not Applicable and except for P7 (There is no distinct policy on public advocacy). For the time being, Company's public advocacy is through participation in various industry forums where we express our opinions on various relevant topics.								
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 next 1 year									
6	Any other reason (please specify)									

## 3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The BR performance of the Company is periodically assessed by the MD during the year. The CSR Committee of the Board meets from time to time to review the CSR performance of the Company.
(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	This is the first BR report of the Company pursuant to its listing on September 21, 2020. Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time-to-time), the Company will publish the Business Responsibility Report as an Annexure to the Board's Report on an annual basis. Business Responsibility Report of the Company will also be available at the website of the Company viz. <a href="http://www.routemobile.com">www.routemobile.com</a> . The Company will also publish a sustainability report from this year onwards. The sustainability report of FY 2020-21 can be accessed at <a href="https://www.routemobile.com/wp-content/uploads/2021/07/Sustainability-Report-FY-2020-21.pdf">https://www.routemobile.com/wp-content/uploads/2021/07/Sustainability-Report-FY-2020-21.pdf</a> .

## Section E: Principle-wise Performance

Principle 1 Businesses should conduct and govern themselves with ethics, transparency, and accountability	
1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?	The policy relating to ethics, transparency and accountability covers the Company and its group companies and the Suppliers / Contractors / NGOs dealing with the Company are also encouraged to maintain ethical standards in all their practices. The employees are encouraged to work on the principle that they should "act ethically even when nobody is watching." The Company has adopted a "Code of Business Conduct & Work Ethics Policy (TCoC)" and Anti-Bribery and Anti-Corruption Policy which mandate the Directors, Senior Management and Employees of the Company to act honestly, ethically and with integrity and deal fairly with the Company's customers, suppliers, dealers, investors and competitors.
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.	The Company has in place, a mechanism for dealing with complaints received from various stakeholders. The details of shareholders' complaints received and resolved during the financial year 2020-21 are provided in the Corporate Governance Report. The Company has not received any complaint from any other stakeholder such as customers, vendors etc.

Principle 2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle	
1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	We offer enterprise communication Services like A2P messaging, Voice, Email, IP messaging and Mobile Network Operator Solutions like Firewall, SMSCs, MMSCs.  Being an omni-channel cloud communication Company focussing on providing digital enterprise communication services, our products and services do not involve ESG risks in any material manner. However, we strive to follow and inculcate the applicable regulations concerning our business like Telecom Commercial Communication Customer Preference Regulation (TCCCPR), 2018, Information Technology Act, 2000, The General Data Protection Regulation 2016/679 to follow the best practises of governance in the conduct of our operations. This ensures that the interest of all stakeholders, whether direct or indirect are taken care of in the maximum permissible manner.
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?	As all our products and services/offers are tech enabled omni-channel cloud communication solutions, resource use (energy, water, raw material etc.) is either not applicable or there are no specific standards for measurement. Our only energy consumption is in the form of purchased electricity & we review our electricity consumption and ensure that the same is used judiciously. Please refer our sustainability report for details on operational resource conservation.
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.	Most of our operational sourcing are local, which reduces time, cost and efforts in procurement. We encourage our suppliers to abide by our Code of Business Conduct and Work Ethics Policy (TCoC) and other matters such anti-bribery, no child labour employment, anti-harassment etc.
4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	The Company encourages local procurement of goods and services around its office's proximity and region. Our procurements from MSME is also significant and our commitment is to do business with them in an economically sustainable manner.
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.	We advocate and raise awareness among our employees for decreasing generation of waste in the first place. Being a tech-enabled service company, our nature of operations does not generally lead to any significant waste generation.  Electrical and electronic equipment are made up of multiple components, some containing toxic substances. The equipment when rendered unserviceable / obsolete are called E-waste and are required to be disposed in environment friendly manner otherwise they can have an adverse impact on human health and the environment. We follow environmentally sound practises for disposal of all obsolete / unserviceable IT hardware/equipment.

**Principle 3 Businesses should promote the wellbeing of all employees**

1. Please indicate the Total number of employees.	366
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.	2
3. Please indicate the Number of permanent women employees	75
4. Please indicate the Number of permanent employees with disabilities	2
5. Do you have an employee association that is recognized by management?	There is no employee association within the Company.
6. What percentage of your permanent employees is members of this recognized employee association?	Not Applicable
7. 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
(a)	Child labour/forced labour/involuntary labour	Nil	Nil
(b)	Sexual harassment	Nil	Nil
(c)	Discriminatory employment	Nil	Nil

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

(a) Permanent Employees	Employee count		
	Employee count	Training hours	
		In-house/Classroom	E-learning/Online
(b) Permanent Women Employees	75	-	48
(c) Casual/Temporary/Contractual Employees	2	-	24
(d) Employees with Disabilities	2	-	-

**Principle 4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable, and marginalized.**

1. Has the company mapped its internal and external stakeholders? Yes/No	Yes. The Code of Business Conduct & Work Ethics Policy (TCoC) guides how the Company and its employees interact with various stakeholders such as its business partners, employees, contract workers, suppliers and most importantly its customers. Engagement with the mapped stakeholders is an on-going process which takes place through various formal and informal channels.
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	The Company is committed to the welfare of marginalized and vulnerable sections of the society. The Company engages with its stakeholders on an on-going basis. The Company has also identified specific areas like healthcare, sanitation and education which help them to improve their standard of living and the same is carried out through Company's CSR initiatives.
3. 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.	The Company has always strived to contribute to different sections of the society. Route Mobile's social initiatives are reflected through its various initiatives as described in the CSR report at <b>Annexure 6</b> . Our Route Mobile Foundation has been specifically formed by the Company to dedicate its CSR primarily in the area of education, sports and healthcare for the underprivileged sections of the society. For more details, please read our sustainability report of FY 2020-21 which can be accessed at <a href="https://www.routemobile.com/wp-content/uploads/2021/07/Sustainability-Report-FY-2020-21.pdf">https://www.routemobile.com/wp-content/uploads/2021/07/Sustainability-Report-FY-2020-21.pdf</a> .

**Principle 5 Businesses should respect and promote human rights.**

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?	Company's policy on human rights is extended to the entire group and its subsidiaries follow and adopt the practices/policies of the Company. It also covers and upholds the interest of the Suppliers/Contractors etc. dealing with the Company and they are also encouraged to maintain ethical standards in all their practices.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaints relating to human rights were received during the financial year.



**Principle 6 Business should respect, protect, and make efforts to restore the environment**

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.	Our Environmental, social and corporate governance policy covers all our locations, subsidiaries and all our people- permanent and contractual employees and Vendors. Our ESG policy is also shared with our Suppliers for due observance.
2. 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.	As a responsible company, we are committed to addressing climate change risks in proactive ways viz. resource conservation and preservation. We endorse the precautionary principle towards global warming; for details please read our sustainability report. Our Environmental, social and corporate governance policy can be accessed at <a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a> .
3. Does the company identify and assess potential environmental risks? Y/N	We endorse the precautionary principle towards global warming and climate change, and take up various committed initiatives towards resource conservation and preservation. We take conscious efforts to reduce consumption of electricity in a sustainable manner to keep check on GHG emissions.
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	Not Applicable.
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Yes, we are committed to clean technology initiatives and energy efficiency steps like consumption and use of electricity, air-conditioning etc. in a responsible and judicious manner. The electricity consumption is controlled by certain changes in process, e.g. Controlling the temperatures of HVAC, Regular maintenance of HVAC on monthly basis. Usage of energy efficient lighting to reduce the power consumptions, curbing the unnecessary usage of electricity. The organisation aims to control the overhead costs by keeping a check on the electricity consumptions on a regular basis, thus contributing to Sustainable/positive development.
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	The Company's operations are into omni-channel cloud communication and there is no material emissions/waste generated by the Company & the same are within the permissible limits.
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.	NIL

**Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

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.	<p>We are a member of the <b>GSMA</b> which represents the interests of mobile operators worldwide, uniting more than 750 operators with almost 400 companies in the broader mobile ecosystem, including handset and device makers, software companies, equipment providers and internet companies, as well as organisations in adjacent industry sectors. We are also member of <b>MEF</b>; Established in 2000, The Mobile Ecosystem Forum ('MEF') is a global trade body that acts as an impartial and authoritative champion for addressing issues affecting the broadening mobile ecosystem. Since 2020, we are also the members of below industry associations:</p> <p><b>IAMAI</b>: The Internet &amp; Mobile Association of India (IAMAI) is a not-for-profit industry body registered under the Societies Registration Act, 1860.</p> <p><b>MMA</b>: Mobile Marketing Association is a marketing trade association that brings together the full ecosystem of marketers, tech providers and sellers working collaboratively to shape the future.</p> <p><b>CII</b>: The Confederation of Indian Industry is a non-governmental trade association and advocacy group based in New Delhi, India founded in 1895.</p> <p><b>ASSOCHAM</b>: The Associated Chambers of Commerce and Industry of India is a non-governmental trade association and advocacy group based in New Delhi, India.</p>
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2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Anti-corruption & Anti-bribery, no child labour, Sustainable business principles, diversity, women friendly practices, and anti-sexual harassment mechanisms forms the basic ethos of our management team for public policy and advocacy. Technology & tech enabled communication and how it could empower & impact society at large is integral to the core of our operations & aspirations. Company's public advocacy is through participation in various industry forums where we express our opinions on various relevant topics.
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**Principle 8 Businesses should support inclusive growth and equitable development**

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Company's CSR initiatives and various other charitable works are targeted towards inclusive growth & equitable development of society at large.
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?	Please refer CSR report at Annexure 6 to the Board's Report.
3. Have you done any impact assessment of your initiative?	Our management team at personal levels are regularly connected with various NGOs and other agencies to which Company makes contribution for its CSR and social welfare causes, and the team regularly assesses, monitors the outcomes and utilisations.
4. What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken.	Please refer CSR report at Annexure 6 to the Board's report.
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.	Our CSR initiatives are not just philanthropic but also aimed at nation building. Our CSR initiatives include encouraging education & sports among the youths with increased involvement from the local community and administration. The sustainability and CSR initiatives are also periodically reviewed by the Senior Management and the Board of Directors.

**Principle 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.	Nil
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)	Not Applicable.
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	None.
4. Did your company carry out any consumer survey/ consumer satisfaction trends?	Our Company is regularly featured in ROCCO Research's surveys of mobile operators and ranked with respect to customer satisfaction and technical capabilities. Additionally, our online Ticketing Tool secures continuous feedback from all our customers.

# Report on Corporate Governance

[Pursuant to Part C of Schedule V to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

## Company's Philosophy on Corporate Governance

Your Company's Corporate Governance philosophy is based on transparency, accountability, values and ethics, which forms an integral part of the Management's initiative in its ongoing pursuit towards achieving excellence, growth and value creation. Your Company has a strong legacy of fair, transparent and ethical governance practices and its efforts in this regard brought wonderful results viz. Route Mobile Limited was adjudged as the "Best Governed Company" in the Unlisted segment (Emerging Category) at the 19<sup>th</sup> ICSI National Awards for Corporate Governance in January, 2020. The commitment to uphold highest standards of corporate governance still continues post listing of the Company in 2020 and Company is in compliance with all the norms & disclosure requirements as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Company has adopted a Code of Conduct for Board Members and Senior Management including Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ('the Act') as well. The Company has taken all necessary steps to ensure the Rights of Shareholders and seek approval of the shareholders as and when required as per the provisions of the Companies Act, 2013 or other applicable legislations. The Company ensures timely and complete dissemination of information on all matters which are required to be made public. The website of the Company and the Annual Report of the Company contain exhaustive information regarding every aspect of the functioning, financial health, ownership and governance practices of the Company. Democratization of information increases scrutiny of corporate actions and raises the standards of governance. All disclosures by Company are made in line with the formats prescribed by the concerned regulatory authority in respect of accounting, financial and non-financial matters.

## Board of Directors, Size and Composition

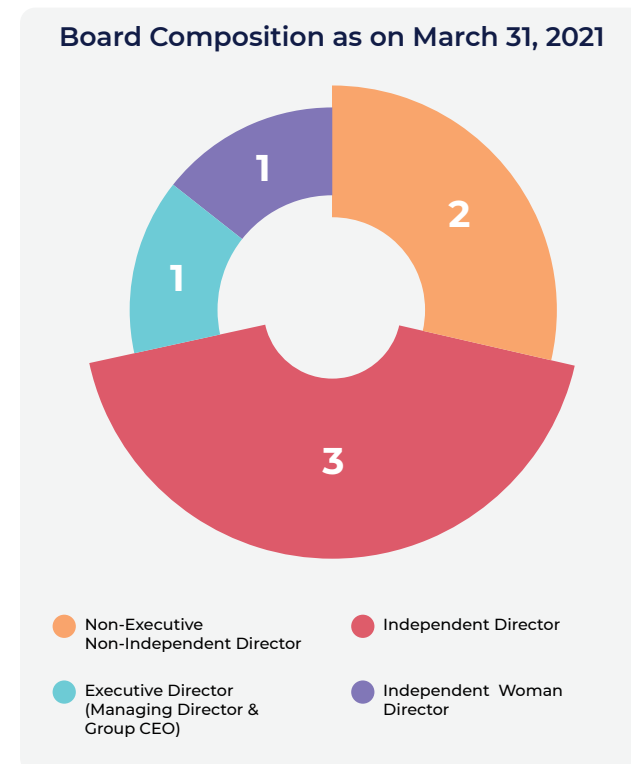
The Board of Directors along with its Committees provide leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board of RML comprises of Executive (Whole-Time) and Non-Executive Directors (which include Independent Directors, including further an Independent Woman Director). Independent Directors are eminent persons with proven record in diverse areas like business, accounting, marketing, technology, finance, economics, administration, etc. The composition of Board of Directors represents optimal mix of professionalism, qualification, knowledge, skill sets, track record, integrity, expertise and diversity. The Board of Directors, as on March 31, 2021, comprised of 7 Directors, out of which 1

was Executive Director ("ED") (MD & Group CEO) and 6 were Non-Executive Directors ("NEDs"), which includes 4 Independent Directors ("IDs"). The Chairman of the Board is a Non-Executive & Non-Independent Director and more than one-half of the total number of Directors comprises of Non-Executive & Independent Directors. Detailed profile of our Directors is available on our website at <https://www.routemobile.com/board-of-directors/>. The terms and conditions of appointment of Independent Directors are hosted on the website of the Company at <https://www.routemobile.com/investors/>.

In India, the Securities and Exchange Board of India (SEBI) regulates corporate governance for listed companies through SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Listing Regulations mandate the following:

- For a company with a non-executive chairman, who is a promoter, at least half of the board shall consist of independent directors: **Complied**
- The Board of directors of the top 500 listed entities shall have at least one independent woman director by April 1, 2019: **Complied**

The composition of the Board of Directors of the Company is in conformity with Regulation 17 of the Listing Regulations and Section 149 of the Act.



## Selection of New Directors and Board Membership Criteria

For selection of Directors on the Board, the committee reviews potential candidates in terms of their expertise, attributes, personal and professional backgrounds. It then places the details of shortlisted candidates to the board for its consideration. If the board approves, the person is appointed as an Additional Director, subject to the approval of shareholders at the Company's next general meeting.

## Board Diversity

Diversity in the boardroom has been a hot topic in recent years. Having the optimal mix of skills, expertise and experience is paramount to ensure that the board as a collective unit is equipped to guide the business and strategy of the Company. Furthermore, given the increasingly digital environment that businesses operate in, having a technology expert sitting in the boardroom could prove to be a strategically advantageous decision for a Company. In order to appropriately discharge this responsibility, the board would need to have a keen insight into the IT environment of the company, further emphasizing the need for specialized skills on the board in this regard. RML primarily operates in the emerging cloud communication sector where technical knowhow and technical capabilities play the most critical part for its unique positioning in the market. The Board has collective expertise in areas of Cloud Communication & Technology, Marketing & Sales, Corporate Finance & Taxation, Risk Management and Legal & Corporate Affairs. The Board periodically reviews the compliance reports of all laws applicable to the Company. Companies have come to the realization that in this time of disruption and change, the 'traditional' perspective on governance is no longer sufficient.

Gender, Ethnicity, Age, Independence are critical components of creating diversity at the Board level and the Board has an optimum mix of Independent and Non-Independent Directors, duly selected by the Nomination and Remuneration Committee representing all the factors as mentioned including range of professional backgrounds. New voices are needed — and many of those are women. The Egon Zehnder 2020 Global Board Diversity Tracker reports that overall 23.3% of board positions are now held by women, up from 20.4% in 2018. This report covers all publicly traded companies with market cap EUR 6bn+ in 44 countries globally. At Route Mobile, the commitment to diversity had been long standing and the

Information Technology	Firewall, Analytics, Operator, Cyber Security
Communication Technology viz. omni-channel cloud, CPaaS, CCaaS communication market	RCS, Whatsapp, Viber, Chatbots, CPaaS, CCaaS
Regulatory	Protection of stakeholders' interest, Finance, Auditing, Taxation, Legal and Corporate Governance.
Marketing & Sales	Experience in strategizing market share growth, building brand awareness, enhancing enterprise reputation.
Human Resources	General know-how of business management, talent management and development, workplace health & safety.

Company has an Independent Woman Director on the Board since 2017. Company's Board Diversity policy can be accessed at <https://www.routemobile.com/corporate-policies>.

## Disclosures regarding the appointment or re-appointment of Directors

In terms of the relevant provisions of the Companies Act, 2013, Mr. Sandipkumar Gupta is liable to retire by rotation at the ensuing Annual General Meeting ('AGM') and being eligible, seeks re-appointment.

Further, Mr. Arun Gupta was appointed as the Additional & Independent Director w.e.f November 19, 2020 to hold office till the conclusion of the next Annual General Meeting and subject to the approval of the Members in the ensuing General Meeting, for appointment as an Independent Director to hold office for a term upto Five (5) consecutive years. The Board recommends above appointment & re-appointment for approval of the Members. The detailed profile of the above Directors and particulars of their experience, skill or attributes that qualify them for Board membership are provided in the Notice convening the AGM.

## Matrix setting out the skills/expertise/competence of the board of directors and names of directors who have such skills / expertise / competence

SEBI vide amendment to the Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements), 2015 has mandated all listed entities and its Board of Directors to determine (and disclose in the corporate governance section of the annual report) a chart or a matrix setting out the skills / expertise / competence of the board of directors specifying the following: a) With effect from the financial year ending March 31, 2019, the list of core skills / expertise / competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board and with effect from the financial year ended March 31, 2020, the names of directors who have such skills / expertise / competence. The Board has identified certain skills / expertise / competencies viz. information technology, global technology viz. omni-channel & CPaaS communication market, regulatory, marketing & sales and human resources which are critical for Company's operations in the most dynamic and ever changing technology space.

The Board in its meeting held on June 10, 2019 had identified the core skills/ expertise/ competence as relevant and available for the Company in view of the nature of business and global markets in which it operates through direct presence and including through its subsidiaries. The skills / expertise / competencies mentioned above & the names of directors who have such skills / expertise / competence etc. were initially identified by the Board in its meeting held on June 10, 2019 & August 25, 2020 and re-affirmed by the Board of Directors in its meeting held on May 18, 2021 while approving the Annual Report of FY 2020-21. The current composition of the Board meets the requirements of skills, expertise and competencies as identified above. The skills which are currently available with the Board members have been mapped below:



Information Technology	Communication Technology	Regulatory	Marketing & Sales	Human Resources
Sandipkumar Gupta	Chandrakant Gupta	Sudha Navandar	Nimesh Salot	Ramachandran Sivathanu
1, 2, 3, 5	1, 4, 5	3, 5	3, 5	1, 2, 4
				Arun Gupta
				1, 2, 4
				Rajdipkumar Gupta
				1, 2, 4, 5

#### Compliance with non-mandatory requirements under Regulation 27(1) of the Listing Regulations:

- The Board**  
Our Chairman is non-executive and is entitled to maintain Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in the performance of his duties. However, during the year, no such services was availed by the Chairman and no fees was paid.
- Separate posts of Chairman & CEO**  
The Company has different individuals serving as Chairman and CEO respectively.
- Reporting of Internal Auditor**  
The Company has adequate internal control and Internal Audit System commensurate with its size and nature of its business. The Internal Audit Scope is approved by the Audit Committee and the Internal Auditors directly present their report to the Audit Committee for their consideration.
- Shareholders Rights**  
Considering the wide shareholder base, frequent trading & volume, our periodical results, earnings call transcripts, press releases etc. are also available on our website at [www.routemobile.com](http://www.routemobile.com). The same along with other shareholder communication like postal notices, board meeting notices etc. were published in newspapers with nationwide circulation base.
- Modified opinion**  
The Auditors have issued an unmodified opinion on the financial statements of the Company.

#### The Board has Seven (07) Directors as on March 31, 2021. Composition of the Board of Directors of the Company was as below:

Executive Director (ED)	Non-Executive Non-Independent Directors ("NED")	Independent Directors (IDs)
Mr. Rajdipkumar Gupta Managing Director & Group CEO	Mr. Sandipkumar Gupta Chairman (wef November 19, 2020)	Mrs. Sudha Navandar
	Mr. Chandrakant Gupta Chairman (upto November 18, 2020)	Mr. Ramachandran Sivathanu
		Mr. Arun Gupta <sup>1</sup>
		Mr. Nimesh Salot

<sup>1</sup>Appointed as Additional and Independent Director w.e.f. November 19, 2020

None of the Directors on the Board is a member of more than ten (10) Committees and Chairperson of more than five (5) Committees (committees being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26(1) of the Listing Regulations) across all public companies in which he / she is a Director. None of the Directors on the Board is a Director in more than seven (7) listed entities. None of the Directors hold directorship in more than twenty (20) Indian companies, with not more than ten (10) public limited companies. None of the Non-Executive Directors is an Independent Director in more than seven (7) listed companies as required under the Listing Regulations. None of the IDs is serving as a whole-time director/managing director in any Listed entity. All the Directors have made necessary disclosures regarding Committee positions occupied by them in other companies. The composition of the Board of Directors of the Company is in conformity with Regulation 17 of the Listing Regulations and Section 149 of the Act. Further, the Managing Director & Group CEO does not serve as an Independent Director in any listed company. None of the Directors are related to each other except Mr. Chandrakant Gupta being the father of Mr. Sandipkumar Gupta and Mr. Rajdipkumar Gupta.

#### Shareholding of Non-Executive Directors:

Name	No. of Shares held	No. of convertible instruments held
Mr. Chandrakant Gupta	23,00,000	Nil
Mr. Sandipkumar Gupta	92,57,143	Nil
Mrs. Sudha Navandar	20	Nil
Mr. Ramachandran Sivathanu	Nil	Nil
Mr. Arun Gupta <sup>1</sup>	Nil	Nil
Mr. Nimesh Salot	Nil	Nil

<sup>1</sup>Appointed as Additional and Independent Director w.e.f. November 19, 2020

#### Details of directorships, memberships and chairpersonships of the committees of other companies of the Directors of the Company were as below as on March 31, 2021:

Name of Director	Directorships on the Board of other companies <sup>2</sup> (other than RML)	Board Committees <sup>3</sup>		Name of Listed Entities and category of Directorship	All Companies Worldwide <sup>4</sup>
		Chairperson	Member		
Mr. Chandrakant Gupta	4	Nil	Nil	Nil	5
Mr. Sandipkumar Gupta	5	Nil	Nil	Nil	19
Mrs. Sudha Navandar	4	2	3	Nil	5
Mr. Arun Gupta <sup>1</sup>	1	Nil	Nil	Nil	1
Mr. Ramachandran Sivathanu	Nil	Nil	Nil	Nil	3
Mr. Rajdipkumar Gupta	5	Nil	Nil	Nil	21
Mr. Nimesh Salot	Nil	Nil	Nil	Nil	Nil

<sup>1</sup> Appointed as Additional and Independent Director w.e.f. November 19, 2020

<sup>2</sup> Excludes directorships in associations, private limited companies, foreign companies, companies registered under Section 8 of the Act, Government Bodies and Alternate Directorships.

<sup>3</sup> Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited companies other than Route Mobile Limited.

<sup>4</sup> Includes directorships in companies incorporated outside India.



## Independent Director

Independent Directors ("IDs") are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 (the 'Act'). The maximum tenure of Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Basis the declaration as submitted by the Independent Directors and due assessment of the veracity undertaken by the Board, in terms of Regulation 25(9) of the Listing Regulations, the Board opined that the Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent from the management. Further, the Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. The Company has issued formal letters of appointment to the IDs. As required under Regulation 46 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the terms and conditions of appointment of IDs including their role, responsibility and duties are available on our website at <https://www.routemobile.com/corporate-governance>.

During the year, the Board of Directors based on the recommendations made by the Nomination & Remuneration Committee appointed Mr. Arun Gupta as Additional and Independent Director with effect from November 19, 2020, subject to approval of the shareholders.

### Opinion of the Board

The Board hereby confirms that, in its opinion, the independent directors on the Board fulfil the conditions specified in the SEBI Listing Regulations and Companies Act, 2013 and are independent of the management.

### Familiarization Programme and Training for Independent Directors (IDs)

The IDs are eminent professionals with extensive experience in a wide spectrum of domains linked with the growth vision of your Company. The IDs are well updated about their roles and responsibilities, the industry in which your Company operates and the business model of your Company. Your Company provides familiarization programme in the form of interactive sessions with the Managing Director and various Functional Heads of the Company's product, marketing, finance and other functions. The Company Secretary periodically updates the Director(s) about regulatory changes. The familiarisation programme for Directors is available on our website at <https://www.routemobile.com/wp-content/uploads/2021/07/Familiarisation-Programme-for-Independent-Directors.pdf>.

## Meeting of Independent Directors

In terms of the provisions of the Schedule IV of the Act and Regulation 25 (3) of the Listing Regulations, the Independent Directors of the Company shall meet at least once in a year, without the presence of Executive Directors and members of Management. The Independent Directors met on March 15, 2021 and inter-alia discussed:

- evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties; and
- other related matters

The Independent Directors have expressed satisfaction at the robustness of the evaluation process, the Board's freedom to express its views on matters transacted at the meetings and the openness and transparency with which the Management discusses various subject matters specified in the agenda of meetings.

### Compensation Policy for Board and Senior Management

The Company has a Nomination and Remuneration Policy for Directors, Key Managerial Personnel ('KMPs') and all other employees of the Company. The same is available on our website at <https://www.routemobile.com/corporate-policies>. No payments has been made to any non-executive directors except sitting fees as disclosed below.

### Details of remuneration for Directors in FY 2020-21 are provided below:

#### Non-Executive Directors' compensation and disclosures

Sitting fees paid to the Non-Executive Directors and Independent Directors are recommended by the Nomination and Remuneration Committee of the Board and approved by the Board of Directors. The details of sitting fees paid to the Non-Executive and Non-Independent Directors and Independent Directors are given separately in this Report. In accordance with the Listing Regulations, no employee, including key managerial personnel or director or promoter of a listed entity, shall enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit-sharing in connection with dealings in the securities of the Company, without prior approval from the Board as well as from shareholders by way of an ordinary resolution. No such instances were reported during fiscal 2021.

No stock options were granted to any member of the Board of Directors.

## (a) Non-Executive Directors:

Name	Fixed Salary (in ₹)			Commission* (in ₹)	Sitting Fees (in ₹)	Total Compensation (in ₹)
	Basic	Perquisites	Total			
<b>Non-Executive (Non-Independent) Directors</b>						
Mr. Chandrakant Gupta	-	-	-	-	2,25,000	2,25,000
Mr. Sandipkumar Gupta	-	-	-	-	3,50,000	3,50,000
<b>Independent Directors</b>						
Mrs. Sudha Navandar	-	-	-	-	3,25,000	3,25,000
Mr. Ramachandran Sivathanu	-	-	-	-	3,25,000	3,25,000
Mr. Arun Gupta <sup>1</sup>	-	-	-	-	75,000	75,000
Mr. Nimesh Salot	-	-	-	-	1,50,000	1,50,000

<sup>1</sup>Appointed as Additional and Independent Director w.e.f. November 19, 2020

\*The Company does not pay any commission to the Non-Executive and Independent Directors. Only sitting fees are paid as approved by the Board of Directors from time to time.

## (b) Executive Director: Compensation and Disclosures:

Particulars	Mr. Rajdipkumar Gupta
Term of Appointment	For a period of 5 years from May 1, 2017 to April 30, 2022.
Salary and Allowances	₹3,60,00,000 p.a.
Salary paid during the FY 2020-21	₹86,17,945
Commission	Nil
Variable Pay	Nil
Perquisites	Nil
Stock Option	Nil
Notice Period	The Agreement may be terminated by either party giving to the other party six months' notice or the Company paying six months' remuneration in lieu thereof.
Severance Fees	There is no separate provision for payment of severance fees.
Sitting Fees	Nil
Sitting Fees from Subsidiary Companies	Nil
Minimum Remuneration	Mr. Rajdipkumar Gupta shall be entitled to minimum remuneration comprising of salary, perquisites and benefits as per the applicable provisions of the Companies Act, 2013 in the event of inadequacy / absence of profits.
Number of shares held	92,57,143 Equity Shares

<sup>1</sup>Mr. Rajdipkumar Gupta, Managing Director and Group CEO, was entitled to a total salary of ₹1,52,10,825 (5% of ₹30,42,16,508 being net profit for the year computed as per Section 198 of the Companies Act, 2013) during the FY 2020-21. In view of the unprecedented situation due to COVID-19, uncertainty in business is likely to last for the next foreseeable future & to show his support with the team in the current scenario, he voluntarily waived his partial salary i.e., ₹65,92,880 and was paid ₹86,17,945 during the FY 2020-21.

### Board Meetings

All departments of the Company are advised to schedule their work plans in advance, particularly with regard to matters requiring discussions & approval of the Board. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board meetings. The agenda for each board meeting is circulated in advance to the Board members. Seven (7) Board Meetings were held during the year ended March 31, 2021 on August 25, 2020, August 29, 2020, September 2, 2020, September 14, 2020, October 28, 2020, January 28, 2021 and March 15, 2021.

Pursuant to MCA Circular No.11/2020 dated March 24, 2020, the mandatory requirement of holding Board meetings within the intervals as prescribed under Section 173 of Companies Act, 2013 (i.e. 120 days) stood extended by a period of 60 days i.e. up to a total of 180 days (as one time relaxation up to September 30, 2020). The gap between two Board meetings during this period exceeded one hundred and twenty (120) days but did not exceed one hundred and eighty (180) days.

**Attendance details of Directors for the year ended March 31, 2021 are given below:**

Name of Director	August 25, 2020	August 29, 2020	September 2, 2020	September 14, 2020	October 28, 2020	January 28, 2021	March 15, 2021	Attendance at the AGM held on August 28, 2020
Mr. Chandrakant Gupta	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Sandipkumar Gupta	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Sudha Navandar	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ramachandran Sivathanu	Yes	LOA	LOA	LOA	Yes	Yes	Yes	Yes
Mr. Arun Gupta <sup>1</sup>	N.A.	N.A.	N.A.	N.A.	N.A.	Yes	Yes	N.A. <sup>1</sup>
Mr. Rajdipkumar Gupta	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Nimesh Salot	LOA*	Yes	Yes	LOA	Yes	Yes	LOA	Yes

<sup>1</sup>Appointed as an Additional and Independent Director w.e.f. November 19, 2020  
\*LOA: Leave of Absence

**Information placed before the Board**

Among others, the Company provides the following information to the board and/or its committees: annual operating plans and budgets, capital budgets and other updates, minutes of meetings of the board, other committees, and subsidiary companies, information on recruitment and remuneration of key executives below the board level including chief financial officer and the company secretary, materially important show cause, demand, prosecution and penalty notices, if any, significant development in the human resources, quarterly details of foreign exchange exposure, non-compliance of any regulatory or statutory nature as well as shareholders' services such as non-payment of dividend and delays in share transfer, if any.

**Post Meeting Mechanism**

The important decisions taken at the Board / Committee(s) meetings are promptly communicated to the concerned departments. Action taken on the decisions of the previous meeting(s) is placed to the Board / Committee(s) wherever required.

**Board Support**

The Company Secretary attends the Board Meetings and advises the Board on compliances with applicable laws and governance.

Videoconferencing facility is also used to facilitate Directors travelling/residing at other locations to participate in the Meetings. In compliance with the relaxations granted by the Ministry of Corporate Affairs due to outbreak of COVID-19, the Company has also conducted its Board and Committee Meetings through video conferencing, without physical presence of Directors and attendees, to adhere to the social distancing norms.

**Board Committees**

**Audit Committee**

The Audit Committee has been constituted by the Board in compliance with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations. The board of directors has entrusted the Audit Committee with the responsibility to supervise these processes and ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

**Terms of Reference**

The broad terms of reference of the Audit Committee, as approved by the Board, in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations, are as follows:

- 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - 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;
  - Changes, if any, in accounting policies and practices and reasons for the same;

- Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
  - 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - Approval of any subsequent modification of transactions of the company with related parties; Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/ or the Accounting Standards.
  - Scrutiny of inter-corporate loans and investments;
  - Valuation of undertakings or assets of the company, wherever it is necessary;
  - Evaluation of internal financial controls and risk management systems;
  - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - 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;
  - Discussion with internal auditors of any significant findings and follow up there on;
  - 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;
  - 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;
  - Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - Reviewing the functioning of the whistle blower mechanism;
  - 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 and background, etc. of the candidate;
  - Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision; and
  - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Company Secretary acts as the Secretary to the Committee. The internal auditor reports functionally to the Audit Committee. The Chief Financial Officer of the Company also attends the meetings as invitee. Three (3) meetings of the Committee were held during the year ended March 31, 2021 on August 25, 2020, October 28, 2020 and January 28, 2021.

**The composition of the Committee and the attendance details of the Members are given below:**

Names of Members	Category	No. of Meetings Attended of total meeting held	Appointed w.e.f
Mrs. Sudha Navandar Chairperson	ID	03 of 03	November 22, 2017
Mr. Ramachandran Sivathanu	ID	03 of 03	November 22, 2017
Mr. Sandipkumar Gupta	NED	03 of 03	November 22, 2017
Mr. Nimesh Salot	ID	01 of 03	October 28, 2020

Mrs. Sudha Navandar-Chairperson of the Audit Committee was present at the AGM of the Company held on August 28, 2020.

## Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) consist majority of Independent Directors. The Nomination and Remuneration Committee has been constituted by the Board in compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations. During the year ended March 31, 2021, Two (2) meetings of Committee were held on August 25, 2020 and March 15, 2021.

### Terms of Reference

The terms of reference of the Nomination and Remuneration Committee are as follows:

The Nomination and Remuneration Committee shall be responsible for, among other things, as may be required by the Listing Regulations from time to time, the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;

- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Recommend to the board, all remuneration, in whatever form, payable to senior management; and
- Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

Two (2) meetings of the Committee were held during the year ended March 31, 2021 on August 25, 2020 and March 15, 2021.

The composition of the Committee and the attendance details of the Members are given below:

Names of Members	Category	No. of Meetings attended of total meetings held	Appointed w.e.f.
Mr. Ramachandran Sivathanu Chairman	ID	02 of 02	November 22, 2017
Mrs. Sudha Navandar	ID	02 of 02	November 22, 2017
Mr. Sandipkumar Gupta	NED	02 of 02	November 22, 2017

Mr. Ramachandran Sivathanu-Chairman of the Nomination and Remuneration Committee was present at the AGM of the Company held on August 28, 2020.

### Succession Planning

Succession Planning aids the Company in identifying and developing internal people with the potential to fill certain key positions in the Company viz. Chief Executive Officer, Chief Financial Officer and Company Secretary including further various key functional heads like Technology, Marketing & Sales. It increases the availability of experienced and capable employees that are prepared to assume these roles as they become available. Succession Planning is a part of the charter of the Nominations & Remuneration Committee of the Company. The Committee shall identify, screen and review candidates, inside or outside the Company and provide its recommendations to the Board.

### Board (Performance) Evaluation

Investors, regulators and other stakeholders are seeking greater board effectiveness and accountability and are increasingly interested in board evaluation processes and results. Boards are also seeking to enhance their own effectiveness and to more clearly address stakeholder interest by enhancing their board evaluation processes and disclosures. Relevant evaluation topics and areas of focus are drawn from:

- Analysis of board and committee minutes and meeting materials;

- Board governance documents, such as corporate governance guidelines, committee terms of reference, director qualification standards, as well as company codes of conduct and ethics;
- Observations relevant to board dynamics, operations, structure, performance and composition; and
- Company culture, performance, business environment conditions, strategy.

The evaluation process for the performance of the Board, its various committees and individual Directors was carried out in a transparent and confidential manner. Each Director provided their respective feedback on various parameters such as functioning of the Board and its various Committees, execution of specific duties, quality, quantity and timeliness of flow of information between Board and Management, independence of judgment etc. on a questionnaire. The Independent Directors at their meeting held on March 15, 2021 evaluated the performance of the Non-Independent Directors, including the Chairman and the Board as a whole. The Lead Independent Director, Mr. Ramachandran Sivathanu, had collated the feedback received from each of the Directors, including having detailed discussion with other Independent Directors in the meeting held on March 15, 2021. A one-on-one meeting of the individual Directors with the Chairman of the Board was also conducted. The Nomination and Remuneration Committee ("NRC") and

subsequently the Board discussed and collated feedback received from the Directors. The Board and Chairman of NRC Mr. Ramachandran Sivathanu had expressed their satisfaction on successful completion of the evaluation process, various feedback received from the Board members and with the overall performance of the Board during the year.

### Corporate Social Responsibility Committee

The Company has constituted a Corporate Social Responsibility ("CSR") Committee as required under Section 135 of the Act. The purpose of our Corporate Social Responsibility Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy as well as recommending various avenues in which the Company should make its CSR contribution. The Committee provides guidance in formulation of CSR strategy and principles to foster sustainable growth of the Company by creating values consistent with long-term preservation and enhancement of financial, natural, social, intellectual and human capital. The CSR policy is available on our website at <https://www.routemobile.com/corporate-policies>.

### Terms of Reference

In accordance with the Rule 5 (2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended by Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, effective 22<sup>nd</sup> January, 2021 (hereinafter "CSR Rules"), the Board, in its meeting

The composition of the Committee and the attendance details of the Members are given below:

Names of Members	Category	No. of Meetings Attended of total meetings held	Appointed w.e.f.
Mr. Ramchandran Sivathanu Chairman	ID	02 of 02	February 12, 2020
Mr. Nimesh Salot	ID	0 of 02	February 12, 2020
Mr. Chandrakant Gupta	NED	02 of 02	November 22, 2017
Mr. Sandipkumar Gupta	NED	02 of 02	November 22, 2017

### Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee ("SRC") considers and resolves the grievances of our shareholders, including complaints relating to non-receipt of annual report, transfer and transmission of securities, non-receipt of dividends/interests and such other grievances as may be raised by the security holders from time to time.

Mr. Rathindra Das is appointed as the Compliance officer of the Company.

### Terms of Reference

The broad terms of reference of the SRC, as approved by the Board, in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, are as follows:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

held on March 15, 2021 has amended the CSR policy and terms of reference for the CSR Committee. The broad terms of reference of the CSR Committee are as follows:

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:

- The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- The manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- The modalities of utilisation of funds and implementation schedules for the projects or programmes;
- Monitoring and reporting mechanism for the projects or programmes; and
- Details of need and impact assessment, if any, for the projects undertaken by the company;

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

Two (2) meetings of the CSR Committee were held on August 25, 2020 and March 15, 2021.

- Review of measures taken for effective exercise of voting rights by shareholders;

- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent attend to all grievances of the shareholders received.

One (1) meeting of the SRC was held during the year ended March 31, 2021 on October 28, 2020.



The composition of the Committee and the attendance details of the Members are given below:

Names of Members	Category	No. of Meetings Attended of total meetings held	Appointed w.e.f.
Mr. Nimesh Salot Chairman	ID	01 of 01	February 12, 2020
Mr. Ramachandran Sivathanu	ID	01 of 01	November 22, 2017
Mr. Rajdipkumar Gupta	ED (MD)	01 of 01	November 22, 2017

Mr. Nimesh Salot, Chairman of the SRC was present at the AGM of the Company held on August 28, 2020.

#### Details of complaints received and resolved during the FY 2020-21:

Opening as on April 1, 2020	0
Received during the year	818
Resolved during the year	818
Closing as on March 31, 2021	0

#### Risk Management Committee

Regulation 21 of the Listing Regulations mandates that top 500 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year shall constitute a Risk Management Committee. Company's ranking on the basis of market capitalisation as on December 31, 2020 as per the list issued by NSE was 315. (Source: <https://www.nseindia.com/regulations/listing-compliance/nse-market-capitalisation-all-companies>). Accordingly, the Board, in a pro-active manner, in its meeting held on January 28, 2021 constituted the Risk Management Committee of the Company in compliance with Regulation 21 of the Listing Regulations.

#### Terms of Reference

The broad terms of reference of the Risk Management Committee, as approved by the Board, in compliance with Section 134 (3)(n) of the Companies Act, 2013 and Regulation 21 of the Listing Regulations, are as follows:

- The Risk Management Committee shall meet at least twice a year. Two members, present shall form the quorum for the meeting of the Committee. The Risk Management Committee shall periodically assess risks to the effective execution of business strategy and review key leading indicators in this regard.
- Risk Areas: Exchange rate, Change in taxation policies, financial leverage risks, Provision for bad and doubtful debts, Frauds, Risks in settlement of dues by dealers/customers. Risks related to cyber security, GDPR, Data Privacy and ensure appropriate procedures are placed to mitigate these risks in a timely manner.
- 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 review and reassess the adequacy of this Charter and Risk management Plan periodically and recommend any

proposed changes to the Board for approval. The risk management plan should consider the maturity of the risk management of the company and should be tailored to the specific circumstances of the company.

- The Risk Management Committee shall have access to any internal information necessary to fulfill its oversight role. The Risk Management Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

#### The composition of the Committee and the attendance details of the Members are given below:

Names of Members	Category	Appointed w.e.f.
Mr. Sandipkumar Gupta Chairman	NED	January 28, 2021
Mr. Rajdipkumar Gupta	ED (MD)	January 28, 2021
Mr. Sammy Mamdani	EVP-Head of Global Operations	January 28, 2021

No meetings of Risk Management Committee were held during the FY 2020-21. The first meeting of the Risk Management Committee was held on May 18, 2021; all members of the Committee attended the meeting.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements)(Second Amendment) Regulations, 2021 dated May 05, 2021, Mrs. Sudha Navandar, Independent Director, was appointed as a member of Risk Management Committee by the Board of Directors in their meeting held on May 18, 2021.

Snapshot of the Member's participation at the meetings of the Committee(s) during the FY 2020-21 is as under:

Name of the Committee	Audit Committee			Nomination and Remuneration Committee		Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	
	No. of Meetings Held							
	3			2		1	2	
Date of Meetings	August 25, 2020	October 28, 2020	January 28, 2021	August 25, 2020	March 15, 2021	October 28, 2020	August 25, 2020	March 15, 2021
	<b>No. of Meetings Attended</b>							
Member								
Mr. Chandrakant Gupta	NA	NA	NA	NA	NA	NA	Y	Y
Mr. Sandipkumar Gupta	Y	Y	Y	Y	Y	NA	Y	Y
Mrs. Sudha Navandar	Y	Y	Y	Y	Y	NA	NA	NA
Mr. Ramachandran Sivathanu	Y	Y	Y	Y	Y	Y	Y	Y
Mr. Arun Gupta <sup>1</sup>	NA	NA	NA	NA	NA	NA	NA	NA
Mr. Rajdipkumar Gupta	NA	NA	NA	NA	NA	Y	NA	NA
Mr. Nimesh Salot	NA	NA	Y	NA	NA	Y	LOA	LOA

\*Y: Present; NA: Not member of the Committee; LOA: Leave of Absence  
<sup>1</sup>Appointed as Additional and Independent Director w.e.f. November 19, 2020

#### Non-Statutory Committees

##### IPO Committee

Our IPO Committee was constituted by a resolution of our Board dated November 22, 2017.

##### Terms of Reference

The broad terms of reference of the IPO Committee, as approved by the Board, are as follows:

- to decide with the Selling Shareholder, as applicable, in consultation with the book running lead managers, on the initial public offering size (including any other reservations or firm allotments as may be permitted, green shoe option and/ or any rounding off in the event of any oversubscription), timing, pricing (price band, issue price, including to anchor investors) and all other terms and conditions of the initial public offering, including the price, premium, discount (as permitted under applicable laws) and to make any amendments, modifications, variations or alterations thereto;
- to make applications to the stock exchanges for in-principle approval for listing of its equity shares and file such papers and documents, including a copy of the draft red herring prospectus filed with Securities and Exchange Board of India, as may be required for the purpose;
- to take all actions as may be necessary or authorized, in connection with the Offer, including taking on record the approval of the offer for sale, extending the bid/offer period, revision of the price band, allow revision of the Offer, in accordance with the applicable laws;
- authorisation of any director or directors of our Company or other officer or officers of our Company,

including by the grant of power of attorney, to do such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/transfer of the Equity Shares;

- giving or authorising any concerned person to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
- to appoint and enter into arrangements with the book running lead managers, underwriters to the initial public offering, syndicate members to the initial public offering, brokers to the initial public offering, advisors to the initial public offering, escrow collection banks to the initial public offering, registrars to the initial public offering, refund banks to the initial public offering, public issue account banks to the initial public offering, monitoring agency, legal counsel, advertising agencies and any other agencies or persons or intermediaries to the initial public offering and to negotiate and finalise the terms of their appointment;
- to approve the list of 'group companies' of our Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the draft red herring prospectus, red herring prospectus and the Prospectus;
- to make applications to, seek clarifications and obtain approvals from, if necessary, the RBI, the SEBI or any other statutory or governmental authorities in connection with the initial public offering and, wherever necessary, incorporate such modifications/ amendments/ alterations/ corrections as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus;
- to negotiate, finalise, settle, execute and deliver or arrange the delivery of the book running lead

managers' mandate or engagement letter(s), the offer agreement, registrar agreement, syndicate agreement, underwriting agreement, cash escrow agreement, share escrow agreement and all other documents, deeds, agreements, memorandum of understanding and other instruments whatsoever, including any amendment(s) or addenda thereto, including with respect to the payment of commissions, brokerages and fees, with the book running lead managers, registrar to the initial public offering, legal advisors, auditors, Stock Exchanges and any other agencies/intermediaries in connection with the initial public offering with the power to authorise one or more officers of our Company to negotiate, execute and deliver all or any of the aforesaid documents;

- j) to open and operate any bank account(s) required of our Company for the purposes of the initial public offering and the pre-initial public offering Placement, including the cash escrow account, the public issue account, as may be required;
- k) deciding the pricing and all other related matters regarding the pre-initial public offering Placement, including the execution of the relevant documents with the investors in consultation with the book running lead managers and in accordance with applicable laws;
- l) approving the draft red herring prospectus, red herring prospectus and the prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient) and the preliminary and final international wrap for the initial public offering together with any addenda, corrigenda and supplement thereto as finalised in consultation with the book running lead managers, in accordance with all applicable laws, rules, regulations, notifications, circulars, orders and guidelines and take all such actions as may be necessary for filing of these documents including incorporating such alterations/corrections/modifications as may be required by and to submit undertakings/certificates or provide clarifications to SEBI or any other relevant governmental and statutory authority;
- m) seeking the listing of the Equity Shares on any Indian stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;
- n) to issue receipts/allotment letters/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of our Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more Stock Exchanges, with power to authorise one or more officers of our Company to sign all or any of the aforesaid documents;
- o) to make applications for listing of the Equity Shares on the stock exchange for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the stock exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;

- p) accept and appropriate proceeds of the Fresh Issue in accordance with the applicable laws;
- q) to do all such deeds and acts as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officers of our Company to execute all or any of the aforesaid documents;
- r) to authorise and approve the incurring of expenditure and payment of fees, commissions, remuneration and expenses in connection with the initial public offering;
- s) to do all such acts, deeds, matters and things and execute all such other documents, etc. as it may, in consultation with the book running lead managers, deem necessary or desirable for the initial public offering, including without limitation, determining the anchor investor portion and allocation to anchor investors, finalizing the basis of allocation and allotment of Equity Shares to the successful allottees and credit of Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws;
- t) to take such action, give such directions, as may be necessary or desirable as regards the initial public offering and to do all such acts, matters, deeds and things, including but not limited to the allotment of Equity Shares against the valid applications received in the initial public offering, as are in the best interests of our Company;and
- u) to delegate any of the powers mentioned in (a) to (t) to such persons as the IPO Committee may deem necessary

Four (4) meetings of the IPO Committee were held during the year ended March 31, 2021 on August 29, 2020, September 08, 2020, September 12, 2020 and September 16, 2020.

Post successful IPO and listing of the Company in September 2020, the IPO committee has been dissolved by the Board w.e.f May 18, 2021

**The composition of the Committee and the attendance details of the Members are given below:**

Names of Members	Category	No. of Meetings Attended of total meetings held	Appointed w.e.f.
Mr. Sandipkumar Gupta Chairman	NED	04 of 04	November 22, 2017
Mr. Chandrakant Gupta	NED	04 of 04	November 22, 2017
Mr. Rajdipkumar Gupta	ED (MD)	04 of 04	November 22, 2017

**Operations Committee**

Operations Committee of the Company was constituted by the Board of Directors in its meeting held on October 23, 2019 for operational convenience and facilitate transacting urgent business without necessarily calling for a board meeting. The terms of reference of the Operations Committee include the following:

- a) To authorize opening and closing of bank accounts & to authorize additions/deletions to the signatories pertaining to banking transactions;
- b) To approve matters as specified under section 179 (3) (d) to (f) and section 186 of the companies act, 2013 (borrowing of monies viz. long & short term fund & non fund based facilities, bank guarantees, working capital facilities etc., to grants loans, give guarantees or provide security, investment of surplus funds of the Company in various mutual funds, fixed deposits, govt. treasury bonds ) up to ₹175 crore; to approve transactions relating to foreign exchange exposure, derivative & hedging contracts including but not limited to forward cover and derivative products up to ₹175 crore (within overall aforesaid limit of investment), including delegating such power to any other official of the Company;
- c) To create mortgage, charge on assets (moveable & immovable) of the company, issue guarantee and provide security, sign, deliver and execute all agreements, documents, papers, undertaking, issue acknowledgement, satisfaction etc. and such other customary acts generally prevalent for the proposes mentioned in clause (b) above and further as the lenders may request from time to time to give effect to such transactions;
- d) To delegate authority to the Company officials to represent the Company at various courts, high court

and supreme court, National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT), Government authorities including but not limited to direct and indirect tax authorities, customs, excise etc. make submissions and further to appoint advocates, sign and execute affidavits, vakalatnama, power of attorneys, plaints and written statements etc.;

- e) To approve, sign and execute service agreements, customary general business agreements covering various offering of services of the company in the ordinary course of business, consultancy agreements, technical support agreements, issuing and/or accepting Purchase Orders (POs), issuing award of works or purchase contracts or incurring of commitments upto the value of ₹50 crore including delegating such power to any other official/employee of the Company to sign and execute such agreements;
- f) Allotment and Post-Allotment activities of Company's Securities. The scope of work of this Committee is to approve allotment, issue of Certificate/Letter of allotment, transfer, transmission, re-materialisation, consolidation /split of RML's domestic and foreign Securities, (if any).
- g) To delegate authority to the Company officials and auhorise them to submit bids, tenders, responses to RFP/RFQs and all documents, declarations, undertakings etc, as may be required in connection thereto.

Eight (8) meetings of the Operations Committee were held during the year ended March 31, 2021 on April 04, 2020, September 21, 2020, October 23, 2020, November 20, 2020, December 17, 2020, January 07, 2021, February 08, 2021 and March 15, 2021.

Names of Members	Category	No. of Meetings Attended of total meetings held	Appointed w.e.f.
Mr. Sandipkumar Gupta Chairman	NED	08 of 08	October 23, 2019
Mr. Chandrakant Gupta	NED	08 of 08	October 23, 2019
Mr. Rajdipkumar Gupta	ED	08 of 08	October 23, 2019

## PIT Committee

Regulation 9 (4) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT') provides that the board of directors shall in consultation with the Compliance Officer specify the designated persons to be covered by the Code of Conduct on the basis of their role and function in the organisation and the access that such role and function would provide to unpublished price sensitive information. Accordingly, the Board has constituted the PIT Committee which shall prepare a list of designated persons of the

Company who would be covered by the Code of Conduct. The Committee shall also monitor regular updating of the list of designated persons based on employees/directors newly joined/inducted and resigned, as the case may be. Five (5) meetings of the PIT Committee were held during the year ended March 31, 2021 on September 2, 2020, October 28, 2020, November 26, 2020, January 29, 2021, and February 10, 2021.

The composition of the Committee and the attendance details of the Members are given below:

Names of Members	Category/Designation	No. of Meetings Attended	Appointed w.e.f.
Mr. Rajdipkumar Gupta	MD & Group CEO	05 of 05	June 10, 2019
Mr. Sammy Mamdani <sup>1</sup>	EVP - Head of Global Operations	N.A.	June 10, 2019
Mr. Rathindra Das	Head Legal, Company Secretary and Compliance Officer	04 of 05	June 10, 2019
Mrs. Elsa Shibu <sup>2</sup>	Head-Human Resources	05 of 05	August 25, 2020

<sup>1</sup>Ceased to be a member w.e.f. August 25, 2020.

<sup>2</sup>Appointed as a member w.e.f. August 25, 2020.

Snapshot of the Member's participation at the meetings of Non-Statutory Committee(s) during the FY 2020-21 is as under:

Name of the Committee	IPO Committee				Operations Committee								PIT Committee				
	No. of Meetings Held	4				8								5			
Date of Meetings	Au- gust 29, 2020	Sep- tem- ber 08, 2020	Sep- tem- ber 12, 2020	Sep- tem- ber 16, 2020	April 04, 2020	Sep- tem- ber 21, 2020	Oc- tober 23, 2020	No- vem- ber 20, 2020	De- cem- ber 17, 2020	Jan- uary 07, 2021	Feb- ruary 08, 2021	March 15, 2021	Sep- tem- ber 2, 2020	Oc- tober 28, 2020	No- vem- ber 26, 2020	Jan- uary 29, 2021	Feb- ruary 10, 2021
<b>No. of Meetings Attended</b>																	
Member																	
Mr. Chandrakant Gupta	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	NA	NA	NA	NA	NA
Mr. Sandipkumar Gupta	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	NA	NA	NA	NA	NA
Mr. Rajdipkumar Gupta	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mr. Rathindra Das	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	Y	Y	Y	Y	LOA
Mrs. Elsa Shibu	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	Y	Y	Y	Y	Y
Mr. Sammy Mamdani <sup>1</sup>	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

\*Y: Present; NA: Not member of the Committee; LOA: Leave of Absence

<sup>1</sup>Mr. Sammy Mamdani ceased to be a member w.e.f. August 25, 2020 and hence marked "NA".

## Subsidiary Companies

Pursuant to Regulation 16(1)(c) of the Listing Regulations, the Company has three material subsidiaries as on March 31, 2021, i.e. Routesms Solutions FZE (UAE), Route Mobile (UK) Limited (UK) and 365Squared Ltd. and the Company is in compliance with respect to governance requirements in terms of Regulation 24 (5) & (6) of the Listing Regulations. The Company also has two material subsidiaries in terms of Regulation 24 (1) of the Listing Regulations (read with the explanation thereto) viz. Route Mobile (UK) Limited (UK) & Routesms Solutions FZE (UAE) and requirements relating to composition of Board of Directors of Unlisted Material subsidiary has been complied with post listing of the Company. Mr. Ramachandran Sivathanu, Independent Director has been appointed as a Director on the Board of Route Mobile (UK) Limited (United Kingdom) & Routesms Solutions FZE (UAE). The subsidiaries of the Company function independently, with an adequately empowered Board of Directors and adequate resources. The Board of Directors of the Company has approved a Policy for determining Material Subsidiaries which is in line with the Listing Regulations as amended. The Company has not disposed of shares in its material subsidiary resulting in reduction of its shareholding to less than 50% (either on its own or together with its other subsidiaries) or has ceased to exercise control over the material subsidiary. Further, the Company has not sold, disposed of and leased out its assets amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during FY 2020-21.

## General Information for Shareholders

### Means of Communication

Communication to shareholders is made primarily through public disclosures. Quarterly, half-yearly and annual financial results and other shareholder notices/communications are published in Business Standard (English - All Editions), Financial Express (English - All Editions) and Mumbai Lakshadeep (Marathi Edition) in compliance with Regulation 47 of the Listing Regulations. Further, all disclosures disseminated to Stock Exchanges are made available on the Company's website at [www.routemobile.com](http://www.routemobile.com), as required under Regulation 46 of the Listing Regulations. All price-sensitive information and requisite material disclosures are also displayed on the website of the Company after its dissemination to the Stock Exchanges. The Managing Director & Group CEO, Chief Strategy Officer and Chief Financial Officer hold quarterly briefs with analysts, institutional investors and other stakeholders where the Company's performance is discussed. The official press releases, the presentation made to the institutional investors and analysts and the transcripts of the call with analysts for periodical results are available on the Company's website at [www.routemobile.com](http://www.routemobile.com). Material events or information as detailed in Regulation 30 of the Listing Regulations are disseminated to the Stock Exchanges by filing them with the National Stock Exchange of India Limited ('NSE') through NEAPS and with BSE Limited ('BSE') through BSE Listing Centre. They are also displayed on the Company's website. The Company's website is a comprehensive reference on its leadership, management, vision, mission, policies, corporate governance, investor relations, service offerings, updates and news.

## Communication to Members

Members who hold shares in dematerialised form should correspond with the Depository Participant with whom they maintain their Demat Account/s for queries relating to shareholding, updation of change of address, updation of bank details for electronic credit of dividend, non-receipt of annual reports or on matters relating to the working of the Company should be addressed to the Company's Registrar & Transfer Agent ("RTA") viz KFin Technologies Private Limited ("KFinTech"). Members who hold shares in physical form should also address their requests to the Company's RTA viz. KFinTech, for change of address, change in bank details, processing of unclaimed dividend, subdivision of shares, renewal/ split/ consolidation of share certificates, issue of duplicate share certificates and such requests should be signed by the first named member, as per the specimen signature registered with the Company. The RTA/Company may also, with a view to safeguard the interest of its members and that of the Company, request for additional supporting documents such as proof of identity and/or address as considered appropriate in addition to the requirement of certified copies of PAN cards. Members are requested to state their DPID & Client ID/Ledger Folio number in their correspondence with the Company and provide their email address and telephone number to facilitate prompt response from the RTA/Company. Members may please note that with effect from April 1, 2019, shares held in physical form cannot be transferred. Members in their own interest are requested to have their physical holdings dematerialised through a Depository Participant by opening a demat account.

### Investor Grievance

We have a Board-level Stakeholders' Relationship Committee to examine and redress investors' complaints. The status on complaints and share transfers are reported to the Board. For any grievances / complaints, shareholders may contact the RTA, KFin Technologies Private Limited at [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com). For any escalations, shareholders may write to the Company at [investors@routemobile.com](mailto:investors@routemobile.com). This email address for grievance redressal is continuously monitored by the Company's Compliance Officer. The addresses and contact details for investor queries, RTA, depositories and stock exchanges are provided at the end of the Annual Report. Any Member whose grievance has not been resolved satisfactorily by the RTA, may kindly write to the Compliance officer at the Registered Office with a copy of the earlier correspondence, if any.

### Code of Conduct

The Company has formulated and adopted Code of Conduct for members of the board of directors and senior management personnel (which incorporates the duties of Independent Directors as laid down in Schedule IV of the Act ('Code for Independent Directors') and Regulation 17(5) of the Listing Regulations) which is available on the website [www.routemobile.com](http://www.routemobile.com). The Company has received confirmation from all members of the Board of Directors and Senior Management Personnel regarding compliance of the Code for the year under review. The declaration signed by Mr. Rajdipkumar Gupta, Managing Director & Group Chief Executive Officer stating that the members of board of directors and senior management personnel have affirmed compliance with the Code of



Conduct of board of directors and senior management personnel is forming part of this report.

Senior Management of the Company as required under Regulation 26 of the Listing Regulations have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

**Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years:**

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets, to the extent applicable to the Company as on the date of this report. No penalty has been imposed by any stock exchange or SEBI nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital market over the last three years. There were no regulatory orders pertaining to the Company for fiscal 2021.

**Statutory Auditors' certificate on Corporate Governance**

As required by Regulation 34(3) and Schedule V Part E of the Listing Regulations, the certificate given by M/s. Walker Chandio & Co LLP, Chartered Accountants, is annexed to this report.

**CEO and CFO certification**

The Managing Director (MD) and Chief Financial Officer (CFO) have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II of the Listing Regulations pertaining to CEO/CFO certification for the financial year ended March 31, 2021, which is annexed to this report.

**Reconciliation of Share Capital Audit**

As stipulated by SEBI, a qualified Practising Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form. Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued, on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

**Affirmations and Disclosures:**

**(a) Compliances with Governance Framework**

The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

**(b) Related Party Transactions**

All related party transactions that were entered into during the FY 2020-21 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant related party transactions made by the Company with Promoters, Directors, KMPs or other designated persons, subsidiaries or relatives during the year, (except for those disclosed in the Board's report) which may have a potential conflict with the interest of the Company at large. The Board of Directors have approved and adopted a Policy on Related Party Transactions and the same has been uploaded on the website of the Company and can be accessed at <https://www.routemobile.com/corporate-policies>.

During the FY 2020-21, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors apart from paying Director's sitting fees. Further, the Directors have not entered into any contracts with the Company or its subsidiaries, which were in material conflict with the interest of the Company.

The Company did not have any transaction(s) with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company.

**(c) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):**

Not Applicable

**(d) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the board/ Ministry of Corporate Affairs or any such statutory authority**

The certificate issued by Mr. Dhruvil Shah of M/s. Dhruvil Shah & Co., Practising Company Secretaries, is forming part of this report.

**(e) Commodity price risk or foreign exchange risk and hedging activities**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. There are no materially uncovered exchange rate risks relating to the Company's imports and exports. The Company does not enter into any derivative instruments for trading or speculative purposes. The disclosure on foreign exchange as on March 31, 2021 are disclosed in Note No. 37 to the standalone financial statements.

**(f) Recommendation of Committee**

The Board of Directors confirms that during the year, it has accepted the recommendations received from its mandatory/non-mandatory committees. None of the recommendations made by any of the committees has been rejected by the Board.

**(g) Total fees paid to Statutory Auditors**

Particulars of total fees paid to Auditor are provided in Note No. 32 to the standalone financial statements.

**(h) Secretarial Compliance Certificate**

Pursuant to Regulation 24A of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, the Annual Secretarial Compliance Report of the Company for the FY 2020-21 has been filed with the BSE & NSE and is uploaded on the website of the Company at <https://www.routemobile.com/wp-content/uploads/2021/05/Annual-Secretarial-Compliance-Report-Reg-24A-March-31-2021.pdf>.

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

In order to provide a safe and healthy work environment free of any hassles and all kinds of harassment including sexual harassment and to prevent and redress such harassment complaints, the Company has in place Prevention and Redressal of Sexual Harassment at Work Place Policy. This policy applies to all employees of the Company & its group companies like regular, temporary, ad hoc, contractual staff, vendors, customers, trainees, probationers, apprentices, and also all visitors to the Company.

Number of complaints filed during the financial year	Nil
Number of complaints disposed-off during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

**(j) Policy for Determining Material Subsidiaries**

The Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website at <https://www.routemobile.com/corporate-policies>.

**(k) Vigil Mechanism**

The principles of trust through transparency and accountability are at the core of the Company's existence. To ensure strict compliance with ethical and legal standards across the Company, a Whistle Blower Policy is in place to provide appropriate avenues to the Directors, employees, contractors, contractors' employees, clients, vendors, internal or external auditors, consultants etc. to bring to the attention of the management any issues which are perceived to be of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Business Conduct & Work Ethics Policy (TCoC). The policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. No personnel of the Company has been denied access to the Audit Committee. The Compliance Officer has issued appropriate affirmations to the Board of Directors that no complaint was received during the year ended March 31, 2021.

**(l) Disclosure with respect to demat suspense account/unclaimed suspense account: Not Applicable.**

**(m) Anti-Bribery and Anti-Corruption Policy**

The Board towards adopting & instilling best corporate practice and governance standard, adopted a policy which is aimed to regulate various aspects of corporate affairs leading to instances of fraud, corruption and bribery. A detailed policy in this regard would help creating awareness among the employees and various stakeholders on practices that are not just illegal but also unethical for a responsible corporate citizen. It is also expected that this policy would also bring in transparency of operations and further raise governance standards from compliance aspects of SEBI listing regulations. A policy synopsis is appended below:

Policy Statement (Anti-Corruption and Bribery Policy)

*We take a zero tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships, wherever we operate, and to implementing and enforcing effective systems to counter bribery. Our associates, consultants, advisors and employees are prohibited from engaging in any bribery or potential bribery. This includes a prohibition against both direct bribery and indirect bribery, including payments through third parties. If any associate suspects or becomes aware of any potential bribery involving the Company, it is the duty of that associate to report their suspicion or awareness to the Company's Audit Committee and follow the procedure described. This policy applies to all individuals working for Route Mobile Limited or any of its subsidiaries and affiliates anywhere in the world (collectively referred to as the "Company") and at all levels and grades. This includes senior managers, officers, directors, employees (whether regular, fixed-term or temporary), consultants, contractors, trainees, seconded staff, home-workers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as "associate(s)" in this policy).*

*Bribery is a serious criminal offence in countries in which the Company operates, including India, the United Kingdom (UK Bribery Act 2010), the United States of America (Foreign Corrupt Practices Act) and others. Bribery offences can result in the imposition of severe fines and/or custodial sentences (imprisonment), exclusion from tendering for public contracts, and severe reputational damage. We therefore take our legal responsibilities very seriously. We will uphold all laws relevant to countering bribery and corruption. The purpose of this policy is to: a) set out our responsibilities to comply with laws against bribery and corruption; and b) provide guidance on how to recognise and deal with bribery and corruption issues.*

**1. Scope Of Policy**

*The Policy shall apply to all frauds and bribery suspected and/or proven and/or otherwise, taking place in the Company, involving Directors (Whole-time or otherwise), Key Managerial Personnel, other*

Employees (including contractual employees) as well as Shareholders, Consultants, Vendors, Suppliers, Service Providers, Contractors, Lenders, Borrowers, Outside Agencies and other parties having business relationship with the Company (hereinafter referred to as the "Person") and any investigative activity, that will be conducted within as per the provisions of this policy, will be conducted without regard to the suspected person's length of service, position/ title or relationship with the Company.

## 2. Policy Objectives

The "Fraud Prevention Policy" has been framed to provide a system for detection and prevention of fraud & bribery, reporting of any fraud & bribery that is detected or suspected and fair dealing of matters pertaining to fraud. The policy will ensure and provide for the following:- To ensure that management is aware of its responsibilities for detection and prevention of fraud & bribery and for establishing procedures for preventing fraud and/or detecting fraud when it occurs. The policy intends to enumerate the measures that the Company shall implement to deter, prevent, control and detect the fraud(s) & bribery in the context of following elements: a. Creating and maintaining a culture of honesty and high ethics; b. Creating awareness about risks and controls; c. Identify and assess the risks of fraud; d. Implement the processes, procedures and controls needed to mitigate the risks and reduce the opportunities for fraud & bribery; and e. Develop an appropriate oversight process.

As per the provisions Explanation (i) of Section 447 of the Companies Act, 2013, "fraud" in relation to affairs of a company or any body-corporate, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss. Fraud may include a range of irregularities and illegal acts more particularly characterized by intentional deception or misrepresentation, which an individual knows to be false or does not believe to be true and which is likely to result in some unauthorized benefit to him/her or to another person.

The term Fraud shall include but not be limited to the acts mentioned hereunder:- i. Execution of a document on behalf of the Company, with malafide intention and ulterior motive, with an intention to gain wrongful advantage and/or with an intention to cause wrongful loss to the Company; ii. Forgery or wrongful alteration of any document belonging to or the Company; iii. Forgery or alteration of a cheque, bank draft or any other financial instrument and/or document etc.; iv. Misappropriation and mis-utilisation of funds, securities, supplies or other assets of the Company etc.; v. Willful suppression of facts/ deception in matters of appointments, placements, tender committee recommendations, entity and project appraisal, submission of reports, etc. as a result of which a wrongful gain(s) is made to one and /or wrongful loss(s) is caused to the others; vi. Utilization of the Company funds for personal purposes; vii. Authorizing or receiving payments for goods/products not supplied or services not rendered; viii. Destruction, disposition, removal of record(s) or any other asset(s)

of the Company with an ulterior motive to manipulate and misrepresent the facts so as to create suspicion/ suppression of facts/ cheating as a result of which factual assessment/ decision can't be arrived at; ix. Impropropriety in the handling or reporting of money or financial transactions; x. Profiteering as a result of insider knowledge of company activities; xi. Disclosing and/or providing by any means of communication, any confidential information related to the Company, to outside parties; xii. Accepting or seeking anything of material value from contractors and/or vendors and/ or lenders and/or borrowers and/or persons providing services/materials to the company in contravention of Code of Business Conduct & Work Ethics Policy (TCoC) (including the receipt of excessive gifts or accepting or seeking anything of material value from contractors, vendors or persons providing services/materials to the Company); xiii. Diversion to an employee or outsider of a potentially profitable transaction; xiv. Concealment or misrepresentation of transactions, assets or liabilities; xv. Expense report fraud (e.g. claims for services or goods not actually provided); xvi. Loss of intellectual property (e.g. disclosing confidential and proprietary information to outside parties); xvii. Conflicts of Interest resulting in actual or exposure to financial loss; xviii. Vendor fraud; xix. Embezzlement (i.e. misappropriation of money, securities, supplies, property or other assets); xx. Cheque fraud (i.e. forgery or alteration of cheques, bank drafts or any other financial instrument); xxi. Payroll fraud; xxii. Corruption; xxiii. Fraudulent financial reporting (e.g. forging or alteration of accounting documents or records; intentional concealment or misstatement of transactions resulting in false records or misleading statements; intentional failure to record or disclose significant information accurately or completely); xxiv. Improper pricing activity; xxv. Unauthorized or illegal use of confidential information (e.g. profiteering as a result of insider knowledge of company activities); xxvi. Unauthorized or illegal manipulation of information technology networks or operating systems; xxvii. Any similar or related inappropriate conduct. (This list is only indicative and not intended to be exhaustive). In addition to all that is stated hereinabove and in all other applicable laws, the term "fraud" shall include any misappropriation(s) and/or inappropriate conduct(s) and/ or false representation and/or concealment of a material fact and/or any other illegal act committed intentionally to cause wrongful gains to self or others and /or wrongful loss to others.

## 3. Fraud Prevention Measures

### 3.1. Internal Audit:

- Periodically assess the Policy, based on the effectiveness of controls and Fraud events reported.
- Manage and address any reports received through the available channels, as defined in the Code of Business Conduct & Work Ethics Policy (TCoC), and investigate any cases associated with internal fraud.
- Submit a regular report of relevant cases to the Audit Committee, which has exclusive competence for resolving Fraud cases involving accounting, internal control or audit issues.
- Check the implementation of action plans to ensure that corrective actions are applied once Fraud is detected in order to mitigate its effects.

### 3.2. Legal Agreements:

Amendments shall be made in the general conditions of contracts wherein all bidders/ service providers/ vendors/ consultants etc. shall be required to certify that they would adhere to anti-fraud Policy of the Company and not indulge or allow anybody else working in the Company to indulge in fraudulent activities and would immediately apprise the Company of the fraud/suspected fraud as soon as it comes to their notice. In case of failure to do so, the Company may debar them for future transactions.

### 3.3. Audit Committee:

Company's Audit Committee's terms of reference include 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.

## 4. Reporting

Any incidence of fraud & bribery can be reported by using the means of the whistle blower policy or by writing to the Managing Director or Chief Human Resource Officer or Company Secretary. Information relating to all frauds involving amount of ₹10 Lakhs (Rupees Ten Lakhs only) and above each to be reported to the Audit Committee of the Board of Directors/ Board of Directors at its next meeting.

## 5. Prohibited Action under Anti-Corruption & Anti-Bribery

It is not acceptable to: a) give, promise to give, or offer, a payment, gift or hospitality to secure or award an improper business advantage; b) give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to facilitate, expedite, or reward any action or procedure; c) accept payment from a third party knowing or suspecting it is offered with the expectation that it will obtain a business advantage for them; d) induce another individual or associate to indulge in any of the acts prohibited in this policy; e) threaten or retaliate against another associate who has refused to commit a bribery offence or who has raised concerns under this policy; f) give or accept any gift where such gift is or could reasonably be perceived to be a contravention of this policy and / or applicable law; or g) engage in any activity that might lead to a breach of this policy.

## 6. Gifts And Hospitality

This policy does not prohibit normal business hospitality, so long as it is reasonable, appropriate, modest, and bona fide corporate hospitality, and if its purpose is to improve our company image, present our products and services, or establish cordial relations. Gifts and Hospitality:

- Must be duly approved. Normal business hospitality must always be approved at the appropriate level of Company management.
- Must not be intended to improperly influence. Associates should always assess the purpose behind any hospitality or entertainment. Hospitality or entertainment with the intention of

improperly influencing anyone's decision-making or objectivity, or making the recipient feel unduly obligated in any way, should never be offered or received. Associates should always consider how the recipient is likely to view the hospitality. Similarly associates must also decline any invitation or offer of hospitality or entertainment when made with the actual or apparent intent to influence their decisions.

- Must not have the appearance of improper influence. Gifts can in some cases influence, or appear to influence, decision-making, for example by persuading the recipient to favour the person who made the gift over his own employer. Associates should think very carefully before making, or receiving, gifts. Gifts can occasionally be offered to celebrate special occasions (for example religious holidays or festivals or the birth of a child) provided such gifts do not exceed ₹5,000 in value, and are occasional, appropriate, totally unconditional, and in-fitting with local business practices. No gift should be given or accepted if it could reasonably be seen improperly to influence the decision-making of the recipient.
- Certain gifts are always prohibited. Some types of gifts are never acceptable including gifts that are illegal or unethical, or involve cash or cash equivalent (e.g. loans, stock options, etc). Furthermore, by way of non-exhaustive example, an invitation to his/her family to join him on a foreign business trip, or the extension of a trip at the customer's expense to include a holiday, are at all times unacceptable, and associates should not participate in such practices.
- Modest promotional gifts are permitted. It is acceptable to offer modest promotional materials to contacts e.g. branded pens. Use of one's position with the Company to solicit a gift of any kind is not acceptable. However, the Company allows associates occasionally to receive unsolicited gifts of a very low intrinsic value from business contacts provided the gift is given unconditionally and not in a manner that could influence any decision-making process.

## 7. Facilitation Payments And Kickbacks

The Company prohibits making or accepting, facilitation payments or "kickbacks" of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine action by an official. Kickbacks are typically payments made in return for a business favour or advantage. All associates must avoid any activity that might lead to a facilitation payment or kickback being made or accepted. The Company may make donations but only if they are ethical and in compliance with this policy, local applicable laws, the UK Bribery Act and the US FCPA. No donation should be made which may, or may be perceived to breach applicable law, or any other section of this policy.

## (m) Dividend Distribution Policy

Securities and Exchange Board of India (SEBI), vide its Notification dated July 8, 2016 had notified SEBI (Listing Obligations and Disclosure Requirements)



(Second Amendment) Regulations, 2016 by inserting Regulation 43A. Regulation 43A had mandated top five hundred listed entities based on market capitalization to frame and adopt a Dividend Distribution Policy, which would be disclosed in their respective Annual Reports and websites. The Board of Directors of the Company has adopted a Dividend Distribution Policy ('Policy') which is aimed to strike a balance between pay-out and retained earnings, in order to address future needs of the Company and distribute profits of the company in a sustainable manner. Dividend Distribution policy can be accessed at <https://www.routemobile.com/corporate-policies>.

#### (n) Accounting Treatment in preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 read with Section 133 of the Companies Act, 2013.

#### (o) Code of Conduct for Prevention of Insider Trading

In accordance with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trades and Prevention of Insider Trading ('Code'). The code was made applicable for the designated persons from the date of filing of the Red Herring Prospectus with the Registrar of Companies, Mumbai pursuant to the initial public offer w.e.f September 4, 2020. The Insider Trading Code lays

down procedures to be followed and disclosures to be made while trading in the Company's shares. The Insider Trading Code restricts the connected persons, who are designated as such under the Insider Trading Code, from disclosing any price sensitive information and imposes strict confidentiality obligations on persons who have access to any price sensitive information in relation to the Company. It also prohibits the designated person from dealing in shares of the Company who is in possession of unpublished price sensitive information, forward contracts, derivatives, portfolio management schemes, amongst the others. Post implementation of the Code, the compliance team has conducted multiple training sessions for the employees & especially designated persons of the company to create awareness about the Code and various trading restrictions, disclosure requirements which are applicable to the employees. The Compliance Officer submits annual report to the Chairman of the Board as required under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 covering various matters of compliance, monitoring, reporting etc. A structured digital database is being maintained by the Company, which contains the names and other particulars as prescribed of the persons covered under the Code. The Board of Directors have also formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Fair Disclosure and Conduct as per the requirements of the Prohibition of Insider Trading Regulations. The Company's Whistle-Blower Policy (Vigil Mechanism) has also been amended to make employees aware of the existence of policies and procedures for inquiry in case of leakage of Unpublished Price Sensitive Information to enable them to report on leakages, if any, of such information.

#### The disclosures of the compliance with the corporate governance requirements specified in Regulation 17 to 27 and Regulation 46 (2)

Sr. No.	Particulars	Regulations	Brief Description of the Regulations	Compliance Status (Yes/No/N.A.)
1.	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes, as and when applicable
		17(5)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		17(6)	Fees/Compensation	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation	Yes
	17A	Maximum Number of Directorships	Yes	

Sr. No.	Particulars	Regulations	Brief Description of the Regulations	Compliance Status (Yes/No/N.A.)
2.	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
3.	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of the Committee	Yes
4.	Stakeholders Relationship Committee	20(1),(2)&(3)	Composition of Stakeholders Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5.	Risk Management Committee	21(1),(2), (3) & (4)	Composition, terms of reference.	Yes
6.	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employee	Yes
7.	Related Party Transaction	23(1),(5),(6),(7) &(8)	Policy for Related Party Transaction	Yes
		23(2)&(3)	Approval including omnibus approval of Audit Committee for all Related Party Transactions and review of transaction by the Committee	Yes
		23(4)	Approval for Material Related Party Transactions	N.A.
		23 (9)	Half yearly disclosure of Related Party Transactions	Yes
8.	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	Yes
		24(2),(3),(4),(5) & (6)	Other corporate governance requirements	Yes
9.	Obligations with respect to Independent Directors	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarisation of Independent Directors	Yes
10.	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to Code of Conduct of Board of Directors and Senior Management Personnel from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non- Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
11.	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes



Sr. No.	Particulars	Regulations	Brief Description of the Regulations	Compliance Status (Yes/No/N.A.)
12.	Disclosures on Website of the Company	46(2)(a)	Details of Business	Yes
		46(2)(b)	Terms & Conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	N.A.
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46 (2) (i)	Details of familiarization programmes imparted to Independent Directors	Yes
		46 (2) (j)	Email address for grievance redressal and other relevant details	Yes
		46 (2) (k)	Contact Information of designated officials for assisting and handling investor grievances	Yes
		46 (2) (l)	Financial Information	Yes
		46 (2) (m)	Shareholding Pattern	Yes
		46 (2) (n)	Details of Agreements entered with Media Companies and/or their Associates	None
		46 (2) (o)	Schedule of Analyst/Institutional Investors Meet	Yes
		46 (2) (p)	New name and old name for a continuous period of one year	N.A.
46 (2) (q)	Advertisement in Newspaper	Yes		
46 (2) (r)	Credit ratings obtained and any revision thereof	None		
46 (2) (s)	Separate Audited Financial Statements of each subsidiary.	Yes		

#### General Body Meetings

##### Location and Time where last three AGMs were held:

Financial Year	Date	Time	Venue	Special Resolutions Passed
March 31, 2020	August 28, 2020	9:30 A.M.	Route Mobile Limited, 4 <sup>th</sup> Dimension, 3 <sup>rd</sup> Floor, Mind Space, Malad (West), Mumbai 400064	None
March 31, 2019	June 20, 2019	10:30 A.M.		Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings
March 31, 2018	September 22, 2018	11:00 A.M.		None

#### Postal Ballot:

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 20, Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) ("Rules") and Regulation 44 of the Listing Regulations. The postal ballot notice is sent to shareholders

in accordance with the modes as per prevalent directions of MCA & SEBI. Newspaper advertisements are also published in leading newspapers with nationwide circulation & further in languages in accordance with the requirements under the Companies Act, 2013.

During the year, pursuant to Section 62(1)(b) read with Section 110 and Section 108 and other applicable provisions, if any, of the Companies Act, 2013, ("Act") read

with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force) ("Rules") and Regulation 44 of the Listing Regulations, the Company had provided the facility of remote e-Voting to its Members for obtaining the approval of the Members of the Company for 'Route Mobile Limited - Employee Stock Option Plan, 2021' ("RML ESOP 2021"/ "Plan"/ "Scheme") & other connected items thereto. As per the MCA Circulars, the Postal Ballot Notice (the "Notice") was sent only by email to all the shareholders who had registered their email addresses with the Company or depository(ies) / depository participants and the communication of assent / dissent of the members on the resolution proposed in the Notice was sought only through the remote e-voting system. Voting rights were reckoned on the paid-up value of the shares registered in the names of the Ordinary Shareholders on the Cut-off Date i.e. March 12, 2021. The Board of Directors had

appointed Mr. Dhrumil M Shah of M/s. Dhrumil Shah & Co (Membership No. FCS 8021, Certificate of Practice No.: 8978), Practising Company Secretaries, as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

The e-voting commenced on Sunday, March 21, 2021 at 9:00 A.M. (IST) and ended on Monday, April 19, 2021 at 5:00 P.M. (IST), and the e-Voting platform was disabled thereafter. The report on the result of the remote e-Voting in respect of the resolutions for approving the RML ESOP 2021 & other connected items thereto was provided by the Scrutinizer on April 20, 2021. The Results were submitted to BSE & NSE on April 20, 2021. All the resolutions were passed with the requisite majority. The details of Voting on the above resolution passed by votes through remote e-Voting were as under:

Resolution Type	Item	Number and Percentage of Votes			
		Assent	Percentage	Dissent	Percentage
Special	Approval of 'Route Mobile Limited - Employee Stock Option Plan, 2021'	48490134	99.35	317554	0.65
	Approval of grant of Employee Stock Options to the Employees/Directors of subsidiary company(ies) of the Company under 'Route Mobile Limited - Employee Stock Option Plan, 2021'	48490078	99.35	317602	0.65
	Approval of Trust Route for the implementation of 'Route Mobile Limited - Employee Stock Option Plan, 2021'	48490120	99.35	317554	0.65
	Approval for Provision of Money by the Company for purchase of its own shares by the Trust / Trustees for the benefit of Employees under 'Route Mobile Limited - Employee Stock Option Plan, 2021'	48490090	99.35	317541	0.65

#### Extra-Ordinary General Meeting

During the year under review, the Company did not have any Extra-Ordinary General Meeting.

#### Annual General Meeting for the Financial Year 2021:

Pursuant to the General Circular numbers 20/2020, 14/2020, 17/2020, 39/2020 and 02/2021 issued by the Ministry of Corporate Affairs and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by SEBI, the 17<sup>th</sup> AGM of the Company will be held through video-conferencing and other audio visual means. The detailed instructions for participation and voting at the meeting is available in the notice of the 17<sup>th</sup> AGM.

Date, time and venue of the AGM	
Date and Time	Thursday, August 5, 2021, 3:30 P.M. (IST)
Mode	Video conference/Other audio-visual means pursuant to the MCA Circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021.
Deemed Venue	4 <sup>th</sup> Dimension, 3 <sup>rd</sup> Floor, Mind Space, Malad (West), Mumbai 400064, Maharashtra, India
Financial Year	April 1, 2020 to March 31, 2021
Dates of Book Closure (For the purpose of payment of dividend)	From Saturday, July 17, 2021 to Thursday, August 5, 2021 (both days inclusive) E-Voting Dates: The Cut-off Date for the purpose of determining the shareholders eligible for e-Voting is July 29, 2021.  The e-Voting commences on 9:00 A.M. (IST), Monday, August 2, 2021 and ends on 5:00 P.M. (IST), Wednesday, August 4, 2021.
Dividend Payment	₹2 per equity share for FY 2020-21. The dividend, if approved at the ensuing AGM will be paid within statutory time limit of 30 days from the date of AGM

None of the business proposed to be transacted at the ensuing AGM require passing of resolution through postal ballot.

## Share Transfer Process

Company's shares are tradable in the electronic form only. Effective April 1, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. Further, SEBI has fixed March 31, 2021 as the cut-off date for re-logging of transfer deeds and the shares that are re-logged for transfer shall be issued only in demat mode. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form. In view of the aforesaid amendment and in order to eliminate the risks associated with physical holding of shares, Members who are holding shares in physical form are hereby requested to dematerialise their holdings. We have established connectivity with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through KFin Technologies Private Limited, the Company's Registrar and Transfer Agents (RTA). Members can contact the Company or Company's

Registrars and Transfer Agents - M/s. KFin Technologies Private Limited for assistance in this regard.

## Nomination facility for shareholding

As per the provisions of Section 72 of the Act, facility for making nomination is available for the members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form (Form SH-13), from the Company's RTA or download the same from the Company's website at <https://routhemobile.com/wp-content/uploads/2021/06/Form-SH-13-Nomination-Form.pdf>. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

## Legal proceedings

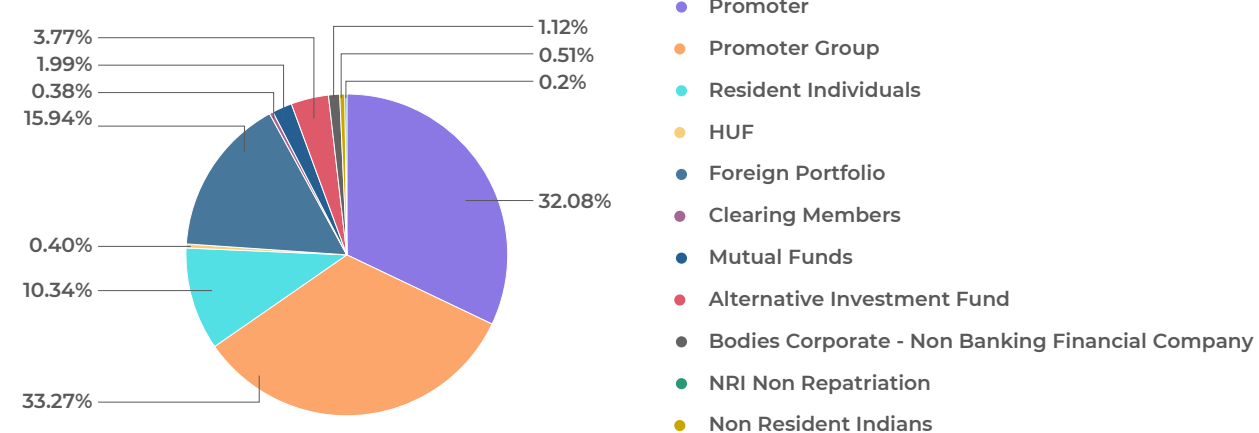
There are no pending cases related to disputes over title to shares in which we had been made a party.

## Distribution of Shareholding of Ordinary Shares as on March 31, 2021

No. of Equity Shares	No. of Shareholders	% to Shareholders	No. of Shares	% of Shareholders
1-5,000	98,502	98.56	32,44,544	5.62
5,001-10,000	714	0.71	5,29,666	0.92
10,001-20,000	329	0.33	4,66,676	0.81
20,001-30,000	119	0.12	2,98,379	0.52
30,001-40,000	56	0.06	1,96,806	0.34
40,001-50,000	30	0.03	1,35,572	0.23
50,001-1,00,000	74	0.08	5,33,107	0.92
1,00,001 & above	114	0.11	5,23,08,833	90.64
<b>Total</b>	<b>99,938</b>	<b>100</b>	<b>5,77,13,583</b>	<b>100%</b>

## Categories of equity shareholding as on March 31, 2021

Category	Number of Shares	Percentage (%)
<b>Promoter &amp; Promoter Group (A)</b>		
Promoter	1,85,14,286	32.08
Promoter Group	1,92,00,000	33.27
<b>Public (B)</b>		
Resident Individuals	59,65,623	10.34
HUF	2,31,613	0.40
Foreign Portfolio Corporations	92,01,496	15.94
Clearing Members	2,18,470	0.38
Mutual Funds	11,50,042	1.99
Alternative Investment Fund	21,77,797	3.77
Bodies Corporate - Non Banking Financial Company	6,46,587	1.12
Non Resident Indians	2,95,377	0.51
NRI Non Repatriation	1,12,292	0.2
IEPF	0	0
<b>Total of (B)</b>	<b>1,99,99,297</b>	<b>34.65</b>
<b>Total (A) + (B)</b>	<b>5,77,13,583</b>	<b>100</b>



## Top ten equity shareholders of the Company as on March 31, 2021

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage of holding
1	Sandipkumar Chandrakant Gupta	92,57,143	16.0398
2	Rajdikumar Chandrakant Gupta	92,57,143	16.0398
3	Sandipkumar Chandrakant Gupta (holds shares as a trustee on behalf of CC Gupta Family Trust)	50,00,000	8.6635
4	Sunita Gupta	43,20,000	7.4852
5	Sarika Gupta	43,20,000	7.4852
6	Chamelidevi Chandrakant Gupta	23,00,000	3.9852
7	Chandrakant Jagannath Gupta	23,00,000	3.9852
8	Theleme Master Fund Limited	16,14,629	2.7977
9	Abakkus Growth Fund - 1	11,80,000	2.0446
10	Goldman Sachs Funds - Goldman Sachs Emerging Markets Equity Portfolio	11,33,423	1.9639

## Dematerialisation of shares and Liquidity:

The Company's Ordinary Shares are regularly traded on the BSE and NSE.

Shares in Physical and Demat form as on March 31, 2021	No. of Shares	Percentage
In Physical Form	20	0.00
In Dematerialized Form	57713563	100
<b>Total</b>	<b>57713583</b>	<b>100</b>

## Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity as on March 31, 2021:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence, as on March 31, 2021, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

## Transfer of Unclaimed Dividend and Shares to the Investor Education and Protection Fund ('IEPF')

Pursuant to the provisions of the Companies Act, 2013 read with The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, ('Rules'), the dividends, unclaimed for a consecutive period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to IEPF. Further, the shares (excluding the disputed cases having specific orders of the Court, Tribunal or any Statutory Authority restraining such transfer) pertaining to which dividend remains unclaimed for a period of continuous seven years from the date of transfer of the dividend to the unpaid dividend account are also mandatorily required to be transferred to the IEPF established by the Central Government. There is no such instance available for the Company requiring any transfer to the IEPF as on date.

## Listing on Stock Exchanges

The Company's shares are listed on the following stock exchanges and the listing fees have been duly paid to the exchanges.

Name & Address of stock exchanges	Scrip Code/Symbol	ISIN Number for NSDL/CDSL (Dematerialised shares)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	Scrip Code: 543228	INE450U01017
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	Symbol: ROUTE	

## Market Information (Market Price Data)

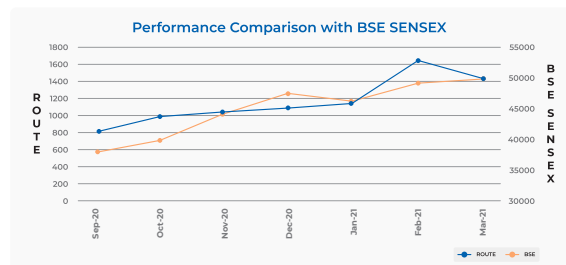
The monthly high and low prices (based on daily closing prices) and trading volume of shares of your Company at BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) for the year ended March 31, 2021 are as under:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)
April 2020	-	-	-	-	-	-
May 2020	-	-	-	-	-	-
June 2020	-	-	-	-	-	-
July 2020	-	-	-	-	-	-
August 2020	-	-	-	-	-	-
September 2020	987.90	625.00	75,47,515	988.00	625.00	8,88,22,766
October 2020	1,012.70	687.90	28,46,782	1,012.90	687.60	3,34,86,279
November 2020	1,150.60	884.20	11,32,802	1,151.70	885.00	1,34,65,743
December 2020	1,275.75	1,015.35	12,32,607	1,275.00	1,010.00	1,01,08,638
January 2021	1,305.80	1,090.00	8,12,953	1,305.00	1,099.00	1,15,79,489
February 2021	1,979.00	1,090.05	15,34,824	1,979.65	1,090.00	2,03,61,906
March 2021	1,819.65	1,397.70	6,17,083	1,818.00	1,395.45	78,98,464

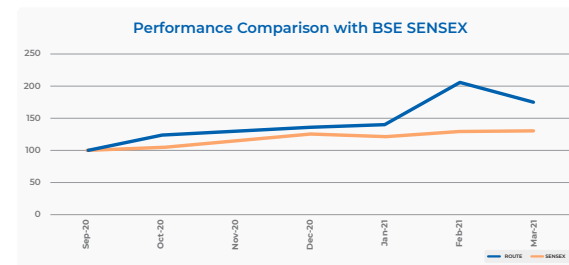
Note: Company was listed w.e.f September 21, 2020.

\*source: websites of BSE and NSE

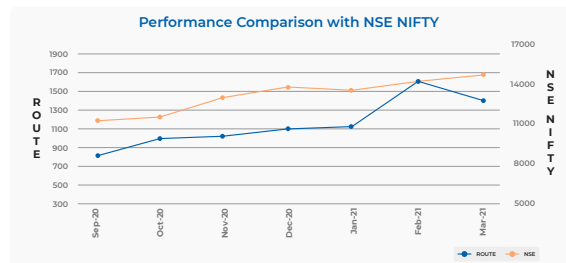
## Performance of the Company's average monthly share price data in comparison to broad-based indices like BSE Sensex and Nifty in FY 2020-21



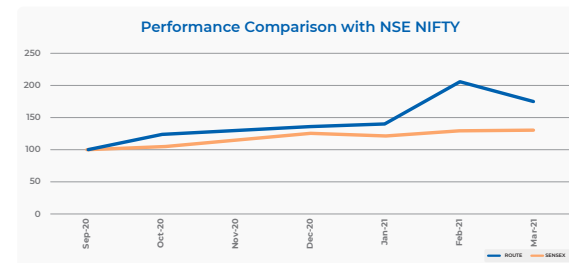
[Source: This information is compiled from the data available on the website of BSE; Closing price on last Trading Day of the month]



Note: RML share price and Sensex values (monthly closing) have been baselined to 100.



[Source: This information is compiled from the data available on the website of NSE; Closing price on last Trading Day of the month]



Note: RML share price and NSE Nifty 50 index values (monthly closing) have been baselined to 100.

## Secretarial Audit

The Company's Board of Directors appointed Mr. Dhruvil M. Shah of M/s. Dhruvil M. Shah & Co., Practicing Company Secretaries Firm, to conduct the secretarial audit of its records and documents for the FY 2020-21. The secretarial audit report confirms that the Company has complied with all applicable provisions of the Companies Act, 2013, Secretarial Standards and other applicable regulations and guidelines. The Secretarial Audit Report forms part of the Directors' Report.

## Green Initiative

The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by allowing companies to send documents to their shareholders in electronic mode. To support this green initiative and to receive communications from the Company in electronic mode, Members who have not registered their e-mail addresses and are holding shares in physical form are requested to contact the RTA of the Company and register their e-mail ID. Members holding shares in demat form are requested to contact their DPs. Members may please note that notices, annual reports, etc. will be available on the Company's website at [www.routemobile.com](http://www.routemobile.com).

## Website

The Company's website is in line with the requirements laid down under Regulation 46 of the Listing Regulations. It is a comprehensive reference of Company's management, vision, mission, policies, corporate governance (Annual Reports, Intimation to stock exchanges), updates and news.

## Major Plant Locations:

The Company does not have any plant. However, the Company has its branch & Group Company's offices spread across India, Europe, USA and South-East Asia and some of our regional key office locations are as below:

## Indian Locations:

### Mumbai

Registered & Corporate Office: 4<sup>th</sup> Dimension, 3<sup>rd</sup> Floor, Mind Space, New Link Road, Malad (West), Mumbai 400064, Maharashtra, India

### Delhi

Delhi Branch Office: Office No.306, 3<sup>rd</sup> Floor, Kanchenjunga Building, Main Barakhamba Road, New Delhi – 110001

### Bengaluru

Bengaluru Branch Office: Brigade Tower, 29, MG Road, Yellappa Garden, Craig Park Layout, Ashok Nagar, Trinity, Bengaluru, Karnataka, 560001

## Overseas Locations:

### United Kingdom- London

Route Mobile (UK) Limited: 183-189, The Vale, London, W3 7RW

### USA - New Jersey

Route Mobile Inc.: 3240 Estate Street Ext. Hamilton, NJ 08619

### UAE

Routesms Solutions FZE: A1-401B, Building No. A1, Al Hamra Industrial Zone-FZ, United Arab Emirates

### Singapore

23 New Industrial Road, #04-09 Solstice Business Center, Singapore 536209

### Ghana

Adjacent Royal Mart building complex, Off Zenith University-TSE-Addo Road, Behind Trade Fair Centre LA PO Box OS 1785 OSU, Accra, Ghana

### Nigeria

Suite 202, 2<sup>nd</sup> Floor, AHCN Towers, CIPM Avenue, Central Business District, Alausa, Ikeja, Lagos

### Kenya

Standard House, Plot Number 209/4045, House Number 10, Nairobi, Standard Street, P.O. Box 67290 – 00200 City Square, Kenya

### Uganda

Innovation Village, Ntinda Complex, Block B, Plot 33, Minds Road, 3<sup>rd</sup> Floor, P. O. Box 40411, Nakawa Uganda

### Bangladesh

South Breeze Centre, 9<sup>th</sup> Floor, Buidling No. 5, Road No. 11, Block-G, Banani, Dhaka-1213

### Nepal

Ward No.11, Trade Tower, Thapathali, Kathmandu, Nepal 44600

### Sri Lanka

No. 47, Alexandra Place, Colombo 7, Sri Lanka

### Zambia

2<sup>nd</sup> Floor, Lotti House, Suite 5, Westernn Wing, Lusaka, Zambia

### Malta

Velzon Building, Block B, Triq Pantar, Lija LJA2023, Malta



**Investor Contact:**

Particulars	Contact Person	Address
For Analysts & Institutional Investors	Mr. Gautam Badalia, Chief Strategy Officer & Chief Investor Relations Officer	4 <sup>th</sup> Dimension, 3 <sup>rd</sup> Floor, Mind Space, Malad West, Mumbai 400064, Maharashtra, India Tel.: +91 (022) 4033 7676 Fax: +91 (022) 4033 7650 Email: <a href="mailto:investors@routemobile.com">investors@routemobile.com</a>
For Financial Statement related matters	Mr. Suresh Jankar Chief Financial Officer	
For Corporate Governance and other Secretarial matters	Mr. Rathindra Das, Head Legal, Company Secretary and Compliance Officer	
For share transfer, transmission, National Electronic Clearing Service (NECS), dividend, dematerialisation, etc.	KFin Technologies Private Limited Email: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> Website: <a href="http://www.kfintech.com">www.kfintech.com</a>	

Registered & Corporate Office	Depository Services	
<b>Route Mobile Limited</b> 4 <sup>th</sup> Dimension, 3 <sup>rd</sup> Floor, Mind Space, Malad (West), Mumbai 400064 Tel.: +91 (022) 4033 7676 Fax: +91 (022) 4033 7650 E-mail: <a href="mailto:investors@routemobile.com">investors@routemobile.com</a> Website: <a href="http://www.routemobile.com">www.routemobile.com</a> CIN: U72900MH2004PLC146323 ISIN – INE450U01017	<b>National Securities Depository Limited</b> Trade World, A Wing, 4 <sup>th</sup> & 5 <sup>th</sup> Floors, Kamala Mills Compound, Lower Parel, Mumbai 400013. Tel.: +91 (022) 2499 4200; Fax: +91 (022) 2497 6351 E-mail: <a href="mailto:info@nsdl.co.in">info@nsdl.co.in</a> Investor Grievance: <a href="mailto:relations@nsdl.co.in">relations@nsdl.co.in</a> Website: <a href="http://www.nsdl.co.in">www.nsdl.co.in</a>	<b>Central Depository Services (India) Limited</b> Marathon Futurex, A-Wing, 25 <sup>th</sup> Floor, NM Joshi Marg, Lower Parel (East), Mumbai 400013. Tel.: +91 (022) 2305 8640 / 8642 / 8639 / 8663 E-mail: <a href="mailto:helpdesk@cdslindia.com">helpdesk@cdslindia.com</a> Investor Grievance: <a href="mailto:complaints@cdslindia.com">complaints@cdslindia.com</a> Website: <a href="http://www.cdslindia.com">www.cdslindia.com</a>

Details of Corporate Policies	
Composition and Profile of the Board of Directors	<a href="https://www.routemobile.com/board-of-directors">https://www.routemobile.com/board-of-directors</a>
Terms and conditions of appointment of Independent Directors	<a href="https://www.routemobile.com/corporate-governance">https://www.routemobile.com/corporate-governance</a>
Nomination & Remuneration Policy of Directors, KMPs & Other Employees	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
RML Code of Conduct of Board of Directors and Senior Management Personnel	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Corporate Social Responsibility Policy	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Policy on Related Party Transactions	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Policy on Determining Material Subsidiary	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Whistle Blower Policy	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Code of Corporate Disclosure Practices	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Policy on Determination of Materiality for Disclosure	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Document Retention and Archival Policy	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Prevention of Sexual Harassment (POSH) at Workplace Policy	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Policy on Succession Planning	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Data Protection Policy	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
GDPR Compliance Statement	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Dividend Distribution Policy	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Policy On Fair Disclosure	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Board Diversity Policy	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Policy for Preservation of Documents	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Risk Management Plan	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>
Environment Social and Governance Policy	<a href="https://www.routemobile.com/corporate-policies">https://www.routemobile.com/corporate-policies</a>

# Declaration by the Managing Director & CEO

[Pursuant to Regulation 34(3) and Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]



I, Rajdipkumar Gupta, Managing Director & Group CEO of Route Mobile Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management Personnel, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2021.

Date: May 18, 2021  
Place: Mumbai

For Route Mobile Limited

**Rajdipkumar Gupta**  
Managing Director and Group CEO

# Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

[Pursuant to Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Rajdipkumar Gupta, Managing Director and Group Chief Executive Officer and Suresh Jankar, Chief Financial Officer of Route Mobile Limited, to the best of our knowledge and belief hereby certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) Significant changes in internal control over financial reporting during the year;
  - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Route Mobile Limited

**Rajdipkumar Gupta**  
Managing Director and Group CEO

Date: May 18, 2021  
Place: Mumbai

**Suresh Jankar**  
Chief Financial Officer

# Independent Auditor's Certificate on Corporate Governance

[Pursuant to Regulation 34(3) read with Schedule V(E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

## To the Members of Route Mobile Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 23 October 2020.
2. We have examined the compliance of conditions of corporate governance by Route Mobile Limited ('the Company') for the year ended on 31 March 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

## Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

## Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and 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.

6. 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

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2021.

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

## Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076N/N500013

**Bharat Shetty**  
Partner  
Membership No.: 106815

UDIN: 21106815AAAABP7358

Place: Mumbai  
Date: 18 May 2021

# Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)



To,  
The Members,  
Route Mobile Limited,  
CIN: U72900MH2004PLC146323  
4<sup>th</sup> Dimension, 3<sup>rd</sup> Floor, Mind Space,  
Malad (West), Mumbai 400064.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Route Mobile Limited having CIN: U72900MH2004PLC146323 and having registered office at 4<sup>th</sup> Dimension, 3<sup>rd</sup> Floor, Mind Space, Malad (West), Mumbai 400064 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Names of Director	DIN	Date of appointment
1.	Nimesh Shantilal Salot	00004623	12/02/2020
2.	Sandipkumar Chandrakant Gupta	01272932	15/05/2004
3.	Rajdikumar Chandrakant Gupta	01272947	15/05/2004
4.	Chandrakant Jagannath Gupta	01636981	15/02/2007
5.	Sudha Pravin Navandar	02804964	22/11/2017
6.	Ramachandran Sivathanu	07613555	22/11/2017
7.	*Arun Vijaykumar Gupta	05131228	19/11/2020

\*Appointed as Additional and Independent Director w.e.f. November 19, 2020.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai  
Date: May 18, 2021

For Dhrumil M Shah & Co.  
UDIN: F008021C00339044

Dhrumil M Shah  
Practicing Company Secretary  
FCS 8021 & CP 8978  
PR No. 995/2020

# Management Discussion and Analysis



## Industry Structure and Developments

### CPaaS industry growing at rapid pace

Industry analysts expect CPaaS market to continue growing at a CAGR of over 30% over 2019 – 2024. Primary factors driving this robust growth momentum include:

- Rapid adoption of smartphones by subscribers – not only for communication but also for commerce
- Potential for enterprises to leverage multiple channels of communication through CPaaS platforms
- Augmenting CPaaS platforms with technologies such as chatbots, and data analytics deliver higher value add to enterprises

Overall, the adoption of CPaaS platforms by enterprises is expected to grow multi-fold over the next few years.

### Pandemic/lockdowns accelerating CPaaS growth

The COVID-19 crisis reduced in-person interaction between brands and customers, but at the same time, accelerated growth in digital interactions between enterprises and their customers. Surveys conducted by industry leaders indicate that the pandemic has accelerated digital communication strategies of companies by six years. COVID-19 has very quickly led enterprises to move away from traditional communication channels which were limited in their capabilities, and unable to address the evolving requirements related to complex business use cases. Focus on enhanced customer experience and seamless multi-channel communication solutions led to rapid adoption of CPaaS platforms by enterprises.

What we have witnessed over the past year are tectonic shifts in the way enterprises use digital communication channels, and these changes are permanent shift in the industry. The addressable market continues to expand, as existing clients continue to identify new business use cases which require CPaaS platforms, and new clients will continue to adopt CPaaS to enhance their digital communication strategy.

### Business Overview

We are among the leading global cloud-communication platform service providers to enterprises, over-the-top ("OTT") players and mobile network operators. We offer omni-channel digital communication solutions, including messaging (A2P SMS, OTT Messaging, and RCS amongst others), enterprise voice and email, to enterprise clients across the globe. We offer a range of cloud-communication services to clients across diverse sectors including banking and financial services, aviation, retail, e-commerce, logistics, healthcare, hospitality, media and entertainment, pharmaceuticals and telecom. Our clients

include some of the world's largest and well-known organisations, including a number of Fortune Global 500 companies. Further, we also offer SMS filtering, analytics, SMS Firewall, SMSC, MMSC and SMS monetization solutions to Mobile Network Operators globally.

We have been consistently ranked amongst the Tier 1 application-to-peer ("A2P") SMS Messaging service providers, thrice over 2018-2020 and scored high rankings across metrics including reliability, customer service, technical expertise, understanding of the industry and quality of service amongst others. (Source: ROCCO Report). We are the only Asian company covered in Gartner's Market Guide for SaaS (October 2020). Further, we have been identified as an Established Leader in CPaaS Deep Dive Strategy & Competition 2020-2025 study published by Juniper.

Route Mobile (UK) Limited, our wholly owned subsidiary in the United Kingdom, received an honourable recognition of being amongst the fastest growing companies in Technology & Telecom sector and overall 2<sup>nd</sup> in the UK's top fastest growing Indian companies in the UK 2020 (Source: 7<sup>th</sup> edition of the Grant Thornton India meets Britain Tracker, developed in collaboration with the Confederation of Indian Industry). We have ranked in the top 5 fastest growing companies in this report consistently, in 2018, 2019 and 2020.

Our Company is in the Fortune's Magazine's list of "The Next 500 India's Top Midsize Companies - 2020" and has also been awarded as the "Best Governed Company" in the Unlisted Segment (Emerging Category) at 19<sup>th</sup> ICSI National Awards for Corporate Governance held in January, 2020.

We were incorporated in 2004 and are headquartered in Mumbai, India. As of March 31, 2021, we have serviced a cumulative (since the time of inception) customer base of over 32,400 customers (at a consolidated level). As of March 31, 2021, our global operations included nine (9) direct and twelve (12) step-down subsidiaries serving our clients through 18 locations across Africa, Asia Pacific, Europe, Middle East and North America.

We successfully completed the process of getting listed on the public equity markets in India, and have found strong interest from large global investors.

Our operations are internally aligned into the following business verticals: (i) Enterprise and OTT; (ii) Mobile Operator; and (iii) Business Process Outsourcing ("BPO").

**Enterprise and OTT:** Our Enterprise and OTT vertical primarily provides cloud-communication platform services to enterprises. Our enterprise cloud-communication platform services and solutions include: A2P messaging that includes enterprise messaging, 2Way messaging, enterprise email and Acculync; RCS messaging; OTT



messaging (also referred to as IP Based Messaging), and voice application services (which enable enterprises to, via the cloud, connect incoming and outgoing voice calls to their applications and systems). Voice services also include interactive voice response, Click2Call, missed call facility, outbound dialler, and international wholesale voice services.

**Mobile Operator:** Through our own communications platform and managed services, we provide software and service solutions to mobile network operators globally. Our main service offerings in this segment include SMS filtering, analytics, monetization, and hubbing solutions. We consummated the acquisition of software (IP), customer contracts and technical team, on a slump sale basis from TeleDNA Communications Private Limited, in FY 2020-21, to further bolster our Mobile Operator focused solutions. With this acquisition we expanded our Mobile Operator focused solutions to include SMSC, MMSC and firewall solutions.

**Business Process Outsourcing (BPO):** We provide a range of voice, non-voice and consulting services as part of our BPO services. Our voice services include client support, technical support, booking and collection services. Our non-voice services include client support through email

**Focus on Next Generation Communication Solutions and CxPaaS**

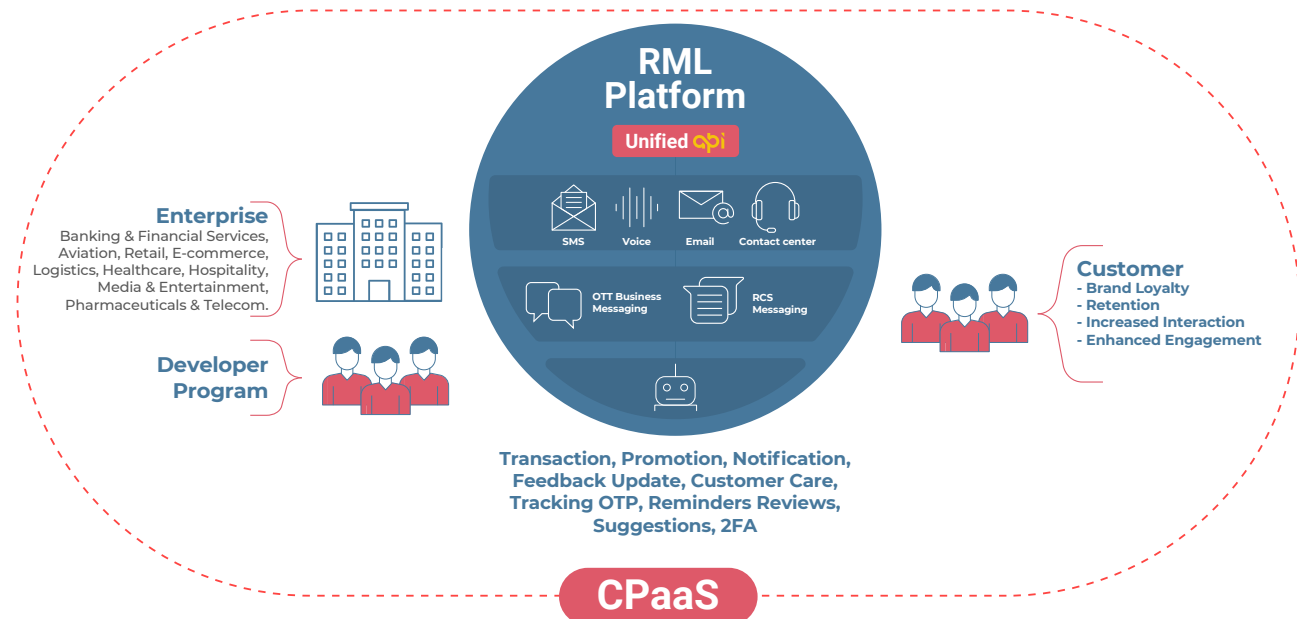
The continuous focus on innovating the product offerings and evolving go-to-market approach continues to drive positive results for the Company.

and chat, IT support, billing and data processing. As part of our consulting services, we support our clients with programme management for credit/debit cards, e-commerce, e-wallet and e-governance services.

We are an associate member of the GSMA and an accredited open hub connectivity solution provider with our own internally developed cloud communications platform allowing us to handle both A2P and peer-to-peer ("P2P") traffic for enterprises, OTT players and MNOs. We are also members of MEF, IAMAI, CII, ASSOCHAM & MMA that allows provides us representation at various industry forums nationally and internationally.

In FY2021 through our cloud communications platform, we processed more than thirty-two billion transactions (at a consolidated level). We have established direct relationships with MNOs that provide our clients with global connectivity. As of March 31, 2021, we had direct relationships with over 265 MNOs (at a consolidated level) and four short messaging service centres (at a consolidated level) hosted in various geographies across the globe. We are able to access more than 800 networks (at a consolidated level) across the world.

**Enabling Customer Communication Lifecycle**

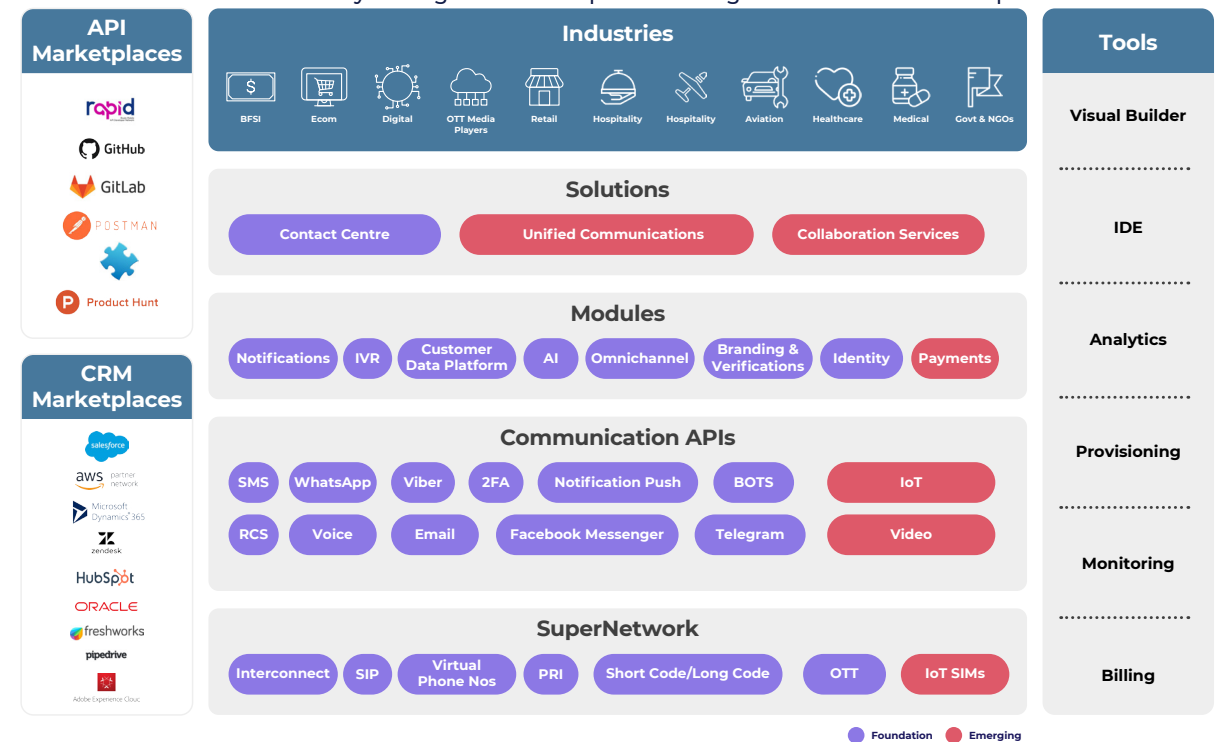


Over the past few years, we have evolved from being a primarily A2P SMS focused communication solutions provider, to a being true omni-channel CPaaS partner to our enterprise customers. We have added several alternative communication channels to our robust platform – including Enterprise Voice, OTT / IP Messaging, Email, RCS Business Messaging and Chatbots to comprehensively address the digital communication requirements of our enterprise customers.

We are witnessing a rapid adoption of alternative communication channels by enterprises, to provide a superior, interactive experience and service to their customers. Our omni-channel platform enables enterprises to leverage these multiple channels to connect with customers seamlessly. We continue to witness increasing demand and volumes around the existing digital use-cases that we address for our enterprise customers, and also continue to see evolution of newer use-cases, whereby enterprises are seeking to leverage digital communication channels to automate business processes, and try to reduce the human dependencies in those processes. These newer channels of communication are contributing an increasing proportion of revenue on a quarterly basis to our overall revenues.

**Journey from CPaaS towards CxPaaS**

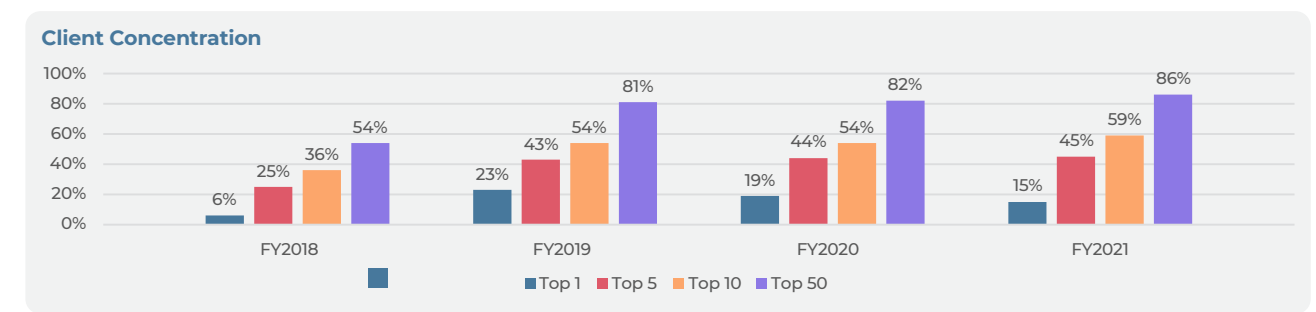
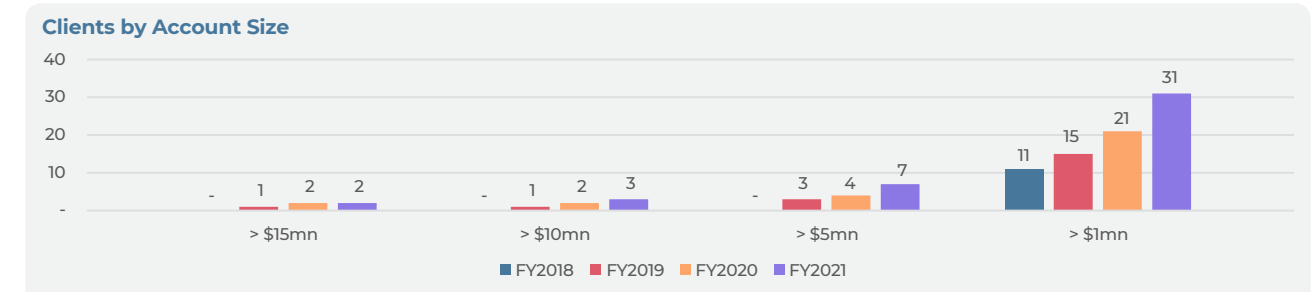
We are extending our platform from CPaaS towards CxPaaS – Customer Experience Platform as a Service, whereby we will enable enterprises to automate business processes by leveraging the Route Mobile Platform and APIs. It is our constant focus to continuously strengthen and expand the digital communication capabilities of the Route



Mobile platform, to capture an increasing share of the enterprises' communication spend. The objective is to offer comprehensive digital communication solutions to enterprises to address their requirements across the customer lifecycle – from identifying potential customers, to conversion, to on-boarding, to servicing, all the way to bringing back lost customers to the brand. We continue to build on the various existing layers of the platform and integrate higher value add capabilities into the platform – thereby capturing larger proportion of the enterprises' spend on digital communication solutions.

**Customer centric approach**

We have built a strong hunting and mining strategy. Our sales teams focus on acquiring large enterprise clients globally, and the key accounts management teams focus exclusively on capturing a higher share of digital communication spend of these enterprise clients. This reflects in our client concentration analysis provided below.



## Opportunities and Threats

### Opportunities;

- RML stands to benefit from the high growth potential in the market, and increasing demand from enterprises for reliable communication partners who could support enterprises' communication requirements across technologies
- Potential pricing increase in markets like India, driven by adoption of new technologies – including block chain and RCS, will drive revenue growth, and potential margin expansion for business in this market
- RML's omni-channel platform approach positions it as a partner of choice in an environment where enterprises have multiple options of communication channels to reach their customers
- Opportunity to capture larger share of customers' digital communication spend, by leveraging our truly omni-channel platform
- Firewall solutions (analytics and monetization solutions for MNOs) continue to witness growing demand, as more and more MNOs adopt these solutions to enhance their revenue streams.

### Threats;

- Sudden introduction of disruptive technologies that could lead to enterprises reducing spend on current form of A2P messaging. This requires A2P messaging solution providers to look beyond the horizon in terms of technologies being adopted by the industry
- Regulatory requirements across regions could change, affecting business potential in individual markets. It is essential for A2P solution providers to be aware of key regulatory requirements to ensure business compliance in multiple jurisdictions
- Increasing competition from players seeking to expand presence across their core markets

## The COVID-19 environment, and its implications on business

Digital marketing and digital communication are now the primary channel for enterprises to acquire, retain and service customers. Every enterprise is leveraging various digital channels of communication to reach out to, and interact with their consumer base. The impact of COVID-19, unlike in many other industries, has been, overall, positive for the digital marketing and digital communication industry. Digital communication roadmaps which enterprises originally planned to implement over a few years' timeframe, were accelerated, and implemented over a period of weeks, to ensure that enterprises continue to engage and interact with their consumers. Digital transformation projects were accelerated by practically all large enterprises across the globe, and significant investments have already been made to ensure customer retention and engagement through this challenging phase. In certain surveys conducted across industry segments, results indicate that over 97% of enterprises have sped up their digital transformation projects, and accelerated their digital communication strategy by almost 6 years.

Omni-channel digital communication is a direct beneficiary of these decisions taken by enterprises, and we have witnessed positive impact on our business through FY2021, and expect this to sustain into the near term. However, selected industry verticals – viz. entertainment, hospitality, travel and tourism witnessed significant business disruption, and reduced their spend on customer engagement. This led to degrowth in digital communication spend from these industry verticals. However, such slowdown was more than offset by the significant uptick in digital transactions for payments, banking, OTT and other industry verticals. Overall, we have witnessed rapid growth despite the headwinds.

## Segment Reporting

We operate primarily through four entities, viz – Route Mobile Limited (India), Route Mobile FZE (Dubai), Route Mobile (UK) Limited (United Kingdom) and Route Mobile Nigeria (Nigeria).

(₹ in lakhs)							
Particulars	India	Dubai	United Kingdom	Nigeria	Unallocated	Eliminations	Total
<b>Segment revenue</b>							
External revenue	39,811.48	15,682.73	71,927.58	10,312.35	2,883.34	-	140,617.48
Inter-segment revenue	13,221.31	2,497.29	23,049.74	385.37	2388.41	(41,542.12)	-
<b>Total revenue</b>	<b>53,032.79</b>	<b>18,180.02</b>	<b>94,977.32</b>	<b>10,697.72</b>	<b>5,271.75</b>	<b>(41,542.12)</b>	<b>140,617.48</b>
<b>Segment Results</b>	<b>2,467.92</b>	<b>1,842.97</b>	<b>8,240.10</b>	<b>1,192.31</b>	<b>1,074.02</b>	<b>13.92</b>	<b>14,831.24</b>
Add/(less):							
Other income							1,597.92
Finance costs							275.59
<b>Profit before tax</b>							<b>16,153.57</b>
<b>Less: Tax expense</b>							
Current tax							2,977.92
Deferred tax expense							(99.37)

(₹ in lakhs)							
Particulars	India	Dubai	United Kingdom	Nigeria	Unallocated	Eliminations	Total
<b>Profit for the period before non-controlling interests</b>							<b>13,275.02</b>
Less: non-controlling interests (NCI)							(57.00)
<b>Profit for the period</b>							<b>13,332.02</b>
<b>Other segment information:</b>							
1. Segment assets (including of NCI)	65,726.75	25,174.47	63,362.10	3,653.21	15,105.32	(70,813.04)	102,208.81
2. Segment liabilities (including of NCI)	29,082.30	10,941.93	42,997.81	2,119.51	5,167.68	(53,046.10)	37,263.13
3. Non-current assets** (including of NCI)	5,984.24	682.73	159.68	27.48	16,205.13	(1,457.65)	21,601.61
4. Depreciation and amortisation expenses (including of NCI)	1,416.45	46.80	120.05	0.28	991.91	-	2,575.49

\*\* Non-current assets are excluding financial assets and deferred tax assets

Our service offerings include messaging services (including A2P SMS, IP based messaging, enterprise voice and email) and call center services (in-bound and out-bound voice call services) through Call2Connect Private Limited. Split of revenue by services is provided below.

Particulars	Year ended March 31, 2021 (₹ in lakhs)	Year ended March 31, 2020 (₹ in lakhs)
<b>Revenue from operations</b>		
Sale of services		
Messaging services	138,145.82	92,747.35
Call center services	2,471.66	2,877.93
	<b>140,617.48</b>	<b>95,625.28</b>
<b>Disaggregation of revenue:</b>		
<b>Revenue based on geography</b>		
Domestic	20,535.57	18,350.90
Export	120,081.91	77,274.38
<b>Revenue from operations</b>	<b>140,617.48</b>	<b>95,625.28</b>

## Outlook

Route Mobile is well-poised to capitalize and deliver sustained growth and profitability over the foreseeable future. Strong industry tailwinds create a positive environment for robust business performance. We continue to invest in expanding the capabilities of our technology platform, to ensure that we are able to address evolving digital communication requirements of enterprises. Our focus on evolving from CPaaS to CxPaaS will create opportunities for us to deliver higher value add to our existing blue chip customers, and capture a larger pie of their overall spend on digital communication solutions. Our R&D team continuously evaluates

upcoming technologies and solution areas which can be incorporated into our solution stack, thereby continuously delivering a cutting edge communication platform to our clients. The expansion of our leadership team, with additions at senior positions, will further enhance our market focus, and help refine our future growth strategy.

## Financial performance

### Consolidated Income Statement and Key Financial Metrics

Particulars	FY2021 (₹ in Lakhs except percentages)	FY2020 (₹ in Lakhs except percentages)	Y-o-Y Growth
Revenue from Messaging Services	1,38,145.82	92,747.35	49%
Revenue from Call Center services	2,471.66	2,877.93	(14)%
Other Income	1,597.92	1,184.89	35%
Total Revenue	1,42,215.40	96,810.17	47%
Gross Profit	27,712.48	19,209.81	44%
Gross Profit Margin (%)	20%	20%	
EBITDA	17,564.86	9,995.26	76%
EBITDA Margin (%)	12%	10%	
PBT	16,153.57	6,936.33	133%
PBT Margin (%)	11%	7%	
PAT	13,275.02	5,820.45	128%
PAT Margin (%)	9%	6%	

Consolidated EBITDA excludes (i) other income, (ii) exceptional expenses (incurred in FY2020) and (iii) stamp duty related to acquisitions (incurred in FY2021)

Revenue growth in FY2021 in the Messaging Services business was driven by the following key factors:

- Exponential growth in revenue from OTT clients
- On-boarding of large new enterprise clients across multiple geographies
- Growth in large clients in India, Africa and Middle East region

The COVID-19 pandemic negatively impacted the Call Center services revenue in FY2021. The Call Center services revenues are generated primarily from domestic Indian enterprises. These clients reduced their spend on customer management and support services, due to the lockdown across the nation, which led to reduced business and customer interaction. Moving forward, we expect the revenues to pick-up once the lockdowns are relaxed and customer-oriented services witness revived momentum.

At a consolidated level, the gross profit margin profile, in FY2021, continued to be similar to FY2020.

Employee Expenses grew from ₹5,820.05 lakh in FY2020 to ₹6,149.31 lakh in FY2021, and Other Expenses increased from ₹3,394.51 lakh in FY2020 to ₹4,156.44 lakh in FY2021, delivering an EBITDA of ₹17,564.86 lakh in FY2021, compared to an EBITDA of ₹9,995.26 lakh in FY2020. Increase in Other Expenses was primarily due to increase in Legal and Professional charges.

EBITDA calculation excludes other income and one-time expenses and exceptional items (expenses incurred for payments under Sabka Vikas Scheme in FY2020 and stamp duty charges associated with the earn-out payment related to 365Squared acquisition in FY2021).

Depreciation and amortization increased from ₹2,267.91 lakh in FY2020 to ₹2,575.49 lakh in FY2021.

Finance costs stood at ₹275.59 lakh in FY2021, compared to ₹486.81 lakh in FY2020. The Finance costs towards the

lease rental decreases over period of time due to payment of the rentals resulting in decreases in finance cost during the FY 2021.

### Consolidated Balance Statement Summary and Key Financial Ratios

Particulars	FY2021 (₹ in Lakhs except percentages and ratios)	FY2020 (₹ in Lakhs except percentages and ratios)
Trade receivables	21,730.29	20,369.94
Days Sales Outstanding (on total revenue) (#)	55	66
Current Ratio (#)	2.17	1.17
Debt : Equity ratio (#)	0.01	0.15
Return on Equity (%)	20%	22%
Interest Coverage Ratio (#)	60	15

The Company has maintained healthy operating parameters from a balance sheet perspective.

Trade Receivables have increased in line with Revenue during FY2021, however the Days Sales Outstanding has decreased from 66 days in FY2020 to 55 days in FY2021. This is driven primarily by efficient collection processes.

Current Assets increased from ₹40,409.41 lakh in FY2020 to ₹76,974.79 lakh in FY2021, whereas Current Liabilities increased from ₹34,624.29 lakh to ₹35,500.81 lakh over the same period. Increase in Current Assets outweighed increase in Current Liabilities in FY2021, resulting in an increase in the Current Ratio from 1.17 in FY2020 to 2.17 in FY2021.

The Interest Coverage ratio stood at 60 in FY2021, compared to 15 in FY2020.

## Human Resources

RML employs 628 employees (at a consolidated level) as on March 31, 2021. Of this, Call 2 Connect has a headcount of 262. Route Mobile Limited employs 318 employees (on a standalone basis) as on March 31, 2021. RML has deployed 334 resources in India, and 32 resources across multiples global locations. The Technology team

comprises 106 resources focused primarily on developing new capabilities within the messaging platform, and creating next generation messaging solutions which address enterprises' communication requirements. RML closed FY2020 with a headcount of 603 employees (at a consolidated level), of which Call 2 Connect employed 304 resources as on March 31, 2020.

### Standalone Income Statement and Key Financial Metrics

Particulars	FY2021 (₹ in Lakhs except percentages)	FY2020 (₹ in Lakhs except percentages)	Y-o-Y Growth
Revenue from Messaging Services	36,412.55	39,630.97	-8%
Technical & Support Services	1,225.81	1,023.76	20%
Revenue from Operations	37,638.36	40,654.73	-7%
Other Income	1,157.25	1,853.87	-38%
Total Revenue	38,795.61	42,508.60	-9%
Gross Profit	7,072.68	5,182.63	36%
Gross Profit Margin (%)	19%	13%	
EBITDA	3,036.54	1,407.39	116%
EBITDA Margin (%)	8%	3%	
PBT	2,976.73	1,008.36	195%
PBT Margin (%)	8%	2%	
PAT	2,232.51	754.69	196%
PAT Margin (%)	6%	2%	

Standalone EBITDA excludes (i) other income, and (ii) exceptional expenses (incurred in FY2020)

Revenue on a standalone basis declined in FY2021 in the Messaging Services due to impact of COVID-19 pandemic on domestic businesses in India. The lockdown and restrictions resulted in reduced customer engagement and interaction in certain industry verticals, resulting in a marginal revenue degrowth.

Technical and Support Services revenue refers to revenue generated by Indian entity, in return for support rendered to other subsidiaries across the globe.

RML benefited from the firewall solution deployment with certain MNOs, which helped drive optimal pricing, and hence improve gross profit profile in FY2021. Further, the enhancements made to the technology platform and routing algorithms helped improve gross profit margins.

Employee Expenses increased from ₹2,257.57 lakh in FY2020 to ₹2,890.43 lakh in FY2021, and Other Expenses decreased from ₹1,517.67 lakh in FY2020 to ₹1,145.71 lakh in FY2021, delivering an EBITDA of ₹3,036.54 lakh in FY2021, compared to an EBITDA of ₹1,407.39 lakh in FY2020.

EBITDA calculation excludes other income and one-time expenses and exceptional items (expenses incurred for payments under Sabka Vikas Scheme in FY2020).

Depreciation and amortization increased from ₹634.28 lakh in FY2020 to ₹1,038.13 lakh in FY2021.

Finance costs decreased from ₹279.71 lakh in FY2020 to ₹178.93 lakh in FY2021. Finance Costs stand at 0.48% of Revenue from operations in FY2021.

PAT increased from ₹754.69 lakh in FY2020 to ₹2,232.51 lakh in FY2021 due to the above factors. Adjusted for the payment made by RML under the Sabka Vikas Scheme, PAT for FY2020 stands at ₹2,093.60 lakh.

### Standalone Balance Statement Summary and Key Financial Ratios

Particulars	FY2021 (₹ in Lakhs except percentages and ratios)	FY2020 (₹ in Lakhs except percentages and ratios)
Trade receivables	9,829.79	11,179.82
Days Sales Outstanding (on revenue from operations) (#)	95	100
Current Ratio (#)	2.10	1.04
Debt: Equity ratio (#)	0.00	0.51
Return on Equity (%)	6%	10%
Interest Coverage Ratio (#)	18	5

The Company has maintained healthy operating parameters from a balance sheet perspective.

Trade Receivables have decreased in line with Revenue, and hence Days Sales Outstanding has not varied significantly in FY2021, as against FY2020.

Current Assets increased from ₹25,810.98 lakh in FY2020 to ₹48,906.89 lakh in FY2021, whereas Current Liabilities



decreased from ₹24,721.09 lakh to ₹23,249.68 lakh over the same period. Current Ratio changed from 1.04 in FY2020 to 2.10 in FY2021.

Interest Coverage ratio increased from 5 in FY2020 to 18 in FY2021.

#### Risks and concerns: Principal risks and uncertainties:

There are a number of potential risks and uncertainties, which could have a material impact on the Company's long-term performance and could cause actual results to differ materially from expected results.

#### Liquidity risk

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. External funding facilities are managed to ensure that both short-term and long-term funding is available to provide short-term flexibility whilst providing sufficient funding to the Company's forecast of working capital requirements.

#### Credit risk

The Company extends credit to customers of various durations depending on customer creditworthiness and industry custom and practice for the product or service. In the event that a customer proves unable to meet payments when they fall due, the Company will suffer adverse consequences. To manage this, the Company continually monitors credit terms to ensure that no single customer is granted credit inappropriate to its credit risk.

#### Competitor risk

The Company operates in a highly competitive market with rapidly changing product and pricing innovations. We are subject to the threat of our competitors launching new products in our markets (including updating product lines) before we make corresponding updates and development to our own product range. This could render our products and services outdated and could result in loss of market share. To reduce this risk, we undertake new product development and maintain strong supplier relationships to ensure that we have products at various stages of the life cycle.

Competitor risk also manifests itself in price pressures which are usually experienced in more mature markets. This results not only in downward pressure on our gross margins but also in the risk that our products are not considered to represent value for money. The Company therefore monitors market prices on an ongoing basis.

#### Internal Financial Controls, their adequacy and Internal Auditors

The Company has established a robust framework for internal financial controls. The Company has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information. Company's systems of Internal Financial Control is aligned with the requirements of the applicable laws, and on lines of generally accepted risk based framework, covering key functions and departments. The Company's Internal Controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information. Our Company uses an in-house developed software system to record various data for efficient exchange of information.

The Board has appointed M/s Pipalia Singhal & Associates, Chartered Accountants, Mumbai as the Internal Auditor of the Company for the FY 2021-22 to conduct the internal audit.

# Independent Auditor's Report

## Standalone Financial Statement



### To the Members of Route Mobile Limited

#### Report on the Audit of the Standalone Financial Statements

#### Opinion

1. We have audited the accompanying standalone financial statements of **Route Mobile Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2021, 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.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

4. We draw attention to the matter stated in Note 41 (iv) to the accompanying standalone financial statements which indicates delay in payment of foreign currency

payables and receipt of foreign currency receivables to/from subsidiaries, aggregating to ₹6,104.63 lakhs and ₹1,078.80 lakhs, respectively, outstanding as on 31 March 2021 beyond the timelines stipulated vide FED Master Direction No. 17/2016-17 and FED Master Direction No. 16/2015-16, read with RBI circulars, RBI/2019-20/242 No.33 dated 22 May 2020 and RBI/2019-20/206 No.27 dated 1 April 2020 respectively, under the Foreign Exchange Management Act, 1999. The management of the Company is in the process of filing necessary applications seeking set-off of receivables and payables and condonation of delays with appropriate authorities for regularising these defaults. Pending conclusion of these matters, the management is of the view that the amount of fines/penalties, if any, that may be levied, are currently unascertainable but not expected to be material and accordingly, no consequential adjustments have been made to the accompanying standalone financial statements with respect to such delays/defaults. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matters
<p><b>Impairment assessment of Investment in Subsidiaries</b></p> <p>(Refer note 1(ix) to the accompanying standalone financial statements for accounting policies and note 4 for financial disclosures with respect to carrying value of investments in subsidiaries)</p> <p>Amongst other investments, the Company has investments in equity shares of two subsidiary companies, Cellent Technologies (India) Private Limited and Call 2 Connect India Private Limited, amounting to Rs 1,127.40 lakhs and Rs 2,240.19 lakhs respectively. These investments are carried at cost less any diminution in value in accordance with Ind AS 27, Separate Financial Statements.</p> <p>As at 31 March 2021, the carrying amount of investments in the aforementioned two subsidiaries is higher than the net worth of the respective subsidiaries thus resulting in risk exposure with respect to impairment loss on the same.</p> <p>For this purpose, valuation was carried out by an independent valuation specialist in his capacity as a management's expert using discounted cash flow ('DCF') method.</p> <p>Impairment assessment of these investments is considered as a significant risk as there is a risk that recoverability of the investments could not be established, and potential impairment charge might be required to be recorded in the standalone financial statements. The recoverability of these investments is inherently subjective due to reliance on net worth of investee and cash flow projections of these investee companies.</p> <p>The above impairment test has not resulted in recognition of any impairment loss during the period.</p> <p>However, due to their materiality in the context of the standalone financial statements and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used as part of impairment evaluation, this is considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit and accordingly, the matter is determined as a key audit matter for the current year audit.</p>	<p><b>Our procedures in relation to the impairment assessment of investment in subsidiaries included, but were not limited to the following:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process for identification of possible impairment indicators and process followed by the management for impairment testing;</li> <li>• Evaluated design and implementation and tested operating effectiveness of controls over the Company's process of impairment assessment and approval of forecasts;</li> <li>• Obtained the management's external valuation specialist's report on determination of recoverable amount and also assessed the professional competence, expertise and objectivity of the management expert;</li> <li>• Assessed the methodology used by the management's expert to estimate the recoverability of investments and ensured that it is consistent with applicable accounting standards;</li> <li>• Evaluated the appropriateness of the assumptions applied in determining key inputs such as terminal growth rates and discount rates, which included assessments based on our knowledge of the Company and the industry;</li> <li>• Compared the previous forecast to actual results to assess the Company's ability to forecast accurately;</li> <li>• Involved auditor's experts to assist in evaluating the assumptions and appropriateness of the valuation methodology used by the management;</li> <li>• Tested mathematical accuracy of the projections and applied independent sensitivity analysis to the key assumptions mentioned above to determine and focus on inputs leading to high estimation uncertainty of the cash flow projections;</li> <li>• Compared the carrying value of the investments with the recoverable value to ensure there is no impairment required to be recognised;</li> <li>• Assessed the appropriateness and adequacy of the disclosures made by the management in note 4 to the standalone financial statements.</li> </ul>

Key audit matters	How our audit addressed the key audit matters
<p><b>Accounting for Business combinations (refer note 1 (xvii) for accounting policy and note 48 for relevant disclosures in the accompanying standalone financial statements)</b></p> <p>During the year ended 31 March 2021, the Company has completed acquisition of a division, comprising intellectual property (software) and related customer contracts, of TeleDNA Communications Private Limited (TeleDNA), a Bengaluru based Company specializing in development of telecom related solutions, under slump sale arrangement for total consideration of Rs. 1,200 lakhs, on the basis of Business Transfer Agreement (BTA) and other related arrangements. The Company has primarily acquired Computers, Software, Customer related intangibles and commitment on Non-compete as a result of this acquisition.</p> <p>The Company has accounted for aforementioned business acquisition in accordance with Ind AS 103, Business Combinations, which requires the recognition of identifiable assets and liabilities including identifiable intangibles, in a business combination at fair value on the date of acquisition, with the excess of the acquisition price over such identified fair values recognised as goodwill.</p> <p>Management has appointed an independent valuation expert to allocate the purchase price to the identifiable assets and liabilities and identified intangible assets. Basis the procedure performed for purchase price allocation, management represents that identifiable assets and liabilities including identifiable intangible assets and resulting goodwill are disclosed at the fair values as on the date of acquisition. Further, on the basis of the management estimates on the future growth of the acquired business and certain other assumptions and valuation model applied, the recoverable amount of the goodwill recognised on business combination as stated above exceeds its carrying value as at 31 March 2021.</p> <p>We have considered the above business combination to be a matter of most significance to our current year audit considering the materiality of the amounts involved, complexity involved in valuation, significant judgements and estimates in relation to the accounting as per the requirements of Ind AS 103 including ascertainment of acquisition date, assessment of fair values of assets and liabilities recognised on acquisition, judgement applied in identification and measurement of intangible assets and therefore, it has been identified as a key audit matter for the current year audit.</p>	<p><b>Our procedures relating to acquisition made by the Company included, but were not limited to the following:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the terms and conditions of the purchase agreement and the consideration transferred to assess the control over the business and the acquisition date, in accordance with Ind AS 103, by obtaining required understanding and representations from the Company;</li> <li>• Obtained report of the management's external valuation specialist for the valuation of intangibles including the purchase price allocation and assessed the competence, capabilities and objectivity of the management's expert and gained an understanding of the work done by the valuation expert;</li> <li>• Assessed the reasonableness of the management estimates and judgements used to fair value the identifiable assets and liabilities and identifiable intangible assets;</li> <li>• Tested the identifiable assets and liabilities which form part of working capital including any adjustment thereof, to assess the reasonableness / appropriateness of the amounts used for purchase price allocation;</li> <li>• Involved our auditor's internal valuation experts to assist us in validating the valuation assumptions and methodology considered by the management's expert to allocate the purchase price to identifiable assets and liabilities;</li> <li>• Assessed the reasonableness of the recoverable amount of goodwill recorded as on the date of acquisition by evaluating the valuation model applied including the management estimates and judgement;</li> <li>• Evaluated the appropriateness and adequacy of disclosures given in the standalone financial statements, including disclosure of significant assumptions and judgements, in accordance with applicable accounting standards.</li> </ul>

### Information other than the Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Those Charged with Governance for the standalone financial statements

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

10. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

16. As required by Section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.

18. Further to our comments in Annexure I, 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 purpose of our audit of the accompanying standalone financial statements;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) the standalone financial statements dealt with by this report are in agreement with the books of account;

d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act;

f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 18 May 2021 as per Annexure II expressed an unmodified opinion;

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 Company, as detailed in note 41 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021;

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

**Bharat Shetty**

Partner

Membership No.: 106815

**UDIN: 21106815AAAABN7174**

**Place:** Mumbai

**Date:** May 18, 2021



**Annexure I to the Independent Auditor's Report of even date to the members of Route Mobile Limited on the standalone financial statements for the year ended 31 March 2021**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment).
- (b) The fixed assets (property, plant and equipment) have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets (property, plant and equipment) is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) The Company does not have any tangible inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
- (a) in our opinion, the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest;
- (b) the schedule of repayment of principal and payment of interest has been stipulated in case of loans granted to some of the companies and the repayment/receipts of the principal amount and the interest are regular. In the case of loan granted to other companies, the schedule of repayment of principal and payment of interest has been stipulated wherein these amounts are repayable on demand and since the repayment of such loans has not been demanded, in our opinion, repayment of the principal amount is regular; the payment of interest on such loans is regular;
- (c) there is no overdue amount in respect of loans granted to such companies.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, goods and services tax, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, goods and services tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

**Statement of disputed dues**

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1,374.43	274.89	2019-20 (Assessment year)	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	254.32	-	2014-15 (Assessment year)	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	29.75	5.95	2013-14 (Assessment year)	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	24.68	-	Financial Year 2014-15	Assistant Commissioner, CGST

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank during the year. The Company has no loan or borrowings payable to any financial institution or government and no dues payable to debentures holders during the year.
- (ix) In our opinion, the Company has applied moneys raised by way of initial public offer for the purposes for which these were raised, though idle/surplus funds which were not required for immediate utilisation have been temporarily invested/parked in deposits with scheduled commercial banks, current account and in monitoring agency account. The Company did not raise moneys by way of term loans during the year.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, provisions of clause 3(xiv) of the Order are not applicable.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**Bharat Shetty**  
Partner  
Membership No.: 106815

**UDIN: 21106815AAAABN7174**

**Place:** Mumbai  
**Date:** May 18, 2021

**Annexure II to the Independent Auditor's Report of even date to the members of Route Mobile Limited, on the standalone financial statements for the year ended 31 March 2021**

**Independent Auditor's report on the internal financial controls with reference to the standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

1. In conjunction with our audit of the standalone financial statements of Route Mobile Limited (the "Company") as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note 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 the Company's business, including adherence to the 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 Act.

**Auditors' Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference

to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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 with reference to standalone financial statements.

#### Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

#### Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

#### Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**Bharat Shetty**  
Partner  
Membership No.: 106815

**UDIN: 21106815AAAABN7174**

**Place:** Mumbai  
**Date:** May 18, 2021

# Balance Sheet

## Standalone Financial Statement

#### Balance Sheet as at 31 March 2021

(₹ in lakhs, except for share data, and if otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Property, plant and equipment</b>	2	867.34	703.62
Right-of-use assets	3 (a)	1,173.07	266.14
Capital work-in-progress		105.49	-
Goodwill	48	106.77	-
Other Intangible assets	3(b)	1,561.61	337.75
Investments in subsidiaries	4	3,650.04	2,649.96
<b>Financial assets</b>			
Loans	5	769.67	-
Other financial assets	6	329.42	119.35
Deferred tax assets (net)	7	239.52	297.20
Non-current tax assets (net)	8	1,194.93	1,480.78
Other non-current assets	9	34.93	736.62
		<b>10,032.79</b>	<b>6,591.42</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Investments	10	1,280.18	1,189.80
Trade receivables	11	9,829.79	11,179.82
Cash and cash equivalents	12	12,927.11	2,292.75
Other bank balances	13	19,268.05	3,602.31
Loans	14	3,294.80	2,233.97
Other financial assets	15	2,122.03	886.76
Other current assets	16	184.93	4,425.57
		<b>48,906.89</b>	<b>25,810.98</b>
<b>Total assets</b>		<b>58,939.68</b>	<b>32,402.40</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	17	5,771.36	5,000.00
Other equity	18	28,702.95	2,431.69
		<b>34,474.31</b>	<b>7,431.69</b>

## Balance Sheet as at 31 March 2021

(₹ in lakhs, except for share data, and if otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	19	12.79	18.78
Lease liabilities	43	951.19	27.86
Provisions	20	251.71	202.98
		<b>1,215.69</b>	<b>249.62</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	21	-	3,735.56
Lease liabilities	43	186.19	280.83
Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises		5.05	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		19,120.22	18,934.25
Other current financial liabilities	23	2,024.94	1,364.08
Provisions	24	46.37	77.99
Other current liabilities	25	1,866.91	328.38
		<b>23,249.68</b>	<b>24,721.09</b>
<b>Total equity and liabilities</b>		<b>58,939.68</b>	<b>32,402.40</b>
<b>Significant accounting policies and other explanatory information</b>	<b>1 to 51</b>		

This is the Balance Sheet referred to in our report of even date

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**For and on behalf of the Board of Directors of Route Mobile Limited**

**Bharat Shetty**  
Partner  
Membership No.: 106815

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)  
Place: Goa

**Rajdipkumar Gupta**  
Managing Director  
(DIN No. 01272947)  
Place: Goa

**Suresh Jankar**  
Chief Financial Officer  
Place: Mumbai

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)  
Place: Assam

**Place:** Mumbai  
**Date:** May 18, 2021

**Date:** May 18, 2021

## Statement of Profit and Loss

### Standalone Financial Statement



## Statement of Profit and Loss for the year ended 31 March 2021

(₹ in lakhs, except for share data, and if otherwise stated)

	Note	Year ended 31 March 2021	Year ended 31 March 2020
<b>Revenue</b>			
Revenue from operations	26	37,638.36	40,654.73
Other income	27	1,157.25	1,853.87
<b>Total revenue</b>		<b>38,795.61</b>	<b>42,508.60</b>
<b>Expenses</b>			
Purchases of messaging services	28	30,565.68	35,472.10
Employee benefits expense	29	2,890.43	2,257.57
Finance costs	30	178.93	279.71
Depreciation and amortisation expense	31	1,038.13	634.28
Other expenses	32	1,145.71	1,517.67
<b>Total expenses</b>		<b>35,818.88</b>	<b>40,161.33</b>
<b>Profit before exceptional item and tax</b>		<b>2,976.73</b>	<b>2,347.27</b>
<b>Exceptional item</b>	33	-	1,338.91
<b>Profit before tax</b>		<b>2,976.73</b>	<b>1,008.36</b>
<b>Tax expense</b>	34		
Current tax		683.33	187.60
Deferred tax charge		60.89	66.07
		744.22	253.67
<b>Profit for the year</b>		<b>2,232.51</b>	<b>754.69</b>
<b>Other Comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Measurements of defined employee benefit plans		(12.75)	(18.94)
Income tax relating to above items		3.21	4.77
<b>Total other comprehensive income (net of tax)</b>		<b>(9.54)</b>	<b>(14.17)</b>
<b>Total comprehensive income for the year</b>		<b>2,222.97</b>	<b>740.52</b>
Earnings per equity share	44		
Basic (in ₹)		4.15	1.51
Diluted (in ₹)		4.06	1.51
Face value per share (in ₹)		10.00	10.00
<b>Significant accounting policies and other explanatory information</b>	<b>1 to 51</b>		

This is the Statement of Profit and Loss referred to in our report of even date.



**Bharat Shetty**  
Partner  
Membership No.: 106815

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)  
Place: Goa

**Rajdipkumar Gupta**  
Managing Director  
(DIN No. 01272947)  
Place: Goa

**Suresh Jankar**  
Chief Financial Officer  
Place: Mumbai

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)  
Place: Assam

Place: Mumbai  
Date: May 18, 2021

Date: May 18, 2021

# Statement of Cash Flow

## Standalone Financial Statement



### Cash flow statement for the year ended 31 March 2021

(₹ in lakhs, except for share data, and if otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,976.73	1,008.36
<b>Adjustments for :</b>		
Financial asset measured at amortised cost	(11.36)	(14.91)
Depreciation and amortisation expense	1,038.13	634.28
Interest on lease liabilities	21.97	48.94
Advances and trade receivable written off	10.96	36.72
Interest income on fixed deposits	(763.54)	(167.08)
Interest income on loan to subsidiary companies	(122.78)	(165.84)
Net gain arising on financial asset measured at FVTPL	(90.38)	(123.25)
Interest on income tax refund	(54.70)	-
Provision for doubtful debts written back	(20.75)	-
Dividend received from Subsidiaries	-	(1,093.15)
Provision for doubtful debts and advances	-	40.84
Interest on borrowings from bank	137.21	218.34
Other borrowing cost	17.27	6.58
Unrealised foreign exchange loss	149.98	456.66
Loss on derivative transaction	-	4.54
Mark to market of derivative financial instruments	(118.68)	116.11
Liabilities no longer payable, written back	(4.71)	(207.23)
<b>Operating profit before working capital changes</b>	<b>3,165.35</b>	<b>799.91</b>
<b>Adjustments for working capital:</b>		
Decrease/(Increase) in trade receivables	1,397.48	(1,495.43)
Decrease/(Increase) in financial assets and other assets	3,210.84	(2,952.76)
Increase in trade payables, provisions and other liabilities	1,973.57	8,587.81
<b>Cash generated from operating activities</b>	<b>9,747.24</b>	<b>4,939.53</b>
Direct taxes paid (net)	(397.48)	(1,003.46)
<b>Net cash generated from operating activities</b>	<b>9,349.76</b>	<b>3,936.07</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangible assets including Capital work-in-progress	(722.92)	(231.40)
Payment of purchase consideration on TeleDNA acquisition	(1,200.00)	-
Fixed deposits placed	(15,665.74)	(3,080.63)
Loans given to Subsidiaries	(2,884.80)	(597.00)
Repayment of loans given to Subsidiaries	-	1,430.97
Interest received on loan to subsidiaries	91.21	141.76

## Cash flow statement for the year ended 31 March 2020

(₹ in lakhs, except for share data, and if otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Dividend received from Subsidiaries	-	1,093.15
Interest received	235.32	109.66
<b>Net cash (used in) investing activities</b>	<b>(20,146.93)</b>	<b>(1,133.49)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity shares on public offer	24,000.00	-
Proceeds from issue of equity shares on exercise of employee stock options	2,603.84	-
Share issue expenses	(853.96)	(501.07)
Repayment of non-current borrowings	(7.47)	(6.86)
Interest paid	(174.91)	(211.00)
Payment of interest portion of lease liability	(21.97)	(48.94)
Payment of principal portion of lease liability	(334.48)	(315.57)
Dividend paid	-	(1,500.00)
Dividend distribution tax paid	-	(154.16)
(Repayment of )/Proceeds from current borrowings (net)	(3,735.56)	1,846.95
<b>Net cash generated from/(used in) financing activities</b>	<b>21,475.49</b>	<b>(890.65)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>10,678.32</b>	<b>1,911.93</b>
Opening balance of cash and cash equivalents	2,292.75	380.82
Effect of currency fluctuations on cash and cash equivalents	(43.96)	-
<b>Closing balance of cash and cash equivalents</b>	<b>12,927.11</b>	<b>2,292.75</b>
<b>Cash and cash equivalents as per financial statements (refer note 12)</b>	<b>12,927.11</b>	<b>2,292.75</b>

### Reconciliation of cash and cash equivalents as per the Statement of cash flows:

	As at 31 March 2021	As at 31 March 2020
Cash and cash equivalents	12,927.11	2,292.75
<b>Balances as per statement of cash flows</b>	<b>12,927.11</b>	<b>2,292.75</b>

#### Note:

(i) Non-cash transactions :- Conversion of loan to subsidiary of ₹1,000.08 lakhs into 74,300 equity shares of ₹10 each.

(ii) The standalone statement of cash flows has been prepared under the indirect method as set out in Ind AS 7, 'Statement of Cash Flows'.

#### Significant accounting policies and other explanatory information

1 to 51

This is the Cash Flow Statement referred to in our report of even date.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**Bharat Shetty**  
Partner  
Membership No.: 106815

**Place:** Mumbai  
**Date:** May 18, 2021

For and on behalf of the Board of Directors of Route Mobile Limited

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)  
Place: Goa

**Suresh Jankar**  
Chief Financial Officer  
Place: Mumbai

**Date:** May 18, 2021

**Rajdipkumar Gupta**  
Managing Director  
(DIN No. 01272947)  
Place: Goa

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)  
Place: Assam

# Statement of Changes in Equity

## Standalone Financial Statement



### Statement of changes in equity for the year ended 31 March 2021

(₹ in lakhs, except for share data, and if otherwise stated)

a	Equity share capital	Number		Amount
	<b>Balance as at 1 April 2019</b>	<b>5,00,00,000</b>		<b>5,000.00</b>
	Issue of shares	-		-
	<b>Balance as at 31 March 2020</b>	<b>5,00,00,000</b>		<b>5,000.00</b>
	Issue of shares on public offer	68,57,142		685.72
	Issue of equity shares on exercise of employee stock options	8,56,441		85.64
	<b>Balance as at 31 March 2021</b>	<b>5,77,13,583</b>		<b>5,771.36</b>

b	Other equity	Reserves and Surplus		Total other equity
		Retained Earnings	Securities premium	
	<b>Balance as at 1 April 2019</b>	<b>3,380.14</b>	-	<b>3,380.14</b>
	<b>Change in accounting policy (Implementation of Ind AS 116, Leases)</b>	(34.81)	-	(34.81)
	<b>Restated Balance as at 1 April 2019</b>	<b>3,345.33</b>	-	<b>3,345.33</b>
	Profit for the year	754.69	-	754.69
	Other comprehensive income for the year	(14.17)	-	(14.17)
	<b>Total Comprehensive income for the year ended 31 March 2020</b>	<b>740.52</b>	-	<b>740.52</b>
	Dividend paid	(1,500.00)	-	(1,500.00)
	Dividend distribution tax	(154.16)	-	(154.16)
	<b>Balance as at 31 March 2020</b>	<b>2,431.69</b>	-	<b>2,431.69</b>
	Profit for the year	2,232.51	-	2,232.51
	Other comprehensive income for the year	(9.54)	-	(9.54)
	<b>Total Comprehensive income for the year ended 31 March 2021</b>	<b>2,222.97</b>	-	<b>2,222.97</b>
	Issue of shares on public offer	-	23,314.28	23,314.28
	Issue of equity shares on exercise of employee stock options	-	2,518.20	2,518.20
	Adjustment of share issue expenses (Refer note 16)	-	(1,784.19)	(1,784.19)
	<b>Balance as at 31 March 2021</b>	<b>4,654.66</b>	<b>24,048.29</b>	<b>28,702.95</b>

Significant accounting policies and other explanatory information

1 to 51

This is the Statement of Changes in Equity referred to in our report of even date.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**Bharat Shetty**  
Partner  
Membership No.: 106815

Place: Mumbai  
Date: May 18, 2021

For and on behalf of the Board of Directors of Route Mobile Limited

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)  
Place: Goa

**Suresh Jankar**  
Chief Financial Officer  
Place: Mumbai

Date: May 18, 2021

**Rajdipkumar Gupta**  
Managing Director  
(DIN No. 01272947)  
Place: Goa

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)  
Place: Assam



# Significant Accounting Policies

## Standalone Financial Statement

### Summary of the significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

#### Company Overview

Route Mobile Limited (RML), (the "Company") was incorporated on 14 May 2004. The Company is a cloud communication provider to enterprises, over-the-top players and mobile network operators.

The Company has its registered office in Mumbai. The standalone financial statements for the year ended 31 March 2021 were approved by Board of Directors and authorised for issue on 18 May 2021.

#### 1 Significant accounting policies and assumptions

##### (i) Statement of compliance

The standalone financial statements have been prepared to comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and rules framed thereunder.

The standalone financial statements have been prepared under the historical cost convention and on accrual basis, except for certain financial assets and liabilities, defined benefit plan liabilities measured at fair value.

**Current and non-current classification:** All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Act. Based on the nature of service and time taken between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

##### (ii) Critical estimates and judgements

The preparation of these financial statements in conformity with Ind AS requires management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amounts of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

##### • Impairment of investments in subsidiaries

Determining whether the investments in subsidiaries are impaired requires an estimate in the value in use of investments. The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. In considering the value in use, the Board of directors have anticipated the future market conditions and other parameters that affect the operations of these entities.

##### • Useful lives of property, plant and equipment and Intangible assets

The Company reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

##### • Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

##### • Defined benefit obligation

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty.

##### • Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. In applying the valuation

techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

##### • Impairment of financial assets

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

##### • Impairment of Goodwill

The Company estimates the value in use of the cash generating unit (CGU) to which Goodwill is associated, based on the future cash flows, growth rate, applicable discount rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the CGU represents the weighted average cost of capital based on the historical market returns of comparable companies.

##### • Research and development costs

Management monitors progress of internal research and development projects by using a project judgement is required in distinguishing research from the development phase. Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred.

Management also monitors whether the recognition requirements for development costs continue to be met. This is necessary due to inherent uncertainty in the economic success of any product development.

##### • Share-based payments

Estimating fair value for share-based payments requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them.

##### • Contingencies

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/

litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

##### • Leases – Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the fund necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

#### (iii) Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised upon transfer of control of promised services to the customers at the consideration which the Company has received or expects to receive in exchange of those services. Amount disclosed as revenue are reported net of discounts and applicable taxes which are collected on behalf of the government.

- a. Revenue from messaging services – The Company recognises revenue based on the usage of messaging services. The revenue is recognised when the Company's services are used based on the specific terms of the contract with customers.

Technical and support services – Income from technical and support services rendered to its group companies is recorded on an accrual basis at a fully loaded cost plus mark-up on such costs.

Revenue in excess of invoicing are classified as unbilled revenue while invoicing /collection in excess of revenue for services to be performed in future are classified as deferred revenue / advances from customers.

Liquidated damages and penalties are accounted as per the contract terms wherever there is a delayed delivery attributable to the Company and when there is a reasonable certainty with which the same can be estimated.

- b. 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 carrying value of the investment.

- c. Dividend are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

- d. Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through

the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

#### (iv) Measurement and recognition of leases

The Company considers whether contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

#### Company as a lessee

At lease commencement date, the Company recognises a right-of-use asset and lease liabilities on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company and any lease payments made in advance of the lease commencement date.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist. For the purpose of impairment testing, the recoverable amount (i.e. higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such case, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

At the commencement date of lease, the Company measures the lease liability at the present value of the lease payments to be made over the lease term, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or Statement of profit and loss, as the case may be.

The Company has elected to account for short-term leases and leases of low-value assets using the exemption given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Company's benefit.

#### Company as a lessor

Leases for which the Company is a lessor classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Lease income from operating leases where the Company is a lessor is recognised as income on straight line basis over the lease term.

#### (v) Borrowing costs

Borrowing costs attributable to the acquisition and construction of qualifying assets are capitalised as part of the cost of such assets up to the date such assets are ready for their intended use. Other borrowing costs are charged to profit or loss. Borrowing cost is calculated using effective interest rate on the amortised cost of the instrument.

#### (vi) Foreign currency

The functional currency of the Company is Indian rupee.

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance sheet date and exchange gains or losses arising on settlement and restatement are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated at year end.

#### (vii) Income taxes

Income tax expense comprises Current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are

recognised in the Statement of profit and loss, except when they relate to items that are recognised in Other comprehensive income or directly in Equity, in which case, the current and deferred tax are also recognised in Other comprehensive income or directly in Equity respectively.

#### Current Income taxes

The current income tax includes income taxes payable by the Company computed in accordance with the tax laws applicable in the jurisdiction in which the Company operates. Advance taxes and provision for current income tax are presented in the Balance sheet after offsetting the advance tax paid and income tax provision arising in the same jurisdiction and where the relevant tax paying units intend to settle the asset and liability on a net basis.

#### Deferred income taxes

Deferred income tax is recognised using Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of recognition.

Deferred tax assets are recognised to the extent future 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.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow deferred income tax assets to be utilised. At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

#### (viii) Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liability.

### (I) Financial assets

#### Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets change.

#### Initial measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Subsequent measurement of debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **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 investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

• Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

• Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

**De-recognition of financial assets**

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

**Cash and cash equivalents**

Cash and cash equivalents for the purpose of the cash flow statement comprise of the cash on hand and at bank and current investments with an original maturity of three months or less. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**(II) Financial liabilities**

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently, all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss. The gain / loss is recognised in other equity in case of transactions with shareholders.

**(III) Derivative Financial Instruments**

The Company uses currency swaps as derivative instrument to mitigate the risk of changes in currency rates. Such derivative instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value.

**(ix) Investment in subsidiaries**

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exist, the carrying amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the statement of profit and loss. On disposal of investment, the differences between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit and loss.

**(x) Property, plant and equipment (including Capital Work-in-Progress)**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes inward freight, adjustment for GST credit, taxes and expenses incidental to acquisition and installation, up to the point the asset is ready for its intended use.

Assets acquired but not ready for use or assets under construction are classified under Capital work in progress.

**(xi) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost.

Intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Subsequently, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Goodwill is initially recognised based on accounting policy for business combinations and is tested for impairment annually.

**Research and development**

Expenses on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised in the standalone statement of profit and loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, the assets are controlled by the Company, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the standalone statement of profit and loss as incurred.

**(xii) Depreciation/Amortisation**

Depreciation on Property, plant and equipment is provided to the extent of depreciable amount on written down value method (WDV) over the useful lives of assets as determined by the management which is in line with Part-C of Schedule II of the Act with residual value of 5%, except servers and network (part of Computers).

Servers and networks are depreciated over a period of five years on WDV method, based on internal assessment and technical evaluation carried out by the management, and which represents the period over which they expect to use these assets.

Leasehold improvements are amortised over the period of lease or their estimated useful life, whichever is lower, on a straight-line basis.

Computer software and technical know how is amortized over a period of three years on WDV method

Following table summarises the nature of intangible and their estimated useful lives and amortised on a straight line basis:-

Nature of Intangibles	Useful lives
License	3 years
Customer relationship	4 years
Non-compete fees	4 years

Depreciation/amortisation is calculated pro-rata from/ to the date of addition/deletion.

**(xiii) Impairment of assets**

**Non-financial assets**

The carrying amount of the non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal /external

factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the statement of profit and loss.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

**Financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

**(xiv) Employee benefits**

All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees and recognised as expenses in the Statement of Profit and Loss.

The Company's contribution to Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis. The Company has categorised its Provident Fund and the Employees State Insurance Scheme as a defined contribution plan since it has no further obligations beyond these contributions.

The Company's liability towards gratuity, being defined benefit plan is accounted for on the basis of an independent actuarial valuation using the projected unit credit method, done at the year end. Gratuity liability is not funded and the payments are made to the employees directly when they leave the organisation post completion of 5 years of service or at the time of retirement (with minimum 5 years of service), whichever is earlier.



Service cost and the net interest cost is included in employee benefit expense in the Statement of profit and loss. Actuarial gains and losses arising on the measurement of defined benefit obligation is credited/charged to other comprehensive income.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

**(xv) Provisions, contingent liabilities and contingent assets**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

**(xvi) Earnings per share**

Basic earnings per share are computed by dividing net profit after tax (excluding other comprehensive income) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing net profit after tax (excluding other comprehensive income) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on 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.

**(xvii) Business combinations**

Business combinations are accounted for using the acquisition method as per Ind AS 103, Business combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity

instruments issued and liabilities assumed at the date of acquisition, which is the date on which control is transferred to the Company. Identified assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Transaction costs that the Company incurs in connection with a business combination such as stamp duty, legal fees, due diligence fees and other professional and consulting fees are expensed as incurred.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill.

**(xviii) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting, nature of the products / process, organisation structure as well as differential risks and returns, using the information provided to the board of directors and chief operating officer, together, the chief operating decision maker ('CODM').

**(xix) Share based payments**

Share-based compensation benefits are provided to employees via the "ROUTE MOBILE LIMITED", Employee Stock Option Plan 2017 (the 'ESOP scheme'). The fair value of options granted under the Employee Stock Option Plan 2017 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to serve or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The Company has created a Route Mobile Employee Welfare Trust (ESOP Trust) for implementation of the said ESOP scheme. The Company allots shares to the ESOP Trust. The Company treats the ESOP trust as its extension and shares held by ESOP Trust are treated as treasury shares.

**(xx) Share issue expense**

The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction.

**(xxi) Standards issued but not effective**

There are no standards that are issued but not yet effective on 31 March 2021.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

2 Property, plant and equipment

Particulars	Building	Furniture and fixtures	Leasehold improvements	Vehicles	Office equipment	Computers (on finance lease)	Computers	Total
<b>Gross block</b>								
<b>Balance as at 1 April 2019</b>	<b>331.00</b>	<b>329.05</b>	<b>238.00</b>	<b>368.39</b>	<b>52.20</b>	<b>377.24</b>	<b>1,489.63</b>	<b>3,185.51</b>
Transfer out to Right of use assets	-	-	-	-	-	(377.24)	-	(377.24)
Additions	-	-	-	-	9.87	-	52.67	62.54
Disposals	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	<b>331.00</b>	<b>329.05</b>	<b>238.00</b>	<b>368.39</b>	<b>62.07</b>	<b>-</b>	<b>1,542.30</b>	<b>2,870.81</b>
Additions	-	2.46	-	-	18.02	-	376.59	397.07
Acquired on TeleDNA acquisition (refer note 48)	-	-	-	-	-	-	16.23	16.23
Transfer from Right of use assets *	-	-	-	-	-	-	167.66	167.66
Disposals	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>331.00</b>	<b>331.51</b>	<b>238.00</b>	<b>368.39</b>	<b>80.09</b>	<b>-</b>	<b>2,102.78</b>	<b>3,451.77</b>
<b>Accumulated depreciation and amortisation</b>								
<b>Balance as at 1 April 2019</b>	<b>141.83</b>	<b>197.16</b>	<b>139.51</b>	<b>241.87</b>	<b>39.08</b>	<b>209.58</b>	<b>1,150.70</b>	<b>2,119.73</b>
Transfer out to Right of use assets	-	-	-	-	-	(209.58)	-	(209.58)
Depreciation and amortisation	9.15	29.83	49.24	33.89	6.03	-	128.90	257.04
Disposals	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	<b>150.98</b>	<b>226.99</b>	<b>188.75</b>	<b>275.76</b>	<b>45.11</b>	<b>-</b>	<b>1,279.60</b>	<b>2,167.19</b>
Depreciation and amortisation	8.71	22.82	49.25	24.70	8.87	-	135.23	249.58
Transfer from Right of use assets *	-	-	-	-	-	-	167.66	167.66
Disposals	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>159.69</b>	<b>249.81</b>	<b>238.00</b>	<b>300.46</b>	<b>53.98</b>	<b>-</b>	<b>1,582.49</b>	<b>2,584.43</b>

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	Building	Furniture and fixtures	Leasehold improvements	Vehicles	Office equipment	Computers (on finance lease)	Computers	Total
<b>Net block</b>								
<b>Balance as at 31 March 2020</b>	<b>180.02</b>	<b>102.06</b>	<b>49.25</b>	<b>92.63</b>	<b>16.96</b>	<b>-</b>	<b>262.70</b>	<b>703.62</b>
<b>Balance as at 31 March 2021</b>	<b>171.31</b>	<b>81.70</b>	<b>-</b>	<b>67.93</b>	<b>26.11</b>	<b>-</b>	<b>520.29</b>	<b>867.34</b>
* Represents computers transfer post completion of lease period								
Refer Note 35 for information on Property, plant and equipment pledged as security.								
<b>3a Right-of-use assets</b>								
Particulars	Right of use assets- Computer		Right of use assets- Building		Total			
<b>Gross block</b>								
<b>Transfer In Right of use Assets</b>								
Gross block	377.24		-		377.24			
Accumulated depreciation	(209.58)		-		(209.58)			
Adjustment basis implementation of Ind AS 116, Leases	-		377.39		377.39			
Additions	-		-		-			
<b>Balance as at 31 March 2020</b>	<b>167.66</b>		<b>377.39</b>		<b>545.05</b>			
Additions	-		1,163.17		1,163.17			
Transfer out to Computers	(167.66)		-		(167.66)			
<b>Balance as at 31 March 2021</b>	<b>-</b>		<b>1,540.56</b>		<b>1,540.56</b>			
<b>Accumulated depreciation</b>								
<b>Balance as at 1 April 2019</b>	-		-		-			
Depreciation charge	100.60		178.31		278.91			
Disposals	-		-		-			
<b>Balance as at 31 March 2020</b>	<b>100.60</b>		<b>178.31</b>		<b>278.91</b>			
Depreciation charge	67.06		189.18		256.24			
Disposals	-		-		-			
Transfer out to Computers	(167.66)		-		(167.66)			
<b>Balance as at 31 March 2021</b>	<b>-</b>		<b>367.49</b>		<b>367.49</b>			
<b>Net block</b>								
<b>Balance as at 31 March 2020</b>	<b>67.06</b>		<b>199.08</b>		<b>266.14</b>			
<b>Balance as at 31 March 2021</b>	<b>-</b>		<b>1,173.07</b>		<b>1,173.07</b>			

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

3b Intangible assets

Particulars	Computer software	Technical know-how	Customer relationship	Non Compete Agreement	License	Total
<b>Gross block</b>						
<b>Balance as at 1 April 2019</b>	<b>285.01</b>	-	-	-	-	<b>285.01</b>
Additions	1.74	381.28	-	-	-	<b>383.02</b>
Disposals	-	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	<b>286.75</b>	<b>381.28</b>	-	-	-	<b>668.03</b>
Additions	43.50	-	-	-	635.67	<b>679.17</b>
Acquired on TeleDNA acquisition (refer note 48)	388.00	-	651.00	38.00	-	<b>1,077.00</b>
Disposals	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>718.25</b>	<b>381.28</b>	<b>651.00</b>	<b>38.00</b>	<b>635.67</b>	<b>2,424.20</b>
<b>Accumulated amortisation</b>						
<b>Balance as at 1 April 2019</b>	<b>231.95</b>	-	-	-	-	<b>231.95</b>
Amortisation charge	24.73	73.60	-	-	-	<b>98.33</b>
Disposals	-	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	<b>256.68</b>	<b>73.60</b>	-	-	-	<b>330.28</b>
Amortisation charge	174.54	146.60	122.06	7.13	81.98	<b>532.31</b>
Disposals	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>431.22</b>	<b>220.20</b>	<b>122.06</b>	<b>7.13</b>	<b>81.98</b>	<b>862.59</b>
<b>Net block</b>						
<b>Balance as at 31 March 2020</b>	<b>30.07</b>	<b>307.68</b>	-	-	-	<b>337.75</b>
<b>Balance as at 31 March 2021</b>	<b>287.03</b>	<b>161.08</b>	<b>528.94</b>	<b>30.87</b>	<b>553.69</b>	<b>1,561.61</b>
				As at 31 March 2021		As at 31 March 2020

4 Non-current investments

Investments in equity shares - Unquoted, fully Paid-up

Investments in subsidiaries:

Route Mobile (UK) Limited 31 March 2021: 20,000 (31 March 2020: 20,000) shares of GBP 1 each	15.24	15.24
Sphere Edge Consulting (India) Private Limited 31 March 2021: 10,000 (31 March 2020: 10,000) shares of ₹10 each	11.00	11.00
Routesms Solutions FZE 31 March 2021: 41,725 (31 March 2020: 41,725) shares of AED 1 each	7.86	7.86
Routesms Solutions Nigeria Limited 31 March 2021: 10,000,000 (31 March 2020: 10,000,000) shares of NRN 1 each	35.23	35.23
Cellent Technologies (India) Private Limited 31 March 2021: 49,700 (31 March 2020: 49,700) shares of ₹10 each	1,127.40	1,127.40

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
Start Corp India Private Limited 31 March 2021: 10,000 (31 March 2020: 10,000) shares of ₹10 each	200.00	200.00
Route Mobile Pte. Ltd. 31 March 2021: 25,000 (31 March 2020: 25,000) shares of SGD 1 each	12.38	12.38
Call 2 Connect India Private Limited 31 March 2021: 219,300 (31 March 2020: 145,000) shares of ₹10 each	2,240.19	1,240.11
Route Connect Private Limited 31 March 2021: 7,400 (31 March 2020: 7,400) shares of ₹10 each	0.74	0.74
	<b>3,650.04</b>	<b>2,649.96</b>
Aggregate amount of unquoted investments	3,650.04	2,649.96
Aggregate amount of impairment in value of investments	-	-
<p>Note: The carrying amount of investments in subsidiaries, Cellent Technologies (India) Private Limited and Call 2 Connect India Private Limited, are higher than the net worth of the respective subsidiaries hence the management has considered possible impairment indicator. Accordingly, the management with the help of a valuation specialist, has carried out an impairment assessment. The said impairment test has not resulted in recognition of any impairment loss in the carrying value of its investment during the year. Significant estimates: The recoverable value of exposure in Cellent Technologies (India) Private Limited and Call 2 Connect India Private Limited are determined by an Independent valuer. The Company uses judgement to select from variety of methods and make assumptions which are mainly based on market conditions existing at the end of each reporting period.</p>		
<b>5 Non current loans</b>		
Unsecured, considered good, unless otherwise stated		
Loan to related parties (refer note 40)#	769.67	-
	<b>769.67</b>	-
<b>Break-up :</b>		
Loans considered good - Unsecured	769.67	-
	<b>769.67</b>	-
Less: Allowance for doubtful loans	-	-
	<b>769.67</b>	-
Includes ₹769.67 lakhs (31 March 2020: Nil) due from company in which director of the Company is a director. #Disclosure as per Section 186 of the Companies Act, 2013		
Balance as at the year end	769.67	-
Maximum amount outstanding at any time during the year	1,769.75	-
For working capital purpose	769.67	-
<b>6 Other non-current financial assets</b>		
Unsecured, considered good, unless otherwise stated		
Security deposits	79.80	114.35
Loans and advances to employees	-	0.40
Deposits with maturity of more than 12 months	249.62	4.60
	<b>329.42</b>	<b>119.35</b>



Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
<b>7 Deferred tax assets (net)</b>		
<b>Deferred tax liabilities arising on account of :</b>		
Net gain on financial assets designated as FVTPL	70.52	47.77
Difference in book values and tax base values of ROU assets and lease liabilities	8.98	-
	<b>79.50</b>	<b>47.77</b>
<b>Deferred tax assets arising on account of :</b>		
Depreciation and amortisation	86.86	68.70
Difference in book values and tax base values of ROU assets and lease liabilities	-	10.71
Provision for compensated absences	-	10.36
Provision for gratuity	75.03	60.36
Carried forward business losses	-	55.76
Provision for expenses	111.83	88.55
Provision for doubtful debts and advances	45.30	50.53
<b>Total deferred tax assets</b>	<b>319.02</b>	<b>344.97</b>
<b>Deferred tax assets (net)</b>	<b>239.52</b>	<b>297.20</b>
<b>8 Non-current tax assets (net)</b>		
Advance income tax (net of provision)	1,194.93	1,480.78
	<b>1,194.93</b>	<b>1,480.78</b>
<b>9 Other non-current assets</b>		
Balance with government authorities	-	722.55
Prepaid expenses	34.93	14.07
	<b>34.93</b>	<b>736.62</b>
<b>10 Investments</b>		
<b>Investments carried at fair value through profit or loss (FVTPL)</b>		
<b>Investments in mutual funds - Unquoted</b>		
Axis Banking and PSU Debt Fund - Growth 30,535.80 units (31 March 2020: 30,535.80) of ₹2,058.09 each	628.45	583.65
L&T Triple Ace Bond Fund - Growth 1,147,660.27 units (31 March 2020: 1,147,660.27) of ₹56.79 each	651.73	606.15
	<b>1,280.18</b>	<b>1,189.80</b>
Aggregate amount of unquoted investments	1,280.18	1,189.80
Aggregate amount of impairment in value of investments	-	-
Refer note 35 for information on investments pledged as security by the Company.		

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
<b>11 Trade receivables</b>		
Unsecured, considered good*	7,460.37	7,750.43
Receivables from related parties (Unsecured, considered good)(refer note 40)	2,369.42	3,429.39
Trade Receivables which have significant credit risk	-	-
Trade receivables - credit impaired	179.99	200.74
Less: Provision for doubtful debts	(179.99)	(200.74)
	<b>9,829.79</b>	<b>11,179.82</b>
Includes ₹2,369.42 lakhs (31 March 2020: ₹3,429.39 lakhs) due from companies in which director of the Company is a director.		
Refer note 35 for information on trade receivables pledged as security by the Company.		
<b>12 Cash and cash equivalents</b>		
Cash on hand	0.31	1.35
Balances with banks:		
- in current accounts	993.72	888.93
- in EEFC accounts	2,406.31	13.04
- in deposit accounts with maturity upto 3 months	9,525.99	1,389.40
- wallets balances	0.78	0.03
	<b>12,927.11</b>	<b>2,292.75</b>
<b>13 Other bank balances</b>		
Deposits with maturity of more than 3 months but less than 12 months	16,930.60	202.09
Balances with bank held as margin money	-	2,201.28
Balances with bank held towards bank guarantee	2,337.45	1,198.94
	<b>19,268.05</b>	<b>3,602.31</b>
<b>14 Current loans</b>		
Unsecured, considered good, unless otherwise stated		
Loan to related parties (refer note 40)#	3,294.80	2,233.97
	<b>3,294.80</b>	<b>2,233.97</b>
<b>Break-up :</b>		
Loans considered good - Unsecured	3,294.80	2,233.97
	<b>3,294.80</b>	<b>2,233.97</b>
Less: Allowance for doubtful loans	-	-
	<b>3,294.80</b>	<b>2,233.97</b>
Includes ₹3,294.80 lakhs (31 March 2020: ₹2,233.97 lakhs) due from companies in which director of the Company is a director.		
#Disclosure as per Section 186 of the Companies Act, 2013		
Balance as at the year end	3,294.80	2,233.97
Maximum amount outstanding at any time during the year	3,294.80	3,392.58
For working capital purpose	3,294.80	2,233.97

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
<b>15 Other current financial assets</b>		
Unsecured, considered good, unless otherwise stated		
Security deposits	507.95	190.72
Loans and advances to employees	5.95	4.98
Other receivables (refer note 40)*	341.67	388.86
Interest accrued but not due on fixed deposits	408.83	70.93
Accrued interest on loans to related parties (refer note 40)**	119.70	88.14
Unbilled revenue***	737.93	143.13
	<b>2,122.03</b>	<b>886.76</b>

\*Includes ₹324.08 lakhs (31 March 2020: ₹388.86 lakhs) due from companies in which director of the Company is a director.

\*\* Includes ₹119.70 lakhs (31 March 2020: ₹88.14 lakhs) due from companies in which director of the Company is a director.

\*\*\* Includes ₹47.45 lakhs (31 March 2020: Nil) due from company in which director of the Company is a director.

	As at 31 March 2021	As at 31 March 2020
<b>16 Other current assets</b>		
Advances other than capital advances		
Prepaid expenses	77.01	62.25
Advance to suppliers	5.69	1,576.97
Unamortised share issue expenses*	-	930.23
Balance with government authorities	102.23	1,856.12
	<b>184.93</b>	<b>4,425.57</b>

\* Represents expenses incurred by the Company in connection with Initial Public Offering (IPO) of equity shares. In accordance with the Act and also as per the offer agreement entered between the Company and the selling shareholders, the selling shareholders have reimbursed the share issue expenses in proportion to the respective shares offered for sale. Accordingly, the Company has partly recovered the expenses incurred in connection with the issue on completion of IPO. The Company's share of expenses has been adjusted against securities premium under Section 52 of the Act on completion of IPO in the current year and the amount receivable from selling shareholders has been recovered from them.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
<b>17 Equity share capital</b>		
<b>Authorised capital</b>		
100,000,000 (31 March 2020: 100,000,000) equity shares of ₹10 each	10,000.00	10,000.00
<b>Issued, subscribed and fully paid up</b>		
57,713,583 (31 March 2021: 50,000,000) equity shares of ₹10 each	5,771.36	5,000.00
	<b>5,771.36</b>	<b>5,000.00</b>

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2021		As at 31 March 2020	
	Number	Amount	Number	Amount
Balance at the beginning of the year	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Add: Issue of shares on public offer	68,57,142	685.72	-	-
Add: Issue of equity shares on exercise of employee stock options	8,56,441	85.64	-	-
<b>Balance at the end of the year</b>	<b>5,77,13,583</b>	<b>5,771.36</b>	<b>5,00,00,000</b>	<b>5,000.00</b>

(b) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹10 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts and the distribution will be in proportion to the number of equity shares held in the Company.

(c) Shareholders holding more than 5% of the shares in the Company

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% of holding	Number of shares	% of holding
Sandipkumar Gupta	92,57,143	16.04%	1,44,00,000	28.80%
Rajdikumar Gupta	92,57,143	16.04%	1,44,00,000	28.80%
CC Gupta Family Trust	50,00,000	8.66%	50,00,000	10.00%
Sunita Gupta	43,20,000	7.49%	43,20,000	8.64%
Sarika Gupta	43,20,000	7.49%	43,20,000	8.64%

(d) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date:

	As at 31 March 2017	
	Number	Amount
Equity shares allotted as fully paid bonus shares	3,00,00,000	3,000.00

(e) Shares reserved for issue under options:

For details of shares reserved for issue under the employee stock option plan (ESOP), refer note 46

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

18 Other equity

Reserves and surplus	As at 31 March 2021	As at 31 March 2020
Retained earnings	4,654.66	2,431.69
Securities premium	24,048.29	-
<b>Total other equity</b>	<b>28,702.95</b>	<b>2,431.69</b>

a) Other equity

	Reserves and Surplus		Total other equity
	Retained earnings	Securities premium	
<b>Balance as at 1 April 2019</b>	<b>3,380.14</b>	-	<b>3,380.14</b>
Change in accounting policy (Implementation of Ind AS 116, Leases)	(34.81)	-	(34.81)
<b>Restated Balance as at 1 April 2019</b>	<b>3,345.33</b>	-	<b>3,345.33</b>
Profit for the year	754.69	-	754.69
Other comprehensive income for the year	(14.17)	-	(14.17)
<b>Total Comprehensive income for the year ended 31 March 2020</b>	<b>740.52</b>	-	<b>740.52</b>
Dividend paid	(1,500.00)	-	(1,500.00)
Dividend distribution tax	(154.16)	-	(154.16)
<b>Balance as at 31 March 2020</b>	<b>2,431.69</b>	-	<b>2,431.69</b>
Profit for the year	2,232.51	-	2,232.51
Other comprehensive income for the year	(9.54)	-	(9.54)
<b>Total Comprehensive income for the year ended 31 March 2021</b>	<b>2,222.97</b>	-	<b>2,222.97</b>
Issue of shares on public offer	-	23,314.28	23,314.28
Issue of equity shares on exercise of employee stock options	-	2,518.20	2,518.20
Adjustment of share issue expenses (Refer note 16)	-	(1,784.19)	(1,784.19)
<b>Balance as at 31 March 2021</b>	<b>4,654.66</b>	<b>24,048.29</b>	<b>28,702.95</b>

**Nature and purpose of reserves**

**(i) Retained earnings**

Retained earnings pertain to the accumulated earnings made by the Company over the years.

**(ii) Securities premium**

Securities premium is used to record the premium on issue of shares. This is utilised in accordance with the provisions of the Companies Act, 2013.

19 Non current borrowings

	As at 31 March 2021	As at 31 March 2020
<b>Secured</b>		
Vehicle loans from bank	20.93	28.40
Less : Current maturities of non-current borrowings (refer note 23)	(8.14)	(9.62)
	<b>12.79</b>	<b>18.78</b>

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Details of repayment, rate of interest and security for loans from bank:

Name of the Bank	Installments	No. of installments as on 31 March 2021	Installment Amount as on 31 March 2021	Rate of Interest	Nature of securities	As at 31 March 2021	As at 31 March 2020
HDFC Bank Limited	Monthly	29	23.26	8.6% p.a.	Vehicles	20.93	28.40
<b>Total</b>			<b>23.26</b>			<b>20.93</b>	<b>28.40</b>

Net debt reconciliation:

Particulars	Non-current borrowings (including current maturity)	Current borrowings	Lease liabilities	Cash and Cash equivalents
<b>Net debt as on 1 April 2019</b>	<b>35.26</b>	<b>1,895.11</b>	<b>159.74</b>	<b>380.82</b>
Adjustment basis implementation of Ind AS 116, Leases	-	-	464.52	-
Cash flows (net)	(6.86)	1,846.95	(315.57)	1,911.93
Finance costs	2.71	222.21	48.94	-
Finance cost paid	(2.71)	(208.29)	(48.94)	-
<b>Net debt as on 31 March 2020</b>	<b>28.40</b>	<b>3,755.98</b>	<b>308.69</b>	<b>2,292.75</b>
Leases addition	-	-	1,163.17	-
Cash flows (net)	(7.47)	(3,735.55)	(334.48)	10,634.36
Finance costs	2.10	152.38	21.97	-
Finance cost paid	(2.10)	(172.81)	(21.97)	-
<b>Net debt as at 31 March 2021</b>	<b>20.93</b>	-	<b>1,137.38</b>	<b>12,927.11</b>

	As at 31 March 2021	As at 31 March 2020
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20 Non-current provisions

Provision for employee benefits

Gratuity (Refer note 42 (II))	251.71	202.98
	<b>251.71</b>	<b>202.98</b>

21 Current borrowings

Secured

Working capital loan from bank	-	735.56
Term loan from bank	-	3,000.00
	-	<b>3,735.56</b>



Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Details of borrowings:

Nature of loan	Name of the Bank	As at 31 March 2021	As at 31 March 2020	Rate of Interest (p.a.)	Nature of securities
Term loan	Kotak Mahindra Bank Limited	-	900.00	Nil (31 March 2020:8.35% p.a)	Refer note (a)
Term loan (Foreign currency swap)	Kotak Mahindra Bank Limited	-	2,100.00	Nil (31 March 2020: 1.68% on Euro equivalent)	Refer note (a)
Working capital	HDFC Bank	-	735.56	Nil (31 March 2020: 1.55% plus 3 months MCLR i.e. 9.60% p.a.)	Refer note (b)
<b>Total</b>	<b>Total</b>	<b>-</b>	<b>3,735.56</b>		

a. Nature of security for term loan from bank:

(i) secured by way of exclusive charge over the current investments and fixed deposits

b. Nature of security for Working capital loan from bank:

(i) secured by way of exclusive charge over the current assets and movable fixed assets of the Company.

(ii) Equitable mortgage of commercial property situated in Mumbai owned by Company.

(iii) personal guarantees of the directors (Rajdipkumar Gupta, Sandipkumar Gupta and Chandrakant Gupta)

	As at 31 March 2021	As at 31 March 2020
<b>22 Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises*	5.05	-
Payable to related parties (refer note 40)	19,031.58	13,005.24
Total outstanding dues of creditors other than micro enterprises and small enterprises	88.64	5,929.01
	<b>19,125.27</b>	<b>18,934.25</b>

\* The Company has identified Micro and Small Enterprises on the basis of information available. Details of dues to micro and small enterprises as per the provisions of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) are:

	31 March 2021	31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount	5.05	-
- interest thereon, included in finance cost	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and		
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure.	-	-

The information in the above mentioned table is compiled by the management on the basis of response received from vendors as to their classification as micro or small enterprise.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
<b>23 Other current financial liabilities</b>		
Current maturity of non-current borrowings (refer note 19)	8.14	9.62
Interest accrued but not due on borrowings	-	20.42
Security deposits	4.57	5.99
Capital creditors	459.98	1.18
Mark to market of derivative financial instruments	-	118.68
Dues to employees	13.29	35.55
Outstanding expenses	1,538.96	1,172.64
	<b>2,024.94</b>	<b>1,364.08</b>
<b>24 Current provisions</b>		
<b>Provisions for employee benefits</b>		
Gratuity (refer note 42 (II))	46.37	36.83
Compensated absences (refer note 42 (III))	-	41.16
	<b>46.37</b>	<b>77.99</b>
<b>25 Other current liabilities</b>		
Statutory dues	1,803.32	70.95
Advance from customers	63.59	257.43
	<b>1,866.91</b>	<b>328.38</b>

Note: There are no amounts due to be transferred to the Investor Education and Protection Fund as at the year end.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
<b>26 Revenue from operations</b>		
Sale of services		
Messaging services	36,412.55	39,630.97
Technical and support services	1,225.81	1,023.76
	<b>37,638.36</b>	<b>40,654.73</b>
<b>Disaggregation of revenue:</b>		
<b>Revenue based on Geography</b>		
Domestic	17,759.72	15,383.47
Export	19,878.64	25,271.26
<b>Revenue from operations</b>	<b>37,638.36</b>	<b>40,654.73</b>
<b>27 Other income</b>		
Interest income on financial assets measured at amortised cost:		
- Fixed deposits	763.54	167.08
- Security deposits	11.36	14.91
- Loan to subsidiary companies	122.78	165.84
Liabilities no longer payable, written back	4.71	207.23
Rental income	-	2.86
Net gain arising on financial assets designated as FVTPL	90.38	123.25
Dividend received from Subsidiaries	-	1,093.15
Gain on derivative financial instruments (net)	66.28	70.60
Provision for doubtful debts written back	20.75	-
Interest on income tax refund	54.70	-
Miscellaneous income	22.75	8.95
	<b>1,157.25</b>	<b>1,853.87</b>
<b>28 Purchases of messaging services</b>		
Purchases of messaging services	30,565.68	35,472.10
	<b>30,565.68</b>	<b>35,472.10</b>
<b>29 Employee benefits expense</b>		
Salaries, wages and bonus (refer note 42 (II and III))	2,782.41	2,099.26
Contribution to provident fund and other funds (refer note 42 (I))	27.51	5.97
Staff welfare expense	80.51	152.34
	<b>2,890.43</b>	<b>2,257.57</b>
<b>30 Finance costs</b>		
Interest on borrowings from bank	137.21	218.34
Interest on lease liabilities	21.97	48.94
Interest on delayed payment of statutory dues	2.48	5.85
Other borrowing cost	17.27	6.58
	<b>178.93</b>	<b>279.71</b>

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
<b>31 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment (refer note 2)	249.58	257.04
Depreciation on right-of-use assets - Computers (refer note 3(a))	67.06	100.60
Depreciation on right-of-use assets- Building (refer note 3(a))	189.18	178.31
Amortisation on intangible assets (refer note 3(b))	532.31	98.33
	<b>1,038.13</b>	<b>634.28</b>
<b>32 Other expenses</b>		
Power and fuel	33.29	36.37
Office maintenance expenses	59.78	54.61
Repairs and maintenance - Others	75.29	78.41
Insurance	12.17	17.36
Rent (refer note 43)	55.75	26.23
Rates and taxes	0.26	0.24
Internet, data centre and cloud services	177.73	183.58
Travelling and conveyance	31.06	143.73
Printing and stationery	3.09	11.51
Business promotion	8.98	111.28
Donations	12.21	1.56
Expenditure on Corporate Social Responsibility (refer note 45)	48.99	92.30
Legal and professional charges	216.65	228.28
Auditor's remuneration (refer note below)	67.32	51.12
Advances and trade receivable written off	10.96	36.72
Provision for doubtful debts and advances	-	40.84
Net loss on foreign currency transactions and translation	253.90	282.64
Loss on derivative transaction	-	4.54
Bank charges	5.25	15.38
Sitting fees to Directors	14.50	11.25
Miscellaneous expenses	58.53	89.72
	<b>1,145.71</b>	<b>1,517.67</b>
<b>Note:</b>		
<b>Auditors' remuneration (excluding good and services tax)</b>		
As auditor		
Statutory audit	67.21	47.00
In other capacity		
Other services*	71.00	69.22
Reimbursement of expenses	0.11	0.77
	<b>138.32</b>	<b>116.99</b>

\* Including ₹71.00 lakhs (31 March 2020: ₹65.87 lakhs) paid towards assurance services in connection with the Initial Public Offering of equity shares of the Company and disclosed as 'share issue expenses' in note 16.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
<b>33 Exceptional item</b>		
Service tax (refer note below)	-	1,338.91
	-	<b>1,338.91</b>
<p>The Service tax department ("department") had issued a Show Cause cum Demand Notice (SCDN) to the Company, based on the understanding that the Company has not discharged the service tax liability under reverse charge mechanism on the purchases of messages from its foreign vendors and sale to their overseas customers. During the year ended 31 March 2020, the Company has opted for the benefit of 'Sabka Vishwas Legacy Dispute Resolution Scheme, 2019' ("the Scheme"). The Scheme covers past disputes and voluntary disclosure of taxes by declarants under various central laws which got subsumed under GST, including Central Excise and Service Tax. In accordance with the Scheme, the Company has determined its liability @ 50% of tax demand in respect of its service tax dues and ₹1,338.91 lakhs has been recorded in the financial statements towards the settlement for the aforesaid service tax matter.</p>		
<b>34 Tax expense</b>		
<b>Current tax expense</b>		
Current tax for the year	711.20	187.60
Tax adjustment in respect of earlier years	(27.87)	-
<b>Total current tax expense</b>	<b>683.33</b>	<b>187.60</b>
Deferred tax	60.89	66.07
	<b>744.22</b>	<b>253.67</b>
<b>34.1 Tax reconciliation (for profit and loss)</b>		
<b>Profit before income tax expense</b>	2,976.73	1,008.36
Tax at the rate of 25.17%	<b>749.24</b>	<b>253.80</b>
<b>Tax effect of amounts which are not deductible / not taxable in calculating taxable income</b>		
Donations	3.07	0.39
CSR expenses	12.33	23.23
Change in tax rates	-	60.06
Dividend income taxable at lower rate	-	(87.55)
Tax adjustment in respect of earlier years	(27.87)	-
Others	7.45	3.74
<b>Income tax expense</b>	<b>744.22</b>	<b>253.67</b>

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

34.2 The movement in deferred tax assets and liabilities during the year ended 31 March 2021 and 31 March 2020 are as follows:

	As at 1 April 2019 Deferred tax assets/ (liabilities)	Credit/ (charge) in statement of profit and loss	Credit/(charge) in other comprehensive income	Credit/ (charge) in retained earnings	As at 31 March 2020 Deferred tax assets/ (liabilities)
Depreciation and amortisation	61.75	6.95	-	-	68.70
Provision for compensated absences	7.70	2.66	-	-	10.36
Provision for gratuity	51.78	3.81	4.77	-	60.36
Provision for expenses	168.62	(80.07)	-	-	88.55
Difference in book values and tax base values of ROU asset and Lease liabilities	-	(3.59)	-	14.30	10.71
Net gain on financial assets designated as FVTPL	-	(47.77)	-	-	(47.77)
Carried forward business losses	-	55.76	-	-	55.76
Provision for doubtful debts and advances	54.35	(3.82)	-	-	50.53
<b>Total</b>	<b>344.20</b>	<b>(66.07)</b>	<b>4.77</b>	<b>14.30</b>	<b>297.20</b>
	As at 1 April 2020 Deferred tax assets/ (liabilities)	Credit/ (charge) in statement of profit and loss	Credit/(charge) in other comprehensive income	Credit/ (charge) in retained earnings	As at 31 March 2021 Deferred tax assets/ (liabilities)
Depreciation and amortisation	68.70	18.16	-	-	86.86
Provision for compensated absences	10.36	(10.36)	-	-	-
Provision for gratuity	60.36	11.46	3.21	-	75.03
Provision for expenses	88.55	23.28	-	-	111.83
Difference in book values and tax base values of ROU asset and Lease liabilities	10.71	(19.69)	-	-	(8.98)
Net gain on financial assets designated as FVTPL	(47.77)	(22.75)	-	-	(70.52)
Carried forward business losses	55.76	(55.76)	-	-	-
Provision for doubtful debts and advances	50.53	(5.23)	-	-	45.30
<b>Total</b>	<b>297.20</b>	<b>(60.89)</b>	<b>3.21</b>	<b>-</b>	<b>239.52</b>



Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
<b>35 Assets pledged as security</b>		
<b>Current assets</b>		
Investments	-	1,189.80
Trade receivables	-	11,179.82
Other bank balances	-	3,602.31
Loans	-	2,233.97
Other current financial assets	-	886.76
Other current assets	-	4,425.57
	-	<b>23,518.23</b>
<b>Non Current assets</b>		
Moveable fixed assets (including furniture and office equipment)	-	119.02
Building	-	180.02
Vehicles	21.30	92.63
Computers (including Right-of-use assets- Computer)	-	329.76
<b>Total non-current assets pledged as security</b>	<b>21.30</b>	<b>721.43</b>
<b>Total assets pledged as security</b>	<b>21.30</b>	<b>24,239.66</b>

**36 Fair value measurements**

**Financial instruments by category:**

Particulars	31 March 2021	31 March 2021	31 March 2020	31 March 2020
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial Assets - Non-current</b>				
Other non-current financial assets	-	329.42	-	119.35
Loans	-	769.67	-	-
<b>Financial Assets - Current</b>				
Investments	1,280.18	-	1,189.80	-
Trade receivables	-	9,829.79	-	11,179.82
Cash and cash equivalents	-	12,927.11	-	2,292.75
Other bank balances	-	19,268.05	-	3,602.31
Loans	-	3,294.80	-	2,233.97
Other current financial assets	-	2,122.03	-	886.76
<b>Financial Liabilities - Non-current</b>				
Borrowings (including current maturity)	-	20.93	-	28.40
Lease liability (including current maturity)	-	1,137.38	-	308.69
<b>Financial Liabilities - current</b>				
Borrowings	-	-	-	3,735.56
Trade payables	-	19,125.27	-	18,934.25
Other current financial liabilities	-	2,016.80	-	1,354.46

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

**I. Fair value hierarchy**

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at 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 into the three levels prescribed under the accounting standard. An explanation of each level is given below:

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

**II. Valuation techniques used to determine fair value**

Significant valuation techniques used to value financial instruments include:

The fair values for Security deposits, loan to employees, non-current borrowings and lease liability are based on discounted cash flows using a discount rate determined considering the borrowing rate quotation received from the bank.

**III. Financial assets and liabilities measured at fair value. Fair value hierarchy - recurring fair value measurement:**

Particulars	31 March 2021	31 March 2020
Investment in Mutual funds	1,280.18	1,189.80

Fair value of the mutual funds are based on NAV at the reporting date.

Since the valuation of investment is done based on observable inputs, the investment is categorised as Level 2.

**IV. Assets and liabilities which are measured at amortised cost for which fair values are disclosed**

(It is categorised under Level 3 of fair value hierarchy)

Particulars	31 March 2021		31 March 2020	
	Fair Value	Carrying amount	Fair Value	Carrying amount
<b>Financial Assets - Non-current</b>				
<b>Other non-current financial assets</b>				
- Security deposits	79.80	79.80	114.35	114.35
- Loan to related parties	769.67	769.67	-	-
- Loan to employees (including current maturity)	-	-	1.40	1.55
<b>Financial Liabilities - Non-current</b>				
Borrowings (including current maturities of non-current borrowing)	20.93	20.93	27.88	28.40
Lease liabilities	1,137.38	1,137.38	308.69	308.69

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of current investments, trade receivables, cash and bank balances, loans, other current financial assets, trade payables, current borrowings and other current financial liabilities are considered to be approximately equal to their fair value.

### 37 Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit risk, liquidity risk and interest rate risk which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by Board of Directors. The focus of the Board of Directors is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the Company.

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, current investments, trade and other receivables, and cash and bank balances and bank deposits that derive directly from its operations.

#### A Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms and obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks. The financial instruments that are subject to concentration of credit risk principally consists of trade receivables, current investments, loans, cash and bank balances and bank deposits.

The trade receivables of the Company are typically non-interest bearing un-secured customers. The customer base is widely distributed both economically and geographically.

Credit risk is controlled by analysing credit limits and credit worthiness of the customer based on their financial position, past experience and other factors, on continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

The credit limit policy is established considering the current economic trends of the industry in which the company is operating.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates, accordingly provision is created.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

Bank balances and deposits are held with only high rated banks and majority of other security deposits are placed majorly with government agencies.

The table below provide details regarding past dues receivables as at each reporting date:

Particulars	As at 31 March 2021	As at 31 March 2020
Upto 3 months	7,061.71	8,769.12
3 - 6 months	916.21	1,463.81
6 - 12 months	763.32	1,025.78
More than one year	1,268.54	121.85
<b>Total</b>	<b>10,009.78</b>	<b>11,380.56</b>
Provision for doubtful debts	179.99	200.74

#### B Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to maintain optimum levels of liquidity and to ensure that funds are available for use as per requirement.

The liquidity risk principally arises from obligations on account of following financial liabilities viz. borrowings, trade payables and other financial liabilities.

The Company's corporate finance department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments at each reporting date:

#### As at 31 March 2021

Particulars	Upto 1 year	Between 1 and 3 years	More than 3 years	Total
<b>Financial Liabilities - Non-Current</b>				
Borrowings (including current maturity)	8.14	12.79	-	<b>20.93</b>
Lease liabilities	186.19	553.67	609.79	<b>1,349.65</b>
<b>Financial Liabilities - Current</b>				
Trade payables	19,125.27	-	-	<b>19,125.27</b>
Other current financial liabilities	2,016.80	-	-	<b>2,016.80</b>
<b>Total</b>	<b>21,336.40</b>	<b>566.46</b>	<b>609.79</b>	<b>22,512.65</b>

#### As at 31 March 2020

Particulars	Upto 1 year	Between 1 and 3 years	More than 3 years	Total
<b>Financial Liabilities - Non-Current</b>				
Borrowings (including current maturity)	9.62	23.26	-	32.88
Lease liabilities	280.83	29.73	-	310.56
<b>Financial Liabilities - Current</b>				
Borrowings	3,735.56	-	-	3,735.56
Trade payables	18,934.25	-	-	18,934.25
Other current financial liabilities	1,354.46	-	-	1,354.46
<b>Total</b>	<b>24,314.72</b>	<b>52.99</b>	<b>-</b>	<b>24,367.71</b>

#### C Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and price risk. The company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

##### (i) Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas markets and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure on overseas sales is partly balanced by purchasing of services in the respective currencies.

(a) Particulars of unhedged foreign currency exposures as at the reporting date

Particulars	(₹ in lakhs)	
	31 March 2021	31 March 2020
	Amount	Amount
<b>Financial liabilities</b>		
Trade Payables Euro	1,644.22	1,934.61
Trade Payables USD	14,973.04	6,991.95
Trade Payables AED	25.91	26.62
Trade Payables GBP	1,073.81	846.70
Trade Payables NGN	3.07	56.61
Forward Contract USD	-	-
Borrowings Euro	-	2,100.00
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>17,720.05</b>	<b>11,956.49</b>
<b>Financial assets</b>		
Trade Receivable Euro	1,676.57	876.36
Trade Receivable USD	1,289.54	4,816.88
Other Receivable USD	319.03	-
Bank Balance EURO	1,916.22	17.73
Bank Balance USD	502.41	4.89
Interest accrued on the loan given to Related Party (Euro)	9.77	25.89
Loan given to Related Party (Euro)	3,237.82	407.24
<b>Net exposure to foreign currency risk (assets)</b>	<b>8,951.36</b>	<b>6,148.99</b>
<b>Net exposure to foreign currency assets/ (liabilities)</b>	<b>(8,768.69)</b>	<b>(5,807.50)</b>

**Sensitivity to foreign currency risk**

The following table demonstrates the sensitivity due to changes in Euro, USD, AED, GBP and NGN with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

Currencies	31 March 2021		31 March 2020	
	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%
Euro	103.92	(103.92)	(12.15)	12.15
USD	(257.24)	257.24	(43.40)	43.40
AED	(0.52)	0.52	(0.53)	0.53
GBP	(21.48)	21.48	(16.93)	16.93
NGN	(0.06)	0.06	(1.13)	1.13

(ii) **Cash flow and fair value interest rate risk**

Interest rate risk arises from the sensitivity of the financial liabilities to changes in market rate of interest. The entity's exposure to the risk of changes in market interest rate relates primarily to the current borrowings with floating interest rate.

According to the Company, interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

**Exposure to interest rate risk**

Particulars	As at 31 March 2021	As at 31 March 2020
Total Borrowings	20.93	3,784.38
% of Borrowings out of above bearing variable rate of interest	0.00%	19.44%

**Interest rate sensitivity**

**A change of 50 bps in interest rates would have following Impact on profit before tax**

Particulars	As at 31 March 2021	As at 31 March 2020
50 bps increase would decrease the profit before tax by	(0.41)	(1.19)
50 bps decrease would increase the profit before tax by	0.41	1.19

(iii) **Price risk**

The Company is exposed to price risk from its investment in mutual funds classified in the balance sheet at fair value through profit and loss.

To manage its price risk arising from the investment, the Company has invested in the mutual fund after considering the risk and return profile of the mutual funds i.e. the debt profile of the mutual fund indicates that the debt has been given to creditworthy banks and other institutional parties and equity investment is made after considering the performance of the stock.

**Sensitivity**

Particulars	(₹ in lakhs)	
	Impact on profit for the year ended 31 March 2021	Impact on profit for the year ended 31 March 2020
Impact on profit before tax for 5% increase in NAV	64.01	59.49
Impact on profit before tax for 5% decrease in NAV	(64.01)	(59.49)

**38 Capital Management**

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The amounts managed as capital by the Company are summarised below:

Particulars	As at 31 March 2021	As at 31 March 2020
Borrowings#	20.93	3,784.38
Less: Cash and cash equivalents	(12,927.11)	(2,292.75)
Net debt	(12,906.18)	1,491.63
Equity	34,474.31	7,431.69
Capital and net debt	21,568.13	8,923.32
Gearing ratio	-59.84%	16.72%

#Borrowings for the above purpose includes non-current borrowings, current borrowings, current maturities of non current borrowings and interest accrued but not due on borrowings.



Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Dividend:

Particulars	31 March 2021	31 March 2020
<b>Equity dividend</b>		
Dividend on equity shares declared and paid during the year		
Final dividend for the year ended 31 March 2019 of ₹1.5 per share	-	750.00
Interim dividend for the year ended 31 March 2020 of ₹1.5 per share	-	750.00
Proposed dividend on equity shares not recognised as liability		
Proposed final dividend for the year ended 31 March 2021 of ₹2 (31 March 2020: Nil) per fully paid share	1,154.27	-

39 Investments in subsidiaries:

Sr. No	Subsidiary	Name of the Subsidiary	Principal place of business and country of incorporation	Proportion of ownership interest 31 March 2021	Proportion of ownership interest 31 March 2020	Method of accounting
1	Subsidiary	Route Mobile (UK) Limited	UK	100%	100%	Cost
2	Subsidiary	Sphere Edge Consulting (India) Private Limited	India	100%	100%	Cost
3	Subsidiary	Routesms Solutions FZE	UAE	100%	100%	Cost
4	Subsidiary	Routesms Solutions Nigeria Limited	Nigeria	100%	100%	Cost
5	Subsidiary	Cellent Technologies (India) Private Limited	India	100%	100%	Cost
6	Subsidiary	Start Corp India Private Limited	India	100%	100%	Cost
7	Subsidiary	Route Mobile Pte. Ltd.	Singapore	100%	100%	Cost
8	Subsidiary	Call 2 Connect India Private Limited	India	100%	100%	Cost
9	Subsidiary	Route Connect Private Limited	India	74%	74%	Cost

40 Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:

(a) Names of related parties and description of relationship:

Description of relationship	Names of related parties
(i) (a) Subsidiaries	Sphere Edge Consulting (India) Private Limited Route Mobile (UK) Limited Routesms Solutions Nigeria Limited Routesms Solutions FZE Route Mobile Pte. Ltd. Cellent Technologies (India) Private Limited Start Corp India Private Limited Call2 Connect India Private Limited Route Connect Private Limited
(b) Trust that is consolidated	Route Mobile Employee Welfare Trust

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Description of relationship	Names of related parties
(ii) Fellow subsidiaries (with whom transactions have taken place)	Route Mobile Limited (Ghana) Route Mobile LLC Route Mobile Inc. 365Squared Ltd Route Mobile Lanka (Private) Limited Route Mobile (Bangladesh) Limited
(iii) Key Management Personnel (KMP) (with whom transactions have taken place)	Rajdikumar Gupta Sandipkumar Gupta Chandrakant Gupta Rathindra Das, Company Secretary Suresh Jankar, Chief Financial Officer Sudha Navandar Ankit Paleja (Independent Director till 31 January 2020) Ramachandran Sivathanu Nimesh Salot (Independent Director with effect from 12 February 2020) Arun Vijaykumar Gupta (Independent Director with effect from 19 November 2020)
(iv) Entities in which KMP/relatives of KMP can exercise significant influence (with whom transactions have taken place)	29 Three Holidays Private Limited Spectrum Technologies Zon Hotels Private Limited (formerly, Shrem Resort Private Limited) Chandrakant Gupta HUF Rajdikumar Gupta HUF Sandipkumar Gupta HUF CC Gupta Family Trust Saraswati Devi Charitable Trust Horizon Sports India Private Limited Ahana Hospitality LLP (formerly, Ahana Hospitality Private Limited) Route Mobile Foundation for Education and Sports (with effect from 26 March 2021)
(v) Relatives of KMP (with whom transactions have taken place)	Chamelidevi Gupta Sarika Gupta Sunita Gupta

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	Subsidiaries/Fellow subsidiary/Trust		Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP exercise significant influence		Relatives of KMP	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Purchase of messaging services</b>								
Sphere Edge Consulting (India) Private Limited	14,207.59	4,996.96	-	-	-	-	-	-
Spectrum Technologies	-	-	-	-	93.90	11,670.31	-	-
Route Mobile (UK) Limited	16,543.96	8,255.86	-	-	-	-	-	-
Routesms Solutions FZE	1,422.89	838.61	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	18.99	1.97	-	-	-	-	-	-
Route Mobile LLC	-	4.88	-	-	-	-	-	-
Route Mobile Limited (Ghana)	0.50	1.07	-	-	-	-	-	-
Route Mobile Inc.	-	12.06	-	-	-	-	-	-
Route Mobile Pte. Ltd.	-	308.02	-	-	-	-	-	-
Route Mobile Lanka (Private) Limited	0.42	-	-	-	-	-	-	-
<b>Sale of messaging services</b>								
Start Corp India Private Limited	69.53	136.61	-	-	-	-	-	-
Routesms Solutions FZE	254.80	929.38	-	-	-	-	-	-
Route Mobile (UK) Limited	313.78	2,284.13	-	-	-	-	-	-
Call 2 Connect India Private Limited	1.28	(29.95)	-	-	-	-	-	-
Route Mobile Inc.	-	11.75	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	-	3.13	-	-	-	-	-	-
365Squared Ltd	468.62	-	-	-	-	-	-	-
<b>Travelling and conveyance expense *</b>								
29 Three Holidays Private Limited	-	-	-	-	2.54	191.19	-	-
<b>Professional services received</b>								
Call 2 Connect India Private Limited	15.57	100.24	-	-	-	-	-	-
<b>Technical and support services rendered</b>								
Route Mobile (UK) Limited	731.89	681.17	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	70.90	102.10	-	-	-	-	-	-
Routesms Solutions FZE	288.90	240.49	-	-	-	-	-	-

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	Subsidiaries/Fellow subsidiary/Trust		Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP exercise significant influence		Relatives of KMP	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
365Squared Ltd	134.12	-	-	-	-	-	-	-
* Includes ₹ Nil (31 March 2020: ₹105.16 lakhs) paid towards travelling expenses in connection with the Initial Public Offering of equity shares of the Company and disclosed as 'share issue expenses' in note 16.								
<b>Expenses reimbursed to other company/others</b>								
29 Three Holidays Private Limited	-	-	-	-	40.41	13.03	-	-
365Squared Ltd	1.30	-	-	-	-	-	-	-
Routesms Solutions FZE	12.65	-	-	-	-	-	-	-
Call 2 Connect India Private Limited	2.50	-	-	-	-	-	-	-
Sphere Edge Consulting (India) Private Limited	10.03	-	-	-	-	-	-	-
Route Mobile (UK) Limited	19.82	-	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	0.49	-	-	-	-	-	-	-
<b>Expenses reimbursed by other company</b>								
Cellent Technologies (India) Private Limited	8.63	0.75	-	-	-	-	-	-
Sphere Edge Consulting (India) Private Limited	849.84	12.41	-	-	-	-	-	-
Route Mobile Inc.	-	291.55	-	-	-	-	-	-
Start Corp India Private Limited	9.29	5.42	-	-	-	-	-	-
29 Three Holidays Private Limited.	-	-	-	-	1.54	0.90	-	-
365Squared Ltd	-	43.02	-	-	-	-	-	-
Route Mobile (Bangladesh) Limited	2.44	-	-	-	-	-	-	-
Route Mobile (UK) Limited	0.61	-	-	-	-	-	-	-
Spectrum Technologies	-	-	-	-	3.30	-	-	-
Route Mobile Pte. Ltd.	0.67	-	-	-	-	-	-	-
<b>Rental Income</b>								
29 Three Holidays Private Limited	-	-	-	-	-	0.90	-	-
Cellent Technologies (India) Private Limited	-	0.90	-	-	-	-	-	-
Start Corp India Private Limited	-	0.90	-	-	-	-	-	-
Ahana Hospitality LLP (formerly, Ahana Hospitality Private Limited)	-	-	-	-	-	0.16	-	-

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	Subsidiaries/Fellow subsidiary/Trust		Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP exercise significant influence		Relatives of KMP	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Sponsorship Fees</b>								
Horizon Sports India Private Limited	-	-	-	-	-	35.00	-	-
<b>Investment - Conversion of loan into equity</b>								
Call 2 Connect India Private Limited	1,000.08	246.78	-	-	-	-	-	-
<b>Business advance given</b>								
Call 2 Connect India Private Limited	-	30.00	-	-	-	-	-	-
Spectrum Technologies	-	-	-	-	-	2,557.37	-	-
<b>Business advance received back</b>								
Zon Hotels Private Limited (formerly, Shrem Resort Private Limited)	-	-	-	-	-	27.91	-	-
Call 2 Connect India Private Limited	-	30.00	-	-	-	-	-	-
Spectrum Technologies	-	-	-	-	1,313.22	1,000.89	-	-
<b>Loans given</b>								
Call 2 Connect India Private Limited	-	565.00	-	-	-	-	-	-
Route Mobile (UK) Limited	2,884.80	-	-	-	-	-	-	-
Route Connect Private Limited	-	32.00	-	-	-	-	-	-
Route Mobile Employee Welfare Trust**	38.75	-	-	-	-	-	-	-
<b>Amount received on behalf of others</b>								
Route Mobile Limited (Ghana)	31.46	35.16	-	-	-	-	-	-
Call 2 Connect India Private Limited	58.37	-	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	5.07	-	-	-	-	-	-	-
Start Corp India Private Limited	12.61	-	-	-	-	-	-	-

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	Subsidiaries/Fellow subsidiary/Trust		Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP exercise significant influence		Relatives of KMP	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Interest income on Loan</b>								
Route Mobile (UK) Limited	52.70	24.40	-	-	-	-	-	-
Call 2 Connect India Private Limited	65.52	136.54	-	-	-	-	-	-
Route Connect Private Limited	4.56	4.90	-	-	-	-	-	-
<b>Loan received back</b>								
Call 2 Connect India Private Limited (including loan conversion into equity of Rs.1000.08 (31 March 20: 246.78))	1,000.08	422.34	-	-	-	-	-	-
Route Mobile (UK) Limited	-	1,184.19	-	-	-	-	-	-
Route Mobile Employee Welfare Trust**	38.75	-	-	-	-	-	-	-
** The Company had granted an interest free loan to Route Mobile Employee Welfare Trust during the financial year which has been recovered back.								
<b>Interest on loan received</b>								
Call 2 Connect India Private Limited	8.29	74.01	-	-	-	-	-	-
Route Mobile (UK) Limited	68.85	54.50	-	-	-	-	-	-
Route Connect Private Limited	8.61	-	-	-	-	-	-	-
<b>Remuneration to Directors*</b>								
Rajdikumar Gupta	-	-	86.18	50.00	-	-	-	-
<b>Remuneration to KMP*</b>								
Suresh Jankar	-	-	56.00	56.45	-	-	-	-
Rathindra Das	-	-	30.40	28.89	-	-	-	-
<b>Directors Sitting fees</b>								
Sandipkumar Gupta	-	-	3.50	3.00	-	-	-	-
Chandrakant Gupta	-	-	2.25	1.25	-	-	-	-
Ankit Paleja	-	-	-	0.50	-	-	-	-
Ramachandran Sivathanu	-	-	3.25	3.00	-	-	-	-
Sudha Navandar	-	-	3.25	2.50	-	-	-	-
Nimesh Salot	-	-	1.50	1.00	-	-	-	-
Arun Vijaykumar Gupta	-	-	0.75	-	-	-	-	-

\*Gratuity liability and compensated absences are determined for the Company as a whole. Therefore, the same cannot be disclosed for the key managerial personnel separately.



Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	Subsidiaries/Fellow subsidiary/Trust		Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP exercise significant influence		Relatives of KMP	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Share issue expenses recovered</b>								
Sandipkumar Gupta	-	-	1,361.46	-	-	-	-	-
Rajdikumar Gupta	-	-	1,361.46	-	-	-	-	-
<b>Dividend Paid</b>								
Sandipkumar Gupta	-	-	-	432.00	-	-	-	-
Rajdikumar Gupta	-	-	-	432.00	-	-	-	-
Chandrakant Gupta	-	-	-	69.00	-	-	-	-
Chamelidevi Gupta	-	-	-	-	-	-	-	69.00
Sunita Gupta	-	-	-	-	-	-	-	129.60
Sarika Gupta	-	-	-	-	-	-	-	129.60
Chandrakant Gupta HUF	-	-	-	-	-	10.80	-	-
Rajdikumar Gupta HUF	-	-	-	-	-	9.00	-	-
Sandipkumar Gupta HUF	-	-	-	-	-	9.00	-	-
CC Gupta Family Trust	-	-	-	-	-	150.00	-	-
<b>Server Charges</b>								
Routesms Solutions FZE	-	7.37	-	-	-	-	-	-
<b>Server Charges income</b>								
Start Corp India Private Limited	1.80	1.80	-	-	-	-	-	-
<b>Corporate social responsibility expenses</b>								
Saraswati Devi Charitable Trust	-	-	-	-	-	35.00	-	-
Route Mobile Foundation for Education and Sports	-	-	-	-	47.19	-	-	-
<b>Dividend income</b>								
Routesms Solutions FZE	-	403.21	-	-	-	-	-	-
Route Mobile (UK) Limited	-	689.94	-	-	-	-	-	-
<b>Balances outstanding at the end of the year</b>								
<b>Trade receivable</b>								
Route Mobile (UK) Limited	1,784.99	3,005.54	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	96.75	25.84	-	-	-	-	-	-
Routesms Solutions FZE	264.26	240.63	-	-	-	-	-	-
Route Mobile Pte. Ltd.	-	8.29	-	-	-	-	-	-

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	Subsidiaries/Fellow subsidiary/Trust		Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP exercise significant influence		Relatives of KMP	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Call 2 Connect India Private Limited	82.58	81.41	-	-	-	-	-	-
Route Mobile Inc .	12.75	12.33	-	-	-	-	-	-
Start Corp India Private Limited	1.74	52.27	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	-	3.08	-	-	-	-	-	-
365Squared Ltd	126.35	-	-	-	-	-	-	-
<b>Unbilled Revenue</b>								
365Squared Ltd	47.45	-	-	-	-	-	-	-
<b>Other receivable</b>								
Call 2 Connect India Private Limited	-	12.04	-	-	-	-	-	-
29 Three Holidays Private Limited	-	-	-	-	-	2.59	-	-
Start Corp India Private Limited	-	1.89	-	-	-	-	-	-
Route Mobile Inc	316.78	325.43	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	-	1.58	-	-	-	-	-	-
Routesms Solutions FZE	2.25	2.31	-	-	-	-	-	-
365Squared Ltd	-	43.02	-	-	-	-	-	-
Route Mobile (UK) Limited	0.67	-	-	-	-	-	-	-
Route Mobile Bangladesh Limited	3.71	-	-	-	-	-	-	-
Route Mobile Pte. Ltd.	0.67	-	-	-	-	-	-	-
<b>Amount payable (includes provision)</b>								
Sphere Edge Consulting (India) Private Limited	1,368.79	3,083.65	-	-	-	-	-	-
Spectrum Technologies	-	-	-	-	-	4.67	-	-
Routesms Solutions FZE	1,108.96	1,050.77	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	2.67	165.07	-	-	-	-	-	-
Route Mobile (UK) Limited	16,545.65	8,411.23	-	-	-	-	-	-
Route Mobile Limited (Ghana)	5.45	54.27	-	-	-	-	-	-
Route Mobile Inc .	-	227.95	-	-	-	-	-	-
29 Three Holidays Private Limited	-	-	-	-	-	7.63	-	-
Route Mobile Lanka (Private) Limited	0.06	-	-	-	-	-	-	-

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	Subsidiaries/Fellow subsidiary/Trust		Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP exercise significant influence		Relatives of KMP	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Provision for Purchase</b>								
Sphere Edge Consulting (India) Private Limited	1,344.79	912.00	-	-	-	-	-	-
Spectrum Technologies	-	-	-	-	-	-	-	-
Route Mobile (UK) Limited	57.95	-	-	-	-	-	-	-
<b>Loan receivable</b>								
Call 2 Connect India Private Limited	769.67	1,769.75	-	-	-	-	-	-
Route Mobile (UK) Limited	3,237.82	407.24	-	-	-	-	-	-
Route Connect Private Limited	56.98	56.98	-	-	-	-	-	-
<b>Interest receivable</b>								
Call 2 Connect India Private Limited	109.93	57.84	-	-	-	-	-	-
Route Mobile (UK) Limited	9.77	25.89	-	-	-	-	-	-
Route Connect Private Limited	-	4.41	-	-	-	-	-	-
<b>Advances from customers</b>								
Routesms Solutions FZE	-	181.19	-	-	-	-	-	-
<b>Advances receivable</b>								
Spectrum Technologies	-	-	-	-	-	1,556.48	-	-
<b>Security deposit payable</b>								
Cellent Technologies (India) Private Limited	-	0.30	-	-	-	-	-	-
Start Corp India Private Limited	-	0.30	-	-	-	-	-	-
29 Three Holidays Private Limited	-	-	-	-	-	0.30	-	-

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except where indicated and settlement occurs vide cash/bank payment. There have been no guarantees received or provided for any related party receivables or payables. The Company has recorded impairment of receivables/advances of Nil relating to amounts owed by related parties (Year ended 31 March 2020 : Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

41 Commitments and contingencies

	As at 31 March 2021	As at 31 March 2020
<b>(i) Contingent liabilities</b>		
<b>Claims against the Company not acknowledged as Debts</b>		
(i) Service tax matter*	24.68	-
(ii) Income tax matter*	1,658.50	1,446.08
(iii) Guarantees given on behalf of the Company by banks	2,337.45	1,198.94
(iv) Guarantees given on behalf of Subsidiary by the Company	-	2.00
	<b>4,020.63</b>	<b>2,647.02</b>

\*The above figure does not include amounts towards certain additional penalty and interest that may devolve on the Company in the event of an adverse outcome as the same is subjective and not capable of being presently quantified.

**(ii) Provident Fund**

The Honourable Supreme Court, has passed a judgement on 28 February 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The management, based on legal advice, is of view that the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered due to interpretation challenges, and resultant impact on the past provident fund liability, cannot be reasonably ascertained.

**(iii)** The Company has provided letter committing continuing financial support to its subsidiary, Route Mobile Pte. Ltd. to enable it to meet its day to day obligation/commitment; to the extent this entity may be unable to meet its obligations.

**(iv)** The outstanding balances as at 31 March 2021 include trade payables aggregating ₹6,104.63 lacs and trade receivables aggregating ₹1,078.80 lakhs, due to/from subsidiaries situated outside India. These balances are pending for settlement and have resulted in delays beyond the timeline stipulated by the FED Master Direction No. 17/2016-17 and the FED Master Direction No. 16/2015-16 respectively, read with RBI circulars RBI/2019-20/242 No.33 dated 22 May 2020 and RBI/2019-20/206 No.27 dated 1 April 2020 respectively under the Foreign Exchange Management Act, 1999. The management of the Company is in the process of filing necessary applications seeking set-off of receivables and payables and condonation of delays with the appropriate authorities for regularising these defaults. Pending conclusion of the aforesaid matters, the amount of fine/penalty, if any, that may be levied, is currently not ascertainable and accordingly, the accompanying financial statements do not include any adjustments that may arise due to such fine/penalty.

42 Employee benefits

**I. Contribution to Defined contribution plan, recognised as expenses for the year as under:**

	Year ended 31 March 2021	Year ended 31 March 2020
Employer contribution to provident fund	25.81	4.21
Employer contribution to employees state insurance scheme	1.70	1.76
	<b>27.51</b>	<b>5.97</b>

**II. Defined Benefit Plans:**

The Company provides for gratuity benefit under a defined benefit retirement scheme (the "Gratuity Scheme") as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. Liabilities with regard to the Gratuity Scheme are determined by actuarial valuation carried out using the Projected Unit Credit Method by an independent actuary in accordance with Indian Accounting Standard-19, 'Employee Benefits'. The Gratuity Scheme is a non-funded scheme and the Company intends to discharge this liability through its internal resources.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

The following table sets out the unfunded status of the Gratuity Scheme in respect of employees of the Company:

	As at 31 March 2021	As at 31 March 2020
<b>(a) Change in present value of benefit obligation during the year</b>		
Projected Benefit Obligation ("PBO") at the beginning of the year	239.81	177.84
Current service cost	41.09	33.78
Interest cost	13.39	11.42
Remeasurements due to:		
- Effect of change in financial assumptions	4.15	10.27
- Effect of change in demographic assumptions	-	(0.01)
- Effect of experience adjustments	8.60	8.68
Benefits paid	(8.96)	(2.17)
<b>Present value of obligation at the end of the year</b>	<b>298.08</b>	<b>239.81</b>
<b>(b) Current / Non Current Benefit Obligation</b>		
Current	46.37	36.83
Non-current	251.71	202.98
<b>Amount recognised in the Balance sheet</b>	<b>298.08</b>	<b>239.81</b>

	Year ended 31 March 2021	Year ended 31 March 2020
<b>(c) Amount recognised in the Statement of Profit and Loss</b>		
Current service cost	41.09	33.78
Interest cost	13.39	11.42
<b>Total expense included in "Employee benefits expense"</b>	<b>54.48</b>	<b>45.20</b>
<b>(d) Amount recognised in Other Comprehensive Income (OCI)</b>		
Remeasurements due to:		
- Effect of change in financial assumptions	4.15	10.27
- Effect of change in demographic assumptions	-	(0.01)
- Effect of experience adjustments	8.60	8.68
<b>Actuarial loss recognised in Other comprehensive income</b>	<b>12.75</b>	<b>18.94</b>

	As at 31 March 2021	As at 31 March 2020
<b>(e) Assumptions</b>		
Discount rate	5.75%	6.05%
Salary escalation rate	10.00%	10.00%
Withdrawal Rate	20.00%	20.00%
Mortality Table	Indian assured lives mortality (2012-14) ultimate	Indian assured lives mortality (2012-14) ultimate
Retirement age	58 years	58 years

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020		
<b>(f) Sensitivity Analysis:</b>				
<b>Defined benefit obligation</b>	298.08	239.81		
	<b>31 March 2021</b>	<b>31 March 2020</b>		
	Decrease	Increase	Decrease	Increase
Discount rate	305.26	291.24	245.59	234.30
Impact of increase/decrease in 50 bps on DBO	2.41%	-2.30%	2.41%	-2.30%
Salary growth rate	292.94	303.36	235.61	244.36
Impact of increase/decrease in 50 bps on DBO	-1.73%	1.77%	-1.75%	1.90%
<b>Expected cash flow:</b>	<b>31 March 2021</b>	<b>31 March 2020</b>		
	Year	Amount	Year	Amount
	1	46.37	1	36.83
	2	46.02	2	35.27
	3	42.14	3	35.60
	4	38.25	4	32.06
	5	34.72	5	28.58
	6 to 10	115.34	6 to 10	95.08

III. Compensated absences

The Company has written back ₹41.16 lakhs (provided during the year ended 31 March 2020: ₹14.72 lakhs) towards compensated absences during the year ended 31 March 2021.

43 Leases

The Company has discounted lease payments using the incremental borrowing rate as at 1 April 2019 for measuring lease liabilities at ₹464.52 lakhs and accordingly recognised right-of-use assets at ₹377.39 lakhs by adjusting retained earnings by ₹34.81 lakhs (net of tax), including adjustments for lease equalisation reserve, as at the aforesaid date. In the Statement of Profit and Loss for the current period, expenses in the nature of operating leases are recognised as amortisation of right-of-use assets and finance costs, as compared to lease rent in previous periods.

Particulars	As at 31 March 2021	As at 31 March 2020
<b>The Balance sheet discloses the following amounts relating to leases:</b>		
<b>Right-of-use assets</b>		
Computers	-	67.06
Buildings	1,173.07	199.08
	<b>1,173.07</b>	<b>266.14</b>
<b>Lease liabilities</b>		
Current	186.19	280.83
Non-current	951.19	27.86
	<b>1,137.38</b>	<b>308.69</b>

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Amounts recognised in statement of profit and loss	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Depreciation charge on Right-of-use assets</b>		
Buildings	189.18	178.31
Computers	67.06	100.60
	<b>256.24</b>	<b>278.91</b>
Interest expense included in finance cost	21.97	48.94
Expense relating to short-term leases	55.75	26.23
Expense relating to leases of low-value assets that are not shown above as short-term leases	-	-
Expense relating to variable lease payments not included in lease liability	-	-
Total cash outflow for leases during current financial year (excluding short term leases)	356.45	364.51
Additions to the right of use assets during the current financial year	1,163.17	-

The Company has taken computers and computer servers on finance lease. The future lease rent payable on such assets taken on finance lease are as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Minimum lease payments</b>		
Not later than 1 year	-	57.33
Later than 1 year but not later than 5 years	-	-
Beyond 5 years	-	-
<b>Present value of minimum lease payments</b>		
Not later than 1 year	-	55.71
Later than 1 year but not later than 5 years	-	-
Beyond 5 years	-	-

The Company has applied the practical expedient available as per amendment to Ind AS 116, "Leases", for rent concessions which are granted due to COVID-19 pandemic. Accordingly, ₹20.03 lakhs has been recognised under 'Other income' for the year ended 31 March 2021.

#### 44 Earnings per share

The amount considered in ascertaining the Company's earnings per share constitutes the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Net profit after tax attributable to equity shareholders	2,232.51	754.69
Weighted average number of shares outstanding during the year - Basic	5,38,40,834	5,00,00,000
Weighted average number of shares outstanding during the year - Diluted	5,50,18,128	5,00,00,000
Basic earnings per share (₹)	4.15	1.51
Diluted earnings per share (₹)	4.06	1.51
Nominal value per equity share (₹)	10.00	10.00

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

#### 45 Contribution towards Corporate Social Responsibility (CSR)

	31 March 2021	31 March 2020
<b>Details of CSR expenditure during the financial year:-</b>		
Amount required to be spent as per Section 135 of the Act	26.40	43.59
Amount spent during the year on,		
(i) Construction/acquisition of any assets	-	-
(ii) For purpose other (i) above	48.99	92.30

#### 46 Employee Stock Option Plan (ESOP)

The Company has implemented Employee Stock Option Plan for the key employees of the Company and its subsidiaries through Route Mobile Employee Welfare Trust (the 'Trust') formed for the purpose. All the options issued by the Company are equity share based options which have to be settled in equity shares only. The shares are to be allotted to employees under the Route Mobile Limited- Employee Stock Option Plan 2017 (the 'ESOP scheme'). The shareholders at its meeting held on 12 October 2017 approved grant of 2,500,000 employee share options to eligible employees under the ESOP scheme.

##### I. The position of the Employee Stock Option Scheme of the Company:

Sr. No.	Particulars	ESOP Scheme
1	Details of approval	Resolution passed by Nomination and Remuneration committee meeting dated 05 October 2017 and the shareholders, in the Extra ordinary General Meeting held on 12 October 2017 had approved the grant of 2,500,000 employee stock options in accordance with the ESOP Scheme, equivalent to 5% of the issued and paid up share capital of the Company.
2	Implemented through	Trust
3	Total number of stock options approved	25,00,000
4	Total number of stock options granted ( Grant I)	14,52,500
	Total number of stock options granted (Grant II)	8,88,500
	Total number of stock options granted (Grant III)	4,70,500
5	Vesting schedule (Grant I)	Each 25% of granted options shall vest on October 12, 2018, October 12, 2019, October 12, 2020 and October 12, 2021 respectively.
	Vesting schedule (Grant II)	Each 25% of granted options shall vest on February 20, 2021, February 20, 2022, February 20, 2023 and February 20, 2024 respectively.
	Vesting schedule ( Grant III)	Each 25% of granted options shall vest on June 25, 2021, June 25, 2022, June 25, 2023 and June 25, 2024 respectively.
6	Maximum term of Options granted (years)	4 years
7	Source of shares (Primary, Secondary or combination)	Primary
8	Price per option (Grant I)	₹300/-
	Price per option (Grant II)	₹326.16/-
	Price per option (Grant III)	₹326.16/-
9	The exercise period and process of exercise	Exercise anytime within five years from date of vesting.



**II. Method used to account for ESOP**

The Company has recorded compensation cost for all grants made to employees under the fair value method of accounting. The fair value of each option granted is estimated on the date of grant using Discounted cash flow method. There was no material change in the fair value of the option from the date of valuation to grant date, hence there is no charge in the statement of profit and loss on account of ESOP.

**III. Weighted average exercise price of Options granted:**

	Grant I	Grant II	Grant III
Exercise price equals fair market value	₹300	₹326.16	₹326.16
Exercise price is greater than fair market value	Nil	Nil	Nil
Exercise price is less than fair market value	Nil	Nil	Nil

**IV. Weighted average fair value of Options granted:**

	Grant I	Grant II	Grant III
Fair value of options granted	₹300	₹326.16	₹326.16

**V. Employee-wise details of options granted:**

**(i) Employees who were granted, options amounting to 5% or more of the options granted**

Sr. No.	Name of Employee	Designation	Exercise Price per share (₹)	Number of Options granted
1	Mr. Rahul Pandey	Chief Credit Officer	300.00	1,50,000
			326.16	10,000

**(ii) Identified employees who were granted options, equal to or exceeding 1% of the issued capital of the company at the time of grant:**

Sr. No.	Name of Employee	Designation	Exercise Price per share (₹)	Number of Options granted
1	Nil	Nil	Nil	Nil

**VI. The movement of stock options are summarized below:**

	Number of options	
	31 March 2021	31 March 2020
Outstanding at the beginning of the year	20,55,500	12,67,250
Options granted during the year	4,70,500	8,88,500
Options forfeited / lapsed during the year	54,500	1,00,250
Options exercised during the year	8,56,441	Nil
Options expired during the year	Nil	Nil
Options outstanding at the end of the year	16,15,059	20,55,500
Options exercisable at the end of the year	2,24,184	5,98,500

Unallocated options as at 31 March 2021 are 23,500 options

**VII. The exercise price and expected remaining contractual life (comprising the vesting period and exercise period) of options outstanding as at 31 March 2021 is as follows:**

**Grant I**

Sr. No.	Grant Date	Number of Options granted	Vesting Date	Exercise End Date	Exercise Price per share (₹)	Expected remaining contractual life (Months)
1	13 October 2017	39,800	12 October 2019	11 October 2024	300	42
2	13 October 2017	99,725	12 October 2020	11 October 2025	300	54
3	14 October 2017	2,85,500	12 October 2021	11 October 2026	300	66

**Grant II**

Sr. No.	Grant Date	Number of Options granted	Vesting Date	Exercise End Date	Exercise Price per share (₹)	Expected remaining contractual life (Months)
1	21 February 2020	84,659	20 February 2021	19 February 2026	326.16	59
2	21 February 2020	2,16,625	20 February 2022	19 February 2027	326.16	71
3	21 February 2020	2,16,625	20 February 2023	19 February 2028	326.16	83
4	21 February 2020	2,16,625	20 February 2024	19 February 2029	326.16	95

**Grant III**

Sr. No.	Grant Date	Number of Options granted	Vesting Date	Exercise End Date	Exercise Price per share (₹)	Expected remaining contractual life (Months)
1	26 June 2020	1,13,875	25 June 2021	24 June 2026	326.16	63
2	26 June 2020	1,13,875	25 June 2022	24 June 2027	326.16	75
3	26 June 2020	1,13,875	25 June 2023	24 June 2028	326.16	87
4	26 June 2020	1,13,875	25 June 2024	24 June 2029	326.16	99

**VIII. Assumptions:**

Sr. No.	Particulars	Grant I	Grant II and Grant III
1	Risk Free Interest Rate	6.70%	6.55%
2	Expected Life (years)	4	4
3	Expected Volatility	56%	100%
4	Market Risk Premium	8.82%	2.32%
5	Cost of debt	11.00%	12.87%
6	Terminal Growth Rate	4.00%	3%
7	Cost of capital	11.06%	12.53%

**Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021**  
(₹ in lakhs, except for share data, and if otherwise stated)

- 47 The Company has completed its Initial Public Offering (IPO) of 17,142,856 equity shares of face value of ₹10 each at an issue price of ₹350 per equity share, consisting of fresh issue of 6,857,142 equity shares and an offer for sale of 10,285,714 equity shares by the selling shareholders. The equity shares of the Company were listed on BSE limited and National Stock Exchange of India Limited on 21 September 2020.

The utilisation of IPO proceeds is summarised below:

(₹ in lakhs)

Particulars	Objects of the issue as per the Prospectus	Utilisation upto 31.03.2021	Unutilised amounts as on 31.03.2021
Repayment or pre-payment, in full or part, of certain borrowings of the Company	3,650.00	3,650.00	-
Acquisitions and other strategic initiatives	8,300.00	4,084.80	4,215.20
Purchase of office premises in Mumbai	6,500.00	-	6,500.00
General corporate purposes (including IPO related expenses apportioned to the Company)	5,550.00	1,784.19	3,765.81
<b>Net utilisation</b>	<b>24,000.00</b>	<b>9,518.99</b>	<b>14,481.01</b>

IPO proceeds which remain unutilised as at 31 March 2021 were temporarily invested/parked in deposits with scheduled commercial banks, current account and in monitoring agency account.

48 **Summary of acquisition**

During the year, the Company has completed acquisition of a division, comprising intellectual property (software) and related customer contracts, of TeleDNA Communications Private Limited (TeleDNA), a Bengaluru based company specializing in development of telecom related solutions, under slump sale arrangement for total consideration of ₹1,200 lakhs. The following table presents the purchase price allocation :-

The fair value of assets and liabilities as at the date of acquisition, in accordance with PPA, is as below:

Description	Purchase price allocation (₹ in lakhs)
Net assets	16.23
Customer related intangibles	651.00
Intellectual properties (software)	388.00
Non-compete	38.00
Goodwill	106.77
<b>Total purchase price</b>	<b>1,200.00</b>

Note: Management has appointed an independent valuation expert to allocate the purchase price to the identifiable assets and liabilities and identified intangible assets. Basis the procedure performed for purchase price allocation, management represents that identifiable assets and liabilities including identifiable intangible assets and resulting goodwill are disclosed at the fair value as on the date of acquisition.

49 **Segment reporting**

In accordance with Indian Accounting Standard (Ind AS) 108, "Operating Segments", segment information has been given in the consolidated financial statements of Route Mobile Limited, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

50 **COVID-19**

In assessing the recoverability of receivables, investment and other assets, the Company has considered internal and external information up to the date of these standalone financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from the estimate as at the date of these standalone financial statements and the Company will closely monitor any material changes to future economic conditions and respond accordingly.

**Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021**  
(₹ in lakhs, except for share data, and if otherwise stated)

51 **Subsequent events**

- (i) The Company has entered into a share purchase agreement (SPA) dated 29 April 2021 to acquire Phonon Communications Private Limited ("Phonon"), a leading communications automation platform provider for total consideration of ₹2,900 lakhs. The acquisition allows Route Mobile to leverage Phonon's supercharged customer experience platform and enable brands to deliver personalized experiences across digital touchpoints. The acquisition is subject to customary closing actions and internal approvals.
- (ii) The Board of Directors have recommended a final dividend of Rs. 2 per equity share (face value of Rs.10 each) for the year ended 31 March 2021, subject to necessary approval by the members in the ensuing Annual General Meeting

As per our report of even date attached.

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**Bharat Shetty**  
Partner  
Membership No.: 106815

**For and on behalf of the Board of Directors of Route Mobile Limited**

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)  
Place: Goa

**Rajdipkumar Gupta**  
Managing Director  
(DIN No. 01272947)  
Place: Goa

**Suresh Jankar**  
Chief Financial Officer  
Place: Mumbai

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)  
Place: Assam

**Place:** Mumbai  
**Date:** May 18, 2021

**Date:** May 18, 2021

# Independent Auditor's Report

## Consolidated Financial Statement

### To the Members of Route Mobile Limited

#### Report on the Audit of the Consolidated Financial Statements

#### Opinion

- We have audited the accompanying consolidated financial statements of **Route Mobile Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements/consolidated financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs of the Group as at 31 March 2021, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

- We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have

obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

- We draw attention to the matter stated in Note 45(iii) to the accompanying consolidated financial statements which indicates delay in payment of foreign currency payables and receipt of foreign currency receivables within the group as on 31 March 2021 beyond the timelines stipulated vide FED Master Direction No. 17/2016-17 and FED Master Direction No. 16/2015-16, read with RBI circulars, RBI/2019-20/242 No.33 dated 22 May 2020 and RBI/2019-20/206 No.27 dated 1 April 2020, under the Foreign Exchange Management Act, 1999. The management of the Holding Company is in the process of filing necessary applications seeking set off of receivables and payables and condonation of delays with appropriate authorities for regularising these defaults. Pending conclusion on these matters, the management is of the view that the amount of fines/penalties, if any, that may be levied, are currently unascertainable but not expected to be material and accordingly, no consequential adjustments have been made to the accompanying consolidated financial statements with respect to such delays/defaults. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

- Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements /consolidated financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
- We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matters
<p><b>Impairment assessment of Goodwill relating to acquisition of 365Squared Limited, Cellent Technologies (India) Private Limited and Call 2 Connect India Private Limited</b></p> <p>(Refer note 1(xix) for the accounting policy and note 3 for the relevant disclosures in the accompanying consolidated financial statements)</p> <p>As at 31 March 2021, the Group's assets include goodwill aggregating to Rs. 8,773.41 lakhs on account of acquisition of three subsidiaries as further detailed in note 3 to the accompanying consolidated financial statements. The Group has performed annual impairment test for the goodwill as per the applicable accounting standard, Ind AS 36, Impairment of Assets.</p> <p>The determination of the recoverable value requires management to make certain key estimates and assumptions including forecast of future cash flows, long-term growth rates, profitability levels and discount rates, etc. Changes in these assumptions could lead to an impairment to the carrying value of the goodwill.</p> <p>Considering goodwill balance is significant to the consolidated financial statements and auditing management judgement and estimates as stated above involves high degree of subjectivity and require significant auditor judgement, assessment of carrying value of goodwill is considered as a key audit matter for the current year audit.</p>	<p><b>Our procedures in relation to testing of impairment of goodwill included, but were not limited to the following:</b></p> <ul style="list-style-type: none"> <li>Assessed and tested the design and operating effectiveness of the Group's control over the assessment of carrying value of goodwill;</li> <li>Assessed the reasonability of the assumptions used by the management for cash flow forecasts and verified the historical trend of business to evaluate the past performance for consistency;</li> <li>Obtained the management's external valuation specialist's report on determination of recoverable amount and also assessed the competence and objectivity of the management expert;</li> <li>Involved our auditor's experts to assess the valuation assumptions used and methodology considered by the management's expert to calculate the recoverable amount and the mathematical accuracy of these calculations;</li> <li>Performed the sensitivity analysis on the key assumptions to evaluate the possible variation on the current recoverable amount to ascertain the sufficiency of headroom available;</li> <li>Evaluated the appropriateness and adequacy of disclosures given in the consolidated financial statements, including disclosure of significant assumptions and judgements used by management, in accordance with applicable accounting standards.</li> </ul>

Key audit matters	How our audit addressed the key audit matters
<p><b>Accounting for Business combinations (refer note 1 (xviii) for accounting policy and note 50 for relevant disclosures in the accompanying consolidated financial statements)</b></p> <p>During the year ended 31 March 2021, the Group has completed acquisition of a division, comprising intellectual property (software) and related customer contracts, of TeleDNA Communications Private Limited (TeleDNA), a Bengaluru based Company specializing in development of telecom related solutions, under slump sale arrangement for total consideration of ₹1,200 lakhs, on the basis of Business Transfer Agreement (BTA) and other related arrangements. The Group has primarily acquired Computers, Software, Customer related intangibles and commitment on Non-compete as a result of this acquisition.</p> <p>The Group has accounted for aforementioned business acquisition in accordance with Ind AS 103, Business Combinations, which requires the recognition of identifiable assets and liabilities including identifiable intangibles, in a business combination at fair value on the date of acquisition, with the excess of the acquisition price over such identified fair values recognised as goodwill.</p> <p>Management has appointed an independent valuation expert to allocate the purchase price to the identifiable assets and liabilities and identified intangible assets. Basis the procedure performed for purchase price allocation, management represents that identifiable assets and liabilities including identifiable intangible assets and resulting goodwill are disclosed at the fair values as on the date of acquisition. Further, on the basis of the management estimates on the future growth of the acquired business and certain other assumptions and valuation model applied, the recoverable amount of the goodwill recognised on business combination as stated above exceeds its carrying value as at 31 March 2021.</p> <p>We have considered the above business combination to be a matter of most significance to our current year audit considering the materiality of the amounts involved, complexity involved in valuation, significant judgements and estimates in relation to the accounting as per the requirements of Ind AS 103 including ascertainment of acquisition date, assessment of fair values of assets and liabilities recognised on acquisition, judgement applied in identification and measurement of intangible assets and therefore, it has been identified as a key audit matter for the current year audit.</p>	<p><b>Our procedures relating to acquisition made by the Group included, but were not limited to the following:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the terms and conditions of the purchase agreement and the consideration transferred to assess the control over the business and the acquisition date, in accordance with Ind AS 103, by obtaining required understanding and representations from the Group;</li> <li>• Obtained report of the management's external valuation specialist for the valuation of intangibles including the purchase price allocation and assessed the competence, capabilities and objectivity of the management's expert and gained an understanding of the work done by the valuation expert;</li> <li>• Assessed the reasonableness of the management estimates and judgements used to fair value the identifiable assets and liabilities and identifiable intangible assets;</li> <li>• Tested the identifiable assets and liabilities which form part of working capital including any adjustment thereof, to assess the reasonableness/ appropriateness of the amounts used for purchase price allocation;</li> <li>• Involved our auditor's internal valuation experts to assist us in validating the valuation assumptions and methodology considered by the management's expert to allocate the purchase price to identifiable assets and liabilities;</li> <li>• Assessed the reasonableness of the recoverable amount of goodwill recorded as on the date of acquisition by evaluating the valuation model applied including the management estimates and judgement;</li> <li>• Evaluated the appropriateness and adequacy of disclosures given in the consolidated financial statements, including disclosure of significant assumptions and judgements, in accordance with applicable accounting standards.</li> </ul>

#### Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors / management of the companies included in the Group, covered under the Act, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated

financial statements by the Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. The respective Board of Directors of the companies included in the Group, are responsible for overseeing the financial reporting process of the companies included in the Group.

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and,



based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matter

16. We did not audit the financial statements/ consolidated financial statements of 19 subsidiaries, whose financial statements/consolidated financial statements reflect total assets of ₹38,986.65 lakhs and

net assets of ₹16,122.21 lakhs as at 31 March 2021, total revenues of ₹50,864.39 lakhs, and net cash inflows amounting to ₹6,006.65 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ consolidated financial statements have been audited by other auditors whose reports have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Further, of these subsidiaries, 12 subsidiaries, are located outside India, whose financial statements/ consolidated financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries, and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements / consolidated financial statements of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries located outside India, are based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

#### Report on Other Legal and Regulatory Requirements

17. As required by Section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16, on separate financial statements of the subsidiaries, we report that the Holding Company, companies covered under the Act, paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act. Further, we report that five subsidiary companies, companies covered under the Act, have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable in respect of such subsidiary companies.

18. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements/ consolidated financial statements and other financial information of the subsidiaries, 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 purpose of our audit of the aforesaid consolidated financial statements;
- b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors,
- c) the consolidated financial statements 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 Ind AS specified under Section 133 of the Act;
- e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies, companies covered under the Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I';
- 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 and based on the consideration of the report of the other auditors on separate financial statements/consolidated financial statements as also the other financial information of the subsidiaries:
  - i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 45 in the consolidated financial statements;
  - ii. the Holding Company, did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, companies covered under the Act, during the year ended 31 March 2021; and

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**Bharat Shetty**  
Partner  
Membership No.: 106815

**UDIN: 21106815AAAABO7552**

**Place:** Mumbai  
**Date:** May 18, 2021

#### Annexure 1

##### List of entities

Route Mobile Limited  
Sphere Edge Consulting India Private Limited  
Start Corp India Private Limited  
Cellent Technologies India Private Limited  
Route Connect Private Limited  
Call 2 Connect India Private Limited  
RouteSMS Solutions FZE (Consolidated)  
RouteSMS Solutions Nigeria Limited  
Route Mobile Pte. Ltd.- Singapore  
Route Mobile UK Limited  
365Squared Limited  
Route Connect (Kenya) Limited  
Route Mobile (Bangladesh) Limited  
Route Mobile (Nepal) Private Limited  
Route Mobile Lanka (Private) Limited  
Route Mobile (Uganda) Limited  
Route Mobile Limited (Ghana)  
Route Mobile Malta Limited  
Route Mobile INC.  
Routesms Solutions Zambia Limited  
Spectrum Telecom FZE-LLC

**Annexure I to the Independent Auditor's Report of even date to the members of Route Mobile Limited, on the consolidated financial statements for the year ended 31 March 2021**

**Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

1. In conjunction with our audit of the consolidated financial statements of Route Mobile Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company and its five subsidiary companies, which are companies covered under the Act, as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The respective Board of Directors of the Holding Company and its five subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the 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 the respective Company's business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its five subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('the ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its five subsidiary companies, as aforesaid.

**Meaning of Internal Financial Controls with Reference to Financial Statements**

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

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

**Opinion**

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of five subsidiary companies, the Holding Company and its five subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Holding Company and its five subsidiary companies, which are companies covered under the Act, as aforesaid, 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.

**Other Matter**

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to five subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹6,787.06 lakhs and net assets of ₹2,170.13 lakhs as at 31 March 2021, total revenues of ₹15,392.63 lakhs and net cash inflows amounting to ₹383.09 lakhs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its five subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies are based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**Bharat Shetty**  
Partner  
Membership No.: 106815

**UDIN: 21106815AAAAABO7552**

**Place:** Mumbai  
**Date:** May 18, 2021

# Balance Sheet

## Consolidated Financial Statement



### Consolidated Balance sheet as at 31 March 2021

(₹ in lakhs, except for share data, and if otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	2,114.03	2,242.23
Right-of-use asset	4(a)	1,566.10	965.94
Capital work-in-progress		105.49	-
Goodwill	3	9,025.01	8,445.20
Other intangible assets	4(b)	6,578.57	5,908.64
<b>Financial assets</b>			
Other financial assets	5	3,167.44	1,619.56
Deferred tax assets (net)	6	464.97	382.42
Non-current tax assets (net)	7	1,433.85	1,828.06
Other non-current assets	8	778.56	751.78
		<b>25,234.02</b>	<b>22,143.83</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Investments	9	1,280.18	1,189.80
Trade receivables	10	21,730.29	20,369.94
Cash and cash equivalents	11	26,998.97	6,151.87
Other bank balances	12	19,766.47	4,112.33
Other financial assets	13	2,455.18	1,064.26
Other current assets	14	4,743.70	7,521.21
		<b>76,974.79</b>	<b>40,409.41</b>
<b>Total assets</b>		<b>1,02,208.81</b>	<b>62,553.24</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	15	5,771.36	5,000.00
Other equity	16	59,440.74	21,938.43
<b>Equity attributable to owners of the Holding Company</b>		<b>65,212.10</b>	<b>26,938.43</b>
Non-controlling interest		(266.42)	(217.15)
<b>Total equity</b>		<b>64,945.68</b>	<b>26,721.28</b>

### Balance Sheet as at 31 March 2021

(₹ in lakhs, except for share data, and if otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	17	340.91	371.20
Lease liabilities	42	1,117.73	562.42
Provisions	18	273.96	223.23
Deferred tax liabilities (net)	19	29.72	50.82
		<b>1,762.32</b>	<b>1,207.67</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	20	-	3,735.56
Lease liabilities	42	481.97	588.42
Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		5.05	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	21	23,843.82	18,122.81
Other financial liabilities	22	4,464.41	8,802.62
Provisions	23	50.96	82.48
Current tax liabilities (net)	24	4,082.78	2,438.30
Other current liabilities	25	2,571.82	854.10
		<b>35,500.81</b>	<b>34,624.29</b>
<b>Total equity and liabilities</b>		<b>1,02,208.81</b>	<b>62,553.24</b>

### Significant accounting policies and other explanatory information

1 to 54

This is the Consolidated Balance Sheet referred to in our report of even date

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**For and on behalf of the Board of Directors of Route Mobile Limited**

**Bharat Shetty**  
Partner  
Membership No.: 106815

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)  
Place: Goa

**Rajdikumar Gupta**  
Managing Director  
(DIN No. 01272947)  
Place: Goa

**Suresh Jankar**  
Chief Financial Officer  
Place: Mumbai

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)  
Place: Assam

Place: Mumbai  
Date: May 18, 2021

Place: Mumbai  
Date: May 18, 2021

# Statement of Profit and Loss

## Consolidated Financial Statement



### Consolidated Statement of Profit and Loss for the year ended 31 March 2021

(₹ in lakhs, except for share data, and if otherwise stated)

	Note	Year ended 31 March 2021	Year ended 31 March 2020
<b>Revenue</b>			
Revenue from operations	26	1,40,617.48	95,625.28
Other income	27	1,597.92	1,184.89
<b>Total revenue</b>		<b>1,42,215.40</b>	<b>96,810.17</b>
<b>Expenses</b>			
Purchases of messaging services	28	1,12,905.00	76,415.47
Employee benefits expense	29	6,149.31	5,820.05
Finance costs	30	275.59	486.81
Depreciation and amortisation expense	31	2,575.49	2,267.91
Other expenses	32	4,156.44	3,394.51
<b>Total expenses</b>		<b>1,26,061.83</b>	<b>88,384.75</b>
<b>Profit before exceptional item and tax</b>		<b>16,153.57</b>	<b>8,425.42</b>
<b>Exceptional item</b>	33	-	1,489.09
<b>Profit before tax</b>		<b>16,153.57</b>	<b>6,936.33</b>
<b>Tax expense</b>			
Current tax	34	2,977.92	1,082.53
Deferred tax charge/(credit)		(99.37)	33.35
<b>Profit for the year</b>		<b>13,275.02</b>	<b>5,820.45</b>
<b>Other Comprehensive income</b>			
(i) (a) Items that will not be reclassified to profit or loss	35	(10.06)	(29.27)
(b) Tax (expense) / benefit on items that will not be reclassified to profit or loss		3.21	4.77
(ii) (a) Items that will be reclassified to profit or loss		136.58	597.56
(b) Tax (expense) / benefit on items that will be reclassified to profit or loss		-	-
<b>Total other comprehensive income (net of tax)</b>		<b>129.73</b>	<b>573.06</b>
<b>Total comprehensive income for the year</b>		<b>13,404.75</b>	<b>6,393.51</b>
<b>Profit attributable to:</b>			
Owners of the Holding Company		13,332.02	5,826.99
Non-controlling interest		(57.00)	(6.54)

	Note	Year ended 31 March 2021	Year ended 31 March 2020
<b>Other comprehensive income attributable to:</b>			
Owners of the Holding Company		122.00	595.33
Non-controlling interest		7.73	(22.27)
<b>Total comprehensive income attributable to:</b>			
Owners of the Holding Company		13,454.02	6,422.32
Non-controlling interest		(49.27)	(28.81)
<b>Earnings per equity share</b>			
	51		
Basic (in ₹)		24.76	11.65
Diluted (in ₹)		24.23	11.65
Face value per share (in ₹)		10.00	10.00
<b>Significant accounting policies and other explanatory information</b>	<b>1 to 54</b>		

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**For and on behalf of the Board of Directors of Route Mobile Limited**

**Bharat Shetty**  
Partner  
Membership No.: 106815

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)  
Place: Goa

**Rajdipkumar Gupta**  
Managing Director  
(DIN No. 01272947)  
Place: Goa

**Suresh Jankar**  
Chief Financial Officer  
Place: Mumbai

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)  
Place: Assam

**Place:** Mumbai  
**Date:** May 18, 2021

**Place:** Mumbai  
**Date:** May 18, 2021



# Statement of Cash Flow

## Consolidated Financial Statement



### Consolidated Cash flow statement for the year ended 31 March 2021

(₹ in lakhs, except for share data, and if otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	<b>16,153.57</b>	<b>6,936.33</b>
<b>Adjustments for :</b>		
Financial asset measured at amortised cost (net)	0.10	0.10
Depreciation and amortisation expense	2,575.49	2,267.91
Advances and trade receivable written off	211.08	67.65
Interest income on fixed deposits	(788.56)	(265.27)
Interest on income tax refund	(68.09)	(3.70)
Fair value changes of contingent consideration	-	(241.92)
Provision for doubtful debts and advances	98.13	91.15
Provision for doubtful debts written back	(20.75)	-
Interest on borrowings from bank	164.47	281.37
Interest on lease liabilities	78.61	142.17
Other borrowing cost	21.21	8.18
Unrealised foreign exchange loss	100.83	73.30
Net gain arising on financial assets designated as FVTPL	(90.38)	(123.25)
Stamp duty charges	158.13	-
Loss on derivative transaction	-	4.54
Mark to market of derivative financial instruments	(118.68)	116.11
Liabilities no longer payable, written back	(33.00)	(301.39)
Gain on extinguishment of lease liabilities (net)	(41.13)	-
<b>Operating profit before working capital changes</b>	<b>18,401.03</b>	<b>9,053.28</b>
<b>Adjustments for working capital</b>		
(Increase) in trade receivables	(1,515.35)	(5,698.87)
(Increase) in financial assets and other assets	(139.17)	(4,238.47)
Increase in trade payables, provisions and other liabilities	7,928.65	12,524.57
<b>Cash generated from operating activities</b>	<b>24,675.16</b>	<b>11,640.51</b>
Direct taxes paid (net)	(1,732.00)	(1,792.96)
<b>Net cash generated from operating activities</b>	<b>22,943.16</b>	<b>9,847.55</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangible assets including Capital work-in-progress	(766.31)	(723.78)
Payment of purchase consideration on TeleDNA acquisition	(1,200.00)	-
Payment for acquisition of subsidiary	(5,255.84)	(1,967.52)
Fixed deposits (placed)/matured	(15,899.17)	2,508.42

### Cash flow statement for the year ended 31 March 2020

(₹ in lakhs, except for share data, and if otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Interest received	515.99	205.43
<b>Net cash (used in)/generated from investing activities</b>	<b>(22,605.33)</b>	<b>22.55</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of non-current borrowings	(33.21)	(11.00)
Dividend paid (including Dividend distribution tax)	-	(1,654.16)
Repayment of current borrowings (net)	(3,735.56)	(3,580.73)
Share issue expenses	(828.58)	(501.07)
Proceeds from issue of equity shares on public offer	24,000.00	-
Proceeds from issue of equity shares on exercise of employee stock options	2,603.84	-
Payment of interest portion of lease liabilities	(78.61)	(142.17)
Payment of principal portion of lease liabilities	(624.85)	(570.52)
Interest paid	(206.09)	(275.62)
<b>Net cash generated from/(used in) financing activities</b>	<b>21,096.94</b>	<b>(6,735.27)</b>
Currency fluctuations arising on consolidation	(727.21)	76.98
<b>Net increase in cash and cash equivalents</b>	<b>20,707.56</b>	<b>3,211.81</b>
Add : Cash and cash equivalents at the beginning of the year	6,151.87	2,940.06
Effect of currency fluctuations on cash and cash equivalents	139.54	-
<b>Cash and cash equivalents at the end of the year</b>	<b>26,998.97</b>	<b>6,151.87</b>

#### Cash and cash equivalents comprises of the following

	As at 31 March 2021	As at 31 March 2020
Cash and cash equivalents	26,998.97	6,151.87
<b>Balances as per consolidated statement of cash flows</b>	<b>26,998.97</b>	<b>6,151.87</b>

#### Note:

The Consolidated Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7, Statement of Cash Flows.

#### Significant accounting policies and other explanatory information

1 to 54

This is the Consolidated Cash Flow Statement referred to in our report of even date.

**Bharat Shetty**  
Partner  
Membership No.: 106815

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)  
Place: Goa

**Rajdipkumar Gupta**  
Managing Director  
(DIN No. 01272947)  
Place: Goa

**Suresh Jankar**  
Chief Financial Officer  
Place: Mumbai

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)  
Place: Assam

Place: Mumbai  
Date: May 18, 2021

Place: Mumbai  
Date: May 18, 2021

# Statement of Changes in Equity

## Consolidated Financial Statement



### Statement of changes in equity for the year ended 31 March 2021

(₹ in lakhs, except for share data, and if otherwise stated)

#### Equity share capital

Particulars	Note	Number of shares	Amount
Balance as at 1 April 2019	15	5,00,00,000	5,000.00
Issue of shares		-	-
<b>Balance as at 31 March 2020</b>		<b>5,00,00,000</b>	<b>5,000.00</b>
Issue of shares on public offer		68,57,142	685.72
Issue of equity shares on exercise of employee stock options		8,56,441	85.64
<b>Balance as at 31 March 2021</b>		<b>5,77,13,583</b>	<b>5,771.36</b>

#### Other equity

Particulars	Attributable to owners				Total other equity	Non-controlling interest	Total
	Reserves and Surplus						
	Retained earnings	Statutory Reserve	Securities premium	Foreign currency translation reserve			
Balance as at 1 April 2019	17,057.86	0.34	-	226.39	17,284.59	(188.34)	17,096.25
Change in accounting policy (Implementation of Ind AS 116, Leases)	(114.32)	-	-	-	(114.32)	-	(114.32)
<b>Restated Balance as at 1 April 2019</b>	<b>16,943.54</b>	<b>0.34</b>	<b>-</b>	<b>226.39</b>	<b>17,170.27</b>	<b>(188.34)</b>	<b>16,981.93</b>
Profit for the year	5,826.99	-	-	-	5,826.99	(6.54)	5,820.45
Other comprehensive income for the year	(24.50)	-	-	619.83	595.33	(22.27)	573.06
<b>Total Comprehensive income for the year ended 31 March 2020</b>	<b>5,802.49</b>	<b>-</b>	<b>-</b>	<b>619.83</b>	<b>6,422.32</b>	<b>(28.81)</b>	<b>6,393.51</b>
Dividend paid	(1,500.00)	-	-	-	(1,500.00)	-	(1,500.00)
Dividend distribution tax	(154.16)	-	-	-	(154.16)	-	(154.16)
<b>Balance as at 31 March 2020</b>	<b>21,091.87</b>	<b>0.34</b>	<b>-</b>	<b>846.22</b>	<b>21,938.43</b>	<b>(217.15)</b>	<b>21,721.28</b>
Profit for the year	13,332.02	-	-	-	13,332.02	(57.00)	13,275.02
Other comprehensive income for the year	(6.85)	-	-	128.85	122.00	7.73	129.73
<b>Total Comprehensive income for the year ended 31 March 2021</b>	<b>13,325.17</b>	<b>-</b>	<b>-</b>	<b>128.85</b>	<b>13,454.02</b>	<b>(49.27)</b>	<b>13,404.75</b>

# Significant Accounting Policies

## Consolidated Financial Statement



### Summary of the significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

#### Note 1:

##### (a) Corporate Information

'Route Mobile Limited' (RML), (the "Company" or the "Holding Company") and its subsidiaries (collectively referred to as the "Group") are technology service providers for mobile communications industry with a focus on enterprise messaging except for Call 2 Connect India Private Limited which operates as a call centre. The Group is a cloud communication provider to enterprises, over-the-top players and mobile network operators except for Call 2 Connect India Private Limited which operates as a call centre.

The Company was incorporated on 14 May 2004 with the name Routesms Solutions Limited, which was changed to Route Mobile Limited with effect from 16 March 2016. The Company has its registered office in Mumbai.

The Consolidated financial statements (hereinafter referred to as "CFS") for the year ended 31 March 2021 were approved by Board of Directors and authorised for issue on 18 May 2021.

##### (b) Significant accounting policies and assumptions

###### (i) Statement of compliance

The Group has prepared its consolidated financial statements to comply in all material respects with the provisions of the Companies Act, 2013 (the "Act") and rules framed thereunder. In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act and other relevant provisions of the Act.

###### (ii) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention and accrual basis, except for the following assets and liabilities:

- i) Certain financial assets and liabilities that are measured at fair value
- ii) Defined benefit plans-plan assets measured at fair value

**Current and non-current classification:** All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III of the Act. Based on the nature of service and time taken between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

###### (iii) Critical estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amounts of assets, liabilities and disclosure of contingent liabilities at the date of consolidated financial statements and the reported amounts of income and expenses during the year.

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

###### • Impairment of investments

The Group reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

###### • Useful lives of property, plant and equipment and Intangible assets

The Group reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

###### • Valuation of deferred tax assets

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained in point (ix)

Particulars	Attributable to owners					Non-controlling interest	Total
	Reserves and Surplus				Total other equity		
	Retained earnings	Statutory Reserve	Securities premium	Foreign currency translation reserve			
Issue of shares on public offer	-	-	23,314.28	-	23,314.28	-	23,314.28
Issue of equity shares on exercise of employee stock options	-	-	2,518.20	-	2,518.20	-	2,518.20
Adjustment of share issue expenses (refer note 14)	-	-	(1,784.19)	-	(1,784.19)	-	(1,784.19)
<b>Balance as at 31 March 2021</b>	<b>34,417.04</b>	<b>0.34</b>	<b>24,048.29</b>	<b>975.07</b>	<b>59,440.74</b>	<b>(266.42)</b>	<b>59,174.32</b>

### Significant accounting policies and other explanatory information 1 to 54

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**For and on behalf of the Board of Directors of Route Mobile Limited**

**Bharat Shetty**  
Partner  
Membership No.: 106815

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)  
Place: Goa

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Managing Director  
(DIN No. 01272947)  
Place: Goa

**Suresh Jankar**  
Chief Financial Officer  
Place: Mumbai

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)  
Place: Assam

**Place:** Mumbai  
**Date:** May 18, 2021

**Place:** Mumbai  
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- **Defined benefit obligation**

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty.

- **Fair value of financial instruments**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

- **Impairment of financial assets**

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Impairment of Goodwill**

The Group estimates the value-in-use of the cash generating unit (CGU) to which Goodwill is associated, based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate, applicable discount rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the CGU's represent the weighted average cost of capital based on the historical market returns of comparable companies.

- **Share-based payments**

Estimating fair value for share-based payments requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them.

- **Contingencies**

Management has estimated the possible outflow of resources at the end of each annual reporting

financial year, if any, in respect of contingencies/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

- **Research and development costs**

Management monitors progress of internal research and development projects by using a project judgement as required in distinguishing research from the development phase. Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred.

Management also monitors whether the recognition requirements for development costs continue to be met. This is necessary due to inherent uncertainty in the economic success of any product development.

- **Leases – Estimating the incremental borrowing rate**

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the fund necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment.

- (iv) **Principles of Consolidation and equity accounting**

- (a) **Subsidiaries**

The Consolidated Financial Statements (CFS) incorporate the financial statements of Route Mobile Limited (RML) and entities controlled by RML and its subsidiaries.

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date by the control ceases.

The Group combines the financial statements of the parent and its subsidiaries, line by line by adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. The financial statements of the parent company and its subsidiaries have been consolidated using uniform accounting policies. When necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with the Group's accounting policies. The

financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the parent i.e. year ended 31 March 2021.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet.

Refer note 44 for the list of subsidiaries considered in the CFS. Subsidiaries are consolidated from the date on which effective control is acquired and are excluded from the date that control ceases.

- (v) **Revenue recognition**

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised upon transfer of control of promised services to the customers at the consideration which the Group has received or expects to receive in exchange of those services. Amount disclosed as revenue are reported net of discounts and applicable taxes which are collected on behalf of the government.

- Revenue from messaging services– The Group recognises revenue based on the usage of messaging services. The revenue is recognised when the Group's services are used based on the specific terms of the contract with customers.

Income from services is recognised when the service is rendered in terms of the agreements/arrangements with parties, net of service tax or goods and services tax.

Revenue in excess of invoicing are classified as unbilled revenue while invoicing / collections in excess of revenue for services to be performed in future are recorded as deferred revenue / advances from customers.

Liquidated damages and penalties are accounted as per the contract terms wherever there is a delayed delivery attributable to the Group and when there is a reasonable certainty with which the same can be estimated.

- 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 carrying value of the investment.
- Dividend are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.
- Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross

carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

- (vi) **Leases**

The Group considers whether contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

- Group as a lessee**

At lease commencement date, the Group recognises a right-of-use asset and lease liabilities on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group and any lease payments made in advance of the lease commencement date.

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. For the purpose of impairment testing, the recoverable amount (i.e. higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such case, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

At the commencement date of lease, the Group measures the lease liability at the present value of the lease payments to be made over the lease term, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest



expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or Statement of profit and loss, as the case may be.

Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

The Group has elected to account for short-term leases and leases of low-value assets using the exemption given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Group's benefit.

#### Group as a lessor

Leases for which the Group is a lessor classified as finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Lease income from operating leases where the Group is a lessor is recognised as income on straight line basis over the lease term.

#### (vii) Borrowing costs

Borrowing costs attributable to the acquisition and construction of qualifying assets are capitalised as part of the cost of such assets up to the date such assets are ready for their intended use. Other borrowing costs are charged to profit or loss. Borrowing cost is calculated using effective interest rate on the amortised cost of the instrument.

#### (viii) Foreign currency

The functional currency of the Company and its Indian subsidiaries is the Indian Rupee (₹) whereas the functional currency of foreign subsidiaries is the currency of their country of domicile.

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance sheet date and exchange gains or losses arising on settlement and restatement are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated at year end.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) Assets and liabilities are translated at the closing rate on the balance sheet date
- (b) Income and expenses are translated at the average exchange rate (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated based on rates prevailing at the date of transaction).
- (c) All resulting exchange differences are recognised in other comprehensive income

When a foreign operation is sold, the associated exchange differences are reclassified to statement of profit and loss, as part of the gain or loss on sale.

Fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

#### (ix) Income taxes

Income tax expense comprises Current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Statement of profit and loss, except when they relate to items that are recognised in Other comprehensive income or directly in Equity, in which case, the current and deferred tax are also recognised in Other comprehensive income or directly in Equity respectively.

#### Current Income taxes

The current income tax includes income taxes payable by the Group computed in accordance with the tax laws applicable in the jurisdiction in which the parent company and its subsidiaries, associate operate and generate taxable income. Advance taxes and provision for current income tax are presented in the Balance sheet after offsetting the advance tax paid and income tax provision arising in the same jurisdiction and where the relevant tax paying units intend to settle the asset and liability on a net basis.

#### Deferred income taxes

Deferred income tax is recognised using Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of recognition.

Deferred tax assets are recognised to the extent future 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.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow deferred income tax assets to be utilised. At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investment in subsidiaries and associate where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### (x) Financial instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liability.

#### (I) Financial assets

##### Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets change.

#### Initial measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Subsequent measurement of debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- 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 investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from

equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

#### De-recognition of financial assets

A financial asset is de-recognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

#### Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement comprise of the cash on hand and at bank and current investments with an original maturity of three months or less. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## (II) Financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently, all financial liabilities are measured at amortised cost using the effective interest rate method

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss. The gain / loss is recognised in other equity in case of transactions with shareholders.

## (III) Derivative Financial Instruments

The Group uses currency swaps as derivative instruments to mitigate the risk of changes in currency rates. Such derivative instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value.

## (xi) Property, plant and equipment (including Capital Work-in-Progress)

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes inward freight, adjustment for GST credit, taxes and expenses incidental to acquisition and installation, up to the point the asset is ready for its intended use.

Assets acquired but not ready for use or assets under construction are classified under Capital work in progress.

## (xii) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost.

Intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Subsequently, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

#### Research and development

Expenses on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised in the consolidated statement of profit and loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, the assets are controlled by the Company, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the consolidated statement of profit and loss as incurred.

## (xiii) Depreciation/Amortisation

Depreciation on Property, plant and equipment is provided to the extent of depreciable amount on written down value (WDV) method over the useful lives of assets as determined by the management which is in line with Part-C of Schedule II of the Companies Act, 2013 with residual value of 5%, except servers and network (part of Computers).

Servers and networks are depreciated over a period of five years, based on internal assessment and technical evaluation carried out by the management, and which represents the period over which they expect to use these assets.

Leasehold improvements are amortised over the period of lease or their estimated useful life, whichever is earlier, on a straight-line basis.

Computer software and technical know how is amortized over a period of three years on WDV method.

Following table summarises the nature of intangibles and their estimated useful lives and amortization on a straight line basis:

Nature of Intangibles	Useful lives
Trade mark	5 years
License	3 to 5 years
Software	3 to 4 years
Customer relationship	4 to 10 years
Non-compete fees	4 to 7 years

Depreciation is calculated pro-rata from/to the date of addition/deletion.

## (xiv) Impairment of assets

#### Non-financial assets

The carrying amount of the non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the statement of profit and loss.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

#### Financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

## (xv) Employee Benefits

All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees and recognised as expenses in the Statement of Profit and Loss.

The Group's contribution to Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the consolidated Statement of Profit and Loss on accrual basis. The Group has categorised its Provident Fund and the Employees State Insurance Scheme as a defined contribution plan since it has no further obligations beyond these contributions.

The Group's liability towards gratuity, being defined benefit plan is accounted for on the basis of an independent actuarial valuation using the projected unit credit method, done at the year end. Gratuity liability is not funded and the payments are made to the employees directly when they leave the organisation post completion of 5 years of service or at the time of retirement (with minimum 5 years of service), whichever is earlier.

Service cost and the net interest cost is included in employee benefit expense in the consolidated statement of profit and loss. Actuarial gains and losses arising on the measurement of defined benefit obligation is credited/charged to other comprehensive income.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

## (xvi) Provisions, contingent liabilities and contingent assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose

existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are not recognised in the financial statements. However, its is disclosed only when an inflow of economic benefits is probable.

#### (xvii) Earnings per share

Basic earnings per share are computed by dividing net profit after tax (excluding other comprehensive income) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing net profit after tax (excluding other comprehensive income) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on 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.

#### (xviii) Business combinations

Business combinations are accounted for using the acquisition method as per Ind AS 103, Business combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred / assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identified assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

The Group recognises any non-controlling interest in the acquired entity on an acquisition by acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Purchase consideration paid in excess of the fair value of net identifiable assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of transaction. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently remeasured at fair value with changes in fair value recognised in profit or loss.

Acquisition related costs incurred in connection with a business combination such as stamp duty, legal fees, due diligence fees and other professional and consulting fees are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss / other comprehensive income.

#### (xix) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to the Group's cash generating units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating units is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in Consolidated Statement of Profit and Loss.

#### (xx) Share based payments

Share-based compensation benefits are provided to employees via the "ROUTE MOBILE LIMITED" Employee Stock Option Plan 2017 (the 'ESOP scheme'). The fair value of options granted under the Employee Stock Option Plan 2017 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to serve or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of

the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The Group has created a Route Mobile Employee Welfare Trust (ESOP Trust) for implementation of the said ESOP scheme. The Company allots shares to the ESOP Trust. The Company treats the ESOP trust as its extension and shares held by ESOP Trust are treated as treasury shares.

#### (xxi) Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it's recognition as income in the consolidated statement of profit and loss is linked to fulfilment of associated export obligations.

The Group has chosen to present grants received to income as other income in the consolidated statement of profit and loss.

#### (xxii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting, nature of the products / process, organisation structure as well as differential risks and returns, using the information provided to the board of directors and chief operating officer, together, the chief operating decision maker ('CODM').

#### (xxiii) Share issue expense

The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction.

#### (xxiv) Standards issued but not effective

There are no standards that are issued but not yet effective on 31 March 2021.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

2 Property, plant and equipment

Particulars	Building	Furniture and fixtures	Leasehold improvements	Vehicles	Office equipment	Computers (on finance lease)	Computers	Total
<b>Gross block</b>								
<b>Balance as at 1 April 2019</b>	<b>1,074.54</b>	<b>628.02</b>	<b>238.00</b>	<b>368.39</b>	<b>215.87</b>	<b>377.24</b>	<b>2,002.11</b>	<b>4,904.17</b>
Transfer out to Right of use assets	-	-	-	-	-	(377.24)	-	(377.24)
Additions	-	4.17	-	-	51.20	-	496.87	552.24
Foreign currency translations adjustment	65.32	2.47	-	-	0.86	-	26.21	94.86
<b>Balance as at 31 March 2020</b>	<b>1,139.86</b>	<b>634.66</b>	<b>238.00</b>	<b>368.39</b>	<b>267.93</b>	<b>-</b>	<b>2,525.19</b>	<b>5,174.03</b>
Additions	-	3.89	-	-	24.93	-	409.51	438.33
Additions on TeleDNA acquisition (refer note 50)	-	-	-	-	-	-	16.23	16.23
Transfer from Right of use assets*	-	-	-	-	-	-	167.66	167.66
Foreign currency translations adjustment	(23.63)	1.69	-	-	0.27	-	28.62	6.95
<b>Balance as at 31 March 2021</b>	<b>1,116.23</b>	<b>640.24</b>	<b>238.00</b>	<b>368.39</b>	<b>293.13</b>	<b>-</b>	<b>3,147.21</b>	<b>5,803.20</b>

**Accumulated depreciation and amortisation**

<b>Balance as at 1 April 2019</b>	<b>204.39</b>	<b>244.35</b>	<b>139.51</b>	<b>241.87</b>	<b>81.15</b>	<b>209.58</b>	<b>1,444.35</b>	<b>2,565.20</b>
Transfer out to Right of use assets	-	-	-	-	-	(209.58)	-	(209.58)
Depreciation and amortisation charge	43.48	66.63	49.24	33.89	40.92	-	316.49	550.65
Foreign currency translations adjustment	7.39	1.11	-	-	0.48	-	16.55	25.53
<b>Balance as at 31 March 2020</b>	<b>255.26</b>	<b>312.09</b>	<b>188.75</b>	<b>275.76</b>	<b>122.55</b>	<b>-</b>	<b>1,777.39</b>	<b>2,931.80</b>
Depreciation and amortisation charge	42.46	56.92	49.25	24.70	44.17	-	363.42	580.92
Transfer from Right of use assets*	-	-	-	-	-	-	167.66	167.66

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	Building	Furniture and fixtures	Leasehold improvements	Vehicles	Office equipment	Computers (on finance lease)	Computers	Total
Foreign currency translations adjustment	(4.28)	0.99	-	-	0.19	-	11.89	8.79
<b>Balance as at 31 March 2021</b>	<b>293.44</b>	<b>370.00</b>	<b>238.00</b>	<b>300.46</b>	<b>166.91</b>	<b>-</b>	<b>2,320.36</b>	<b>3,689.17</b>

**Net block**

<b>Balance as at 31 March 2020</b>	<b>884.60</b>	<b>322.57</b>	<b>49.25</b>	<b>92.63</b>	<b>145.38</b>	<b>-</b>	<b>747.80</b>	<b>2,242.23</b>
<b>Balance as at 31 March 2021</b>	<b>822.79</b>	<b>270.24</b>	<b>-</b>	<b>67.93</b>	<b>126.22</b>	<b>-</b>	<b>826.85</b>	<b>2,114.03</b>

\* Represents computers transfer post completion of lease period

The Dubai property (grouped in Building) is registered in the personal name of Rajdipkumar Gupta and Sandipkumar Gupta. Due to legal restriction in Dubai, through nominee agreement, the Dubai subsidiary has nominated Rajdipkumar Gupta and Sandipkumar Gupta to buy the property on its behalf for the benefit of the Dubai subsidiary and also to ensure compliance with Dubai Emirate laws.

Refer Note 35 for information on Property, plant and equipment pledged as security.

3 Goodwill

Particulars	Goodwill
<b>Balance as at 1 April 2019</b>	<b>8,212.28</b>
Additions	-
Foreign currency translations adjustment	232.92
<b>Balance as at 31 March 2020</b>	<b>8,445.20</b>
Additions on TeleDNA acquisition (refer note 50)	106.77
Foreign currency translations adjustment	473.04
<b>Balance as at 31 March 2021</b>	<b>9,025.01</b>

Goodwill was tested for impairment in accordance with the Group's procedure for determining the recoverable value of such assets which is done annually, or more frequently when there is an indication for impairment.

The aggregated carrying amounts of goodwill allocated to each unit are as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
365Squared Limited	6,725.60	6,252.56
Cellent Technologies India Private Limited	1,231.75	1,231.75
Call 2 Connect India Private Limited	816.06	816.06
Start Corp India Private Limited	134.83	134.83
Sphere Edge Consulting India Private Limited	10.00	10.00
Goodwill on TeleDNA acquisition	106.77	-
<b>Net utilisation</b>	<b>9,025.01</b>	<b>8,445.20</b>



Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

The recoverable amount is based on a value-in-use calculation using the discounted cash flow method. Value in use has been determined by discounting the future cash flows generated from the continuing use of the unit. The calculation of the value in use for specific units where impairment trigger existed and consequent impairment assessment was done, is based on the following key assumptions:

Particulars	Cellent Technologies India Private Limited	Call 2 Connect India Private Limited	365Squared Limited
Discount rate	10.81%	16.31%	17.36%
Terminal value growth rate	2.50%	5.00%	1.50%
Period considered for discounting	3 years	4 years	3 years

The cash flow projections include specific estimates and terminal growth rate thereafter.

The above assumptions are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external / internal sources of information. Based on the above assumptions and analysis, no impairment was identified for any of the CGU as at 31 March 2021 as the recoverable value of the CGU exceeded the carrying value.

The Group has performed sensitivity analysis around the base assumptions and has concluded that no reasonable change in any of the above key assumptions would cause the carrying amount of the CGUs to exceed their recoverable amount.

4a Right-of-use assets

Particulars	Right of use assets- Computer	Right of use assets- Building	Total
<b>Gross block</b>			
<b>Transfer In Right of use Assets</b>			
Gross block	377.24	-	377.24
Accumulated depreciation	(209.58)	-	(209.58)
Adjustment basis implementation of Ind AS 116, Leases	-	1,361.40	1,361.40
Additions	-	-	-
Foreign currency translations adjustment	-	4.20	4.20
<b>Balance as at 31 March 2020</b>	<b>167.66</b>	<b>1,365.60</b>	<b>1,533.26</b>
Additions	-	1,165.91	1,165.91
Disposals	-	(51.07)	(51.07)
Transfer out to Computers	(167.66)	-	(167.66)
Foreign currency translations adjustment	-	2.80	2.80
<b>Balance as at 31 March 2021</b>	<b>-</b>	<b>2,483.24</b>	<b>2,483.24</b>
<b>Accumulated depreciation</b>			
<b>Balance as at 1 April 2019</b>			
Depreciation charge	100.60	466.10	566.70
Foreign currency translations adjustment	-	0.62	0.62
<b>Balance as at 31 March 2020</b>	<b>100.60</b>	<b>466.72</b>	<b>567.32</b>
Depreciation charge	67.06	449.56	516.62
Transfer out to Computers	(167.66)	-	(167.66)
Foreign currency translations adjustment	-	0.86	0.86
<b>Balance as at 31 March 2021</b>	<b>-</b>	<b>917.14</b>	<b>917.14</b>

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	Right of use assets- Computer	Right of use assets- Building	Total
<b>Net block</b>			
Balance as at 31 March 2020	67.06	898.88	965.94
Balance as at 31 March 2021	-	1,566.10	1,566.10

4b Intangible assets

Particulars	Computer software	Trademark	License	Technical know-how	Software	Customer relationship	Non - Compete fees	Total
<b>Gross block</b>								
<b>Balance as at 1 April 2019</b>	<b>369.81</b>	<b>0.30</b>	<b>0.12</b>	<b>-</b>	<b>937.88</b>	<b>6,604.91</b>	<b>365.61</b>	<b>8,278.63</b>
Additions	7.71	-	-	381.28	-	-	-	388.99
Foreign currency translations adjustment	2.19	-	-	-	36.42	256.46	14.20	309.27
<b>Balance as at 31 March 2020</b>	<b>379.71</b>	<b>0.30</b>	<b>0.12</b>	<b>381.28</b>	<b>974.30</b>	<b>6,861.37</b>	<b>379.81</b>	<b>8,976.89</b>
Additions	45.62	0.01	635.67	-	-	-	-	681.30
Additions on TeleDNA acquisition (refer note 50)	388.00	-	-	-	-	651.00	38.00	1,077.00
Foreign currency translations adjustment	4.43	-	-	-	73.57	518.10	28.68	624.78
<b>Balance as at 31 March 2021</b>	<b>817.76</b>	<b>0.31</b>	<b>635.79</b>	<b>381.28</b>	<b>1,047.87</b>	<b>8,030.47</b>	<b>446.49</b>	<b>11,359.97</b>
<b>Accumulated amortisation</b>								
<b>Balance as at 1 April 2019</b>	<b>303.01</b>	<b>0.15</b>	<b>0.09</b>	<b>-</b>	<b>468.95</b>	<b>991.25</b>	<b>75.65</b>	<b>1,839.10</b>
Amortisation charge	30.42	0.04	-	73.60	319.64	675.30	51.56	1,150.56
Foreign currency translations adjustment	2.19	-	-	-	23.34	49.30	3.76	78.59
<b>Balance as at 31 March 2020</b>	<b>335.62</b>	<b>0.19</b>	<b>0.09</b>	<b>73.60</b>	<b>811.93</b>	<b>1,715.85</b>	<b>130.97</b>	<b>3,068.25</b>
Amortisation charge	181.24	0.04	81.98	146.60	169.23	837.14	61.72	1,477.95
Foreign currency translations adjustment	4.43	-	-	-	66.71	152.42	11.64	235.20
<b>Balance as at 31 March 2021</b>	<b>521.29</b>	<b>0.23</b>	<b>82.07</b>	<b>220.20</b>	<b>1,047.87</b>	<b>2,705.41</b>	<b>204.33</b>	<b>4,781.40</b>
<b>Net block</b>								
Balance as at 31 March 2020	44.09	0.11	0.03	307.68	162.37	5,145.52	248.84	5,908.64
Balance as at 31 March 2021	296.47	0.08	553.72	161.08	-	5,325.06	242.16	6,578.57

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
<b>5 Other non-current financial assets</b>		
Unsecured, considered good, unless otherwise stated		
Security deposits	2,916.82	1,613.56
Loans and advances to employees	-	0.40
Fixed deposits with bank having maturity of more than 12 months	250.62	5.60
	<b>3,167.44</b>	<b>1,619.56</b>
<b>6 Deferred tax assets</b>		
<b>Deferred tax liability arising on account of :</b>		
Net gain on financial assets designated as FVTPL	70.52	47.77
Difference in book values and tax base values of ROU assets and Lease liabilities	8.98	-
Total deferred tax liabilities	<b>79.50</b>	<b>47.77</b>
<b>Deferred tax assets arising on account of :</b>		
Depreciation and amortisation	88.03	70.14
Provision for compensated absences	-	10.39
Provision for gratuity	75.03	60.51
Provision for expenses	299.37	154.83
Carried forward business losses	25.88	55.76
Provision for doubtful debts and advances	56.16	67.85
Difference in book values and tax base values of ROU asset and Lease liabilities	-	10.71
<b>Total deferred tax assets (net)</b>	<b>544.47</b>	<b>430.19</b>
<b>Deferred tax assets (net)</b>	<b>464.97</b>	<b>382.42</b>
<b>7 Non-current tax assets (net)</b>		
Advance income tax (net of provision)	1,433.85	1,828.06
	<b>1,433.85</b>	<b>1,828.06</b>
<b>8 Other non-current assets</b>		
Advances other than capital advances		
Balance with government authorities	-	722.55
Prepaid expenses	37.92	29.23
Foreign tax credit receivable\$	740.64	-
	<b>778.56</b>	<b>751.78</b>

\$ Represents tax refund receivable by Route Mobile (UK) Limited (non resident shareholder of the 365Squared Limited) @ 6/7 of the income taxes paid in Malta by 365Squared Limited on distribution of such profits on which taxes have been paid in Malta, as dividend to Route Mobile (UK) Limited.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
<b>9 Current investments</b>		
<b>Investments carried at fair value through profit or loss (FVTPL)</b>		
<b>Investments in mutual funds - Unquoted</b>		
Axis Banking and PSU Debt Fund - Growth 30,535.80 units (31 March 2020: 30,535.80) of ₹2058.09 each	628.45	583.65
L&T Triple Ace Bond Fund - Growth 1,147,660.27 units (31 March 2020: 1,147,660.27) of ₹56.79 each	651.73	606.15
	<b>1,280.18</b>	<b>1,189.80</b>
Aggregate amount of unquoted investments	1,280.18	1,189.80
Aggregate amount of impairment in value of investments	-	-
Details of assets pledged are given under note 37.		
<b>10 Trade receivables</b>		
Unsecured, considered good**	21,730.29	20,369.94
Trade receivables which have significant credit risk	-	-
Trade receivables - credit impaired	332.40	255.02
Less: Provision for bad and doubtful debts	(332.40)	(255.02)
	<b>21,730.29</b>	<b>20,369.94</b>
**Includes ₹ Nil (31 March 2020: ₹0.01 lakhs) receivables due from companies where Director of the Company is a director		
<b>11 Cash and cash equivalents</b>		
Cash on hand	11.11	23.28
Balances with banks		
- in current accounts	5,610.38	3,868.32
- in EEFC accounts	11,398.31	707.70
- in deposit accounts with maturity upto 3 months	9,977.26	1,547.53
- wallets balances	1.91	5.04
	<b>26,998.97</b>	<b>6,151.87</b>
<b>12 Other bank balances</b>		
Deposits with maturity more than 3 months but less than 12 months	16,938.75	212.59
Balances with bank held as margin money	-	2,201.28
Balances with bank held as bank guarantee	2,827.72	1,698.46
	<b>19,766.47</b>	<b>4,112.33</b>
<b>13 Other current financial assets</b>		
Unsecured, considered good, unless otherwise stated		
Security deposits	536.84	219.87
Interest accrued but not due on deposits	414.11	73.45
Advances to employees	13.83	29.53
Other receivables#	73.11	14.32

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
Unbilled revenue	1,162.29	547.09
Government grant receivable (refer note below)	255.00	155.00
Advances to related parties*	-	25.00
	<b>2,455.18</b>	<b>1,064.26</b>

#Includes ₹ Nil (31 March 2020: ₹2.59 lakhs) receivables due from companies where Director of the Company is a director

\*Includes ₹ Nil (31 March 2020: ₹25.00 lakhs) receivables due from companies where Director of the Company is a director

**Note:**

Route Mobile Limited (RML) and Call2Connect (C2C) have been awarded incentive plan under the India BPO Promotion Scheme (IBPS), envisaged under Digital India Programme. In accordance with the agreement with Software Technology Parks of India, Government of India by RML, a Special Purpose Vehicle was formed in the name of "Route Connect Private Limited" (RCPL) with 74% stake held by RML and the balance by C2C.

As part of the scheme, RCPL is eligible for a government grant to the extent of 50% of capital and/or 100% of operational expenditure incurred on BPO/ITES operations on admissible items, subject to an upper ceiling of ₹1 lakh per seat.

Since the primary condition of the proposed Government grant is that C2C should commit to set up the BPO/ITES operations for required number of seats and operate it for a minimum period of three years from the date of commencement of the BPO/ITES operations, which is expected to be fulfilled by C2C, the grant has been recorded as a "revenue grant" in accordance with Indian Accounting Standard-20, "Accounting for Government Grants and Disclosure of Government Assistance" prescribed by Companies (Indian Accounting Standards) Rules, 2015. The grant has been recognized in the Consolidated Statement of Profit and Loss over the 3 year period to align it with the related cost. The Group has recognized ₹100 lakhs during year ended 31 March 2021 (Year ended 31 March 2020 - ₹100 lakhs) as grant income in the Consolidated Statement of Profit and Loss.

14 Other current assets

	As at 31 March 2021	As at 31 March 2020
Advances other than capital advances		
Prepaid expenses	144.17	123.06
Advance to suppliers	2,068.54	2,423.79
Balance with government authorities	723.41	2,263.30
Unamortised share issue expenses#	-	955.61
Foreign tax credit receivable\$	1,807.58	1,755.45
	<b>4,743.70</b>	<b>7,521.21</b>

# Represents expenses incurred by the Holding Company in connection with Initial Public Offering (IPO) of equity shares. In accordance with the Act and also as per the offer agreement entered between the Holding Company and the selling shareholders, the selling shareholders have reimbursed the share issue expenses in proportion to the respective shares offered for sale. Accordingly, the Holding Company has partly recovered the expenses incurred in connection with the issue on completion of IPO. The Holding Company's share of expenses has been adjusted against securities premium under Section 52 of the Act on completion of IPO in the current year and the amount receivable from selling shareholders has been recovered from them.

\$ Represents tax refund receivable by Route Mobile (UK) Limited (non resident shareholder of the 365Squared Limited) @ 6/7 of the income taxes paid in Malta by 365Squared Limited on distribution of such profits on which taxes have been paid in Malta, as dividend to Route Mobile (UK) Limited.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
15 Equity share capital		
<b>Authorised capital</b>		
100,000,000 (31 March 2020: 100,000,000) equity shares of ₹10 each	10,000.00	10,000.00
<b>Issued, subscribed and fully paid up</b>		
57,713,583 (31 March 2020: 50,000,000) equity shares of ₹10 each	5,771.36	5,000.00
	<b>5,771.36</b>	<b>5,000.00</b>

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2021		As at 31 March 2020	
	Number	Amount	Number	Amount
Balance at the beginning of the year	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Add: Issue of shares on public offer	68,57,142	685.72	-	-
Add: Issue of equity shares on exercise of employee stock options	8,56,441	85.64	-	-
<b>Balance at the end of the year</b>	<b>5,77,13,583</b>	<b>5,771.36</b>	<b>5,00,00,000</b>	<b>5,000.00</b>

(b) Rights, preferences and restrictions attached to equity shares

The Holding Company has one class of equity shares having a par value of ₹10 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors of the Holding Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts and the distribution will be in proportion to the number of equity shares held in the Holding Company.

(c) Shareholders holding more than 5% of the shares in the Company

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% of holding	Number of shares	% of holding
Sandipkumar Gupta	92,57,143	16.04%	1,44,00,000	28.80%
Rajdipkumar Gupta	92,57,143	16.04%	1,44,00,000	28.80%
CC Gupta Family Trust	50,00,000	8.66%	50,00,000	10.00%
Sunita Gupta	43,20,000	7.49%	43,20,000	8.64%
Sarika Gupta	43,20,000	7.49%	43,20,000	8.64%

(d) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date:

	As at 31 March 2017	
	Number	Amount
Equity shares allotted as fully paid bonus shares	3,00,00,000	3,000.00

(e) Shares reserved for issue under options:

For details of shares reserved for issue under the employee stock option plan (ESOP), refer note 48.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

16 Other equity

	As at 31 March 2021	As at 31 March 2020
(i) Reserves and surplus		
(a) Retained earnings	34,417.04	21,091.87
(b) Statutory reserve	0.34	0.34
(ii) Securities premium	24,048.29	-
(iii) Foreign currency translation reserve	975.07	846.22
<b>Total other equity</b>	<b>59,440.74</b>	<b>21,938.43</b>
<b>Retained earnings</b>		
Balance at the beginning of the year	21,091.87	17,057.86
Less: Change in accounting policy (Implementation of Ind AS 116, Leases )	-	(114.32)
Add: Profit for the year	13,332.02	5,826.99
Add: Other comprehensive income for the year	(6.85)	(24.50)
Less: Dividend paid	-	(1,500.00)
Less: Dividend distribution tax	-	(154.16)
<b>Balance at the end of the year</b>	<b>34,417.04</b>	<b>21,091.87</b>
<b>Securities premium</b>		
Balance at the beginning of the year	-	-
Add: Issue of shares on public offer	23,314.28	-
Add: Issue of equity shares on exercise of employee stock options	2,518.20	-
Less: Adjustment of share issue expenses (refer note 14)	(1,784.19)	-
<b>Balance at the end of the year</b>	<b>24,048.29</b>	<b>-</b>
<b>Statutory reserve</b>		
Balance at the beginning of the year	0.34	0.34
Add: Transferred from Retained earnings	-	-
<b>Balance at the end of the year</b>	<b>0.34</b>	<b>0.34</b>
<b>Foreign currency translation reserve</b>		
Balance at the beginning of the period	846.22	226.39
Add: Movement during the year (net)	128.85	619.83
<b>Balance at the end of the year</b>	<b>975.07</b>	<b>846.22</b>
<b>Other equity</b>	<b>59,440.74</b>	<b>21,938.43</b>

**Nature and purpose of reserves**

**(i) Retained earnings**

Retained earnings pertain to the accumulated earnings by the group over the years.

**(ii) Securities premium**

Securities premium is used to record the premium on issue of shares. These reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

**(iii) Statutory reserve**

The reserve is created by appropriating 10% of the net profits of Route Mobile LLC for the specific year as required by Article 9 of the Memorandum and Articles of Association of this Company.

**(iv) Foreign currency translation reserve**

Exchange difference arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit and loss when the net investment is disposed off.

17 Non current borrowings

	As at 31 March 2021	As at 31 March 2020
<b>Secured</b>		
Term loan from bank	376.37	402.11
Vehicle loans from banks	20.93	28.40
Less : Current maturities of long-term borrowings (refer note 22)	(56.39)	(59.31)
	<b>340.91</b>	<b>371.20</b>

**Details of repayment, rate of interest and security for loans from bank and financial institutions:**

Name of the Bank	Installments	No. of installments as on 31 March 2021	Installment Amount as on 31 March 2021	Rate of Interest	Nature of securities	As at 31 March 2021	As at 31 March 2020
HDFC Bank Limited	Monthly	29	23.26	8.6% p.a.	Vehicles	20.93	28.40
<b>Sub total</b>			<b>23.26</b>			<b>20.93</b>	<b>28.40</b>
Mahreqbank psc	Monthly	138	521.25	4.75% p.a for 1st year and thereafter 3 month EIBOR+4.49% margin	Office unit 403, Business Bay, Dubai	376.37	402.11
<b>Sub total</b>			<b>521.25</b>			<b>376.37</b>	<b>402.11</b>
<b>Total</b>			<b>544.51</b>			<b>397.30</b>	<b>430.51</b>

**Net debt reconciliation:**

Particulars	Non-current borrowings (including current maturity)	Current borrowings	Lease liabilities	Cash and cash equivalents and bank overdrafts
Net debt as on 1 April 2019	429.34	7,322.78	159.74	2,940.06
Adjustment basis implementation of Ind AS 116, Leases (refer note 43)	-	-	1,556.13	-
Cash flows (net)	(11.00)	(3,580.73)	(570.52)	3,211.81
Foreign exchange loss	12.17	-	5.49	-
Finance costs	40.11	249.44	142.17	-
Finance cost paid	(40.11)	(235.51)	(142.17)	-
<b>Net debt as at 31 March 2020</b>	<b>430.51</b>	<b>3,755.98</b>	<b>1,150.84</b>	<b>6,151.87</b>



Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Net debt reconciliation:

Particulars	Non-current borrowings (including current maturity)	Current borrowings	Lease liabilities	Cash and Cash equivalents
Net debt as on 1 April 2020	430.51	3,755.98	1,150.84	6,151.87
Adjustment on account of Ind AS 116, Leases	-	-	1,073.71	-
Cash flows (net)	(33.21)	(3,735.56)	(624.85)	20,707.56
Foreign exchange loss	-	-	-	139.54
Finance costs	29.36	156.32	78.61	-
Finance cost paid	(29.36)	(176.74)	(78.61)	-
<b>Net debt as at 31 March 2021</b>	<b>397.30</b>	<b>-</b>	<b>1,599.70</b>	<b>26,998.97</b>

	As at 31 March 2021	As at 31 March 2020
<b>18 Non-current Provisions</b>		
<b>Provisions for employee benefits</b>		
Gratuity (refer note 42)	273.96	223.23
	<b>273.96</b>	<b>223.23</b>
<b>19 Deferred tax liabilities (net)</b>		
<b>Deferred tax liability arising on account of :</b>		
Depreciation and amortisation	29.72	50.82
	<b>29.72</b>	<b>50.82</b>

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
<b>20 Current borrowings</b>		
<b>Secured</b>		
Working capital loan from bank	-	735.56
Term loan from bank	-	3,000.00
	<b>-</b>	<b>3,735.56</b>

Details of borrowings:

Nature of loan	Name of the Bank	As at 31 March 2021	As at 31 March 2020	Rate of Interest (p.a.)	Nature of securities
Term loan	Kotak Mahindra Bank Limited	-	900.00	Nil (31 March 2020:8.35% p.a)	Refer note (a)
Term loan (Foreign currency swap)	Kotak Mahindra Bank Limited	-	2,100.00	Nil (31 March 2020: 1.68% on Euro equivalent)	Refer note (a)
Working capital	HDFC Bank	-	735.56	Nil (31 March 2020: 1.55% plus 3 months MCLR i.e. 9.60% p.a.)	Refer note (b)
<b>Total</b>	<b>Total</b>	<b>-</b>	<b>3,735.56</b>		

a. Nature of security for term loan from bank:

**Kotak Mahindra Bank Limited**

(i) secured by way of exclusive charge over the current investments and fixed deposits.

b. Nature of security for Working capital loan from bank:

**HDFC Bank**

(i) secured by way of exclusive charge over the current assets and movable fixed assets of the Company.

(ii) Equitable mortgage of commercial property situated in Mumbai owned by Company.

(iii) personal guarantees of the directors (Rajdipkumar Gupta, Sandipkumar Gupta and Chandrakant Gupta)

	As at 31 March 2021	As at 31 March 2020
<b>21 Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises	5.05	-
Total outstanding dues of creditors other than micro enterprises and small enterprises*	23,843.82	18,122.81
	<b>23,848.87</b>	<b>18,122.81</b>

\*This includes ₹ Nil (31 March 2020: ₹16.69 lakhs) payables to group companies/ related parties.

\* The Group has identified Micro and Small Enterprises on the basis of information made available. Details of dues to micro and small enterprises as per MSMED Act, 2006 are:

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount	5.05	-
- interest thereon, included in finance cost	-	-

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure.	-	-
The information in the above mentioned table is compiled by the management on the basis of response received from vendors as to their classification as micro or small enterprise.		
<b>22 Other current financial liabilities</b>		
Current maturity of long-term borrowings (refer note 17)	56.39	59.31
Interest accrued but not due on borrowings	-	20.42
Security deposits	17.66	13.34
Capital creditors	459.98	1.18
Dues to employees	111.14	51.98
Outstanding expenses	3,819.24	3,440.00
Mark to market of derivative financial instruments	-	118.68
Payable on account of business combination (refer note 46)	-	5,097.71
	<b>4,464.41</b>	<b>8,802.62</b>
<b>23 Current provisions</b>		
<b>Provisions for employee benefits</b>		
Gratuity (refer note 42)	50.96	41.32
Compensated absences (refer note 42)	-	41.16
	<b>50.96</b>	<b>82.48</b>
<b>24 Current tax liabilities (net)</b>		
Provision for tax (net of advance tax)	4,082.78	2,438.30
	<b>4,082.78</b>	<b>2,438.30</b>
<b>25 Other current liabilities</b>		
Statutory dues	2,200.29	362.37
Advance from customers	371.53	491.73
	<b>2,571.82</b>	<b>854.10</b>

Note: There are no amounts due to be transferred to the Investor Education and Protection Fund as at the year end.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
<b>26 Revenue from operations</b>		
Sale of services		
Messaging services	1,38,145.82	92,747.35
Call center services	2,471.66	2,877.93
	<b>1,40,617.48</b>	<b>95,625.28</b>
<b>Disaggregation of revenue:</b>		
<b>Revenue based on geography</b>		
Domestic	20,535.57	18,350.90
Export	1,20,081.91	77,274.38
	<b>1,40,617.48</b>	<b>95,625.28</b>
<b>27 Other income</b>		
Interest income on financial assets measured at amortised cost:		
- Fixed deposits	788.56	265.27
- Security deposits	24.33	25.19
Interest on income tax refund	68.09	3.70
Liabilities no longer payable, written back	33.00	301.39
Provision for doubtful debts written back	20.75	-
Rental income	-	1.06
Fair value changes of contingent consideration (refer note 46)	-	241.92
Net gain arising on financial assets designated as FVTPL	90.38	123.25
Gain on derivative financial instrument (net)	66.28	70.60
Net gain on foreign currency transactions and translation	284.53	-
Gain on extinguishment of lease liabilities (net)	41.13	-
Government grant (refer note 13)	100.00	100.00
Miscellaneous income	80.87	52.51
	<b>1,597.92</b>	<b>1,184.89</b>
<b>28 Purchases of messaging services</b>		
Purchases of messaging services	1,12,905.00	76,415.47
	<b>1,12,905.00</b>	<b>76,415.47</b>
<b>29 Employee benefits expense</b>		
Salaries and wages (refer note 42(II and III))	5,996.70	5,549.05
Contribution to provident fund and other funds (refer note 42(I))	46.82	56.13
Staff welfare expense	105.79	214.87
	<b>6,149.31</b>	<b>5,820.05</b>

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
<b>30 Finance costs</b>		
Interest on borrowings from banks	164.47	281.37
Interest on lease liabilities	78.61	142.17
Interest on delayed payment of statutory dues	11.30	55.09
Other borrowing cost	21.21	8.18
	<b>275.59</b>	<b>486.81</b>
<b>31 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment (refer note 2)	580.92	550.65
Depreciation on right-of-use assets - Computers (refer note 4(a))	67.06	100.60
Depreciation on right-of-use assets- Building (refer note 4(a))	449.56	466.10
Amortisation on intangible assets (refer note 4(b))	1,477.95	1,150.56
	<b>2,575.49</b>	<b>2,267.91</b>
<b>32 Other expenses</b>		
Power and fuel	131.84	194.06
Office maintenance expenses	59.78	54.61
Repairs and maintenance - Others	138.66	141.31
Insurance	29.10	45.98
Rent (refer note 42)	88.37	81.67
Rates and taxes	12.15	37.94
Stamp duty charges	158.13	-
Internet, data centre and cloud services	417.20	382.51
Travelling and conveyance	70.33	313.07
Printing and stationery	18.39	24.04
Business promotion	80.13	379.31
Donations	12.21	1.56
Expenditure on Corporate Social Responsibility (refer note 48)	48.99	92.30
Legal and professional charges	2,162.97	847.62
Auditor's remuneration (refer note below)	67.32	51.12
Advances and trade receivable written off	211.08	67.65
Provision for doubtful debts and advances	98.13	91.15
Net loss on foreign currency transactions and translation	-	245.69
Bank charges	81.70	84.02
Loss on derivative transaction	-	4.54
Membership and subscription	29.18	9.72
Sitting fees to directors	14.50	11.25
Miscellaneous expenses	226.28	233.39
	<b>4,156.44</b>	<b>3,394.51</b>

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
<b>Note:</b>		
<b>Auditors' remuneration (excluding good and services tax)</b>		
As auditor		
Statutory audit	67.21	47.00
In other capacity		
Other Services*	71.00	69.22
Reimbursement of expenses	0.11	0.77
	<b>138.32</b>	<b>116.99</b>
* Including ₹71.00 lakhs (31 March 2020: ₹65.87 lakhs) paid towards assurance services in connection with the Initial Public Offering of equity shares of the Company and disclosed as 'share issue expenses' in note 14.		
<b>33 Exceptional item</b>		
Service tax (refer note below)	-	1,489.09
	<b>-</b>	<b>1,489.09</b>
The Service tax department ("department") had issued a Show Cause cum Demand Notice (SCDN) to the Group, based on the understanding that the Group has not discharged the service tax liability under reverse charge mechanism on the purchases of messages from its foreign vendors and sale to their overseas customers.		
During the year ended 31 March 2020, the Group has opted for the benefit of 'Sabka Vishwas Legacy Dispute Resolution Scheme, 2019' ("the Scheme"). The Scheme covers past disputes and voluntary disclosure of taxes by declarants under various central laws which got subsumed under GST, including Central Excise and Service Tax. In accordance with the Scheme, the Group has determined its liability @ 50% of tax demand in respect of its service tax dues and ₹1,489.09 lakhs has been recorded in the consolidated financial statements towards the settlement for the aforesaid service tax matter.		
<b>34 Tax expense</b>		
<b>Current tax expense</b>		
Current tax	3,790.95	2,023.80
Foreign tax credit	(730.56)	(873.37)
Tax adjustment in respect of earlier years	(82.47)	(67.90)
<b>Total current tax expense</b>	<b>2,977.92</b>	<b>1,082.53</b>
<b>Deferred taxes</b>		
Deferred tax expenses/(credit)	(99.37)	33.35
<b>Net deferred tax expenses/(credit)</b>	<b>(99.37)</b>	<b>33.35</b>
<b>Total income tax expense</b>	<b>2,878.55</b>	<b>1,115.88</b>
<b>34.1 Tax reconciliation (for profit and loss)</b>		
<b>Profit before tax</b>	16,153.57	6,936.33
Tax at the rate of 25.168%**	4,065.53	1,745.73
<b>Tax effect of amounts which are not deductible / not taxable in calculating taxable income</b>		
Expenses permanently disallowed	82.93	13.99
Tax paid on dividend income from subsidiaries		187.22
Amortisation on intangible assets not qualifying for tax allowances	236.30	263.38
Effect of difference between Indian and foreign tax rates	(241.02)	100.04
Foreign tax credit	(730.56)	(873.37)

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Tax adjustment of prior years	(82.47)	(67.90)
Effect of difference in tax liability between Indian and non taxable foreign subsidiaries	(627.94)	(441.84)
Difference in tax liability due to non-recognition of tax impact in loss making subsidiaries	88.60	101.29
Change in tax rates	-	60.06
Others	87.18	27.28
<b>Income tax expense</b>	<b>2,878.55</b>	<b>1,115.88</b>

34.2 The movement in deferred tax assets and liabilities during the year ended 31 March 2021 and 31 March 2020 are as follows:

	As at 1 April 2019 Deferred tax assets/ (liabilities)	Credit/ (charge) in retained earnings	Credit/(charge) in statement of profit and loss	Credit/(charge) in other comprehensive income	Exchange difference	As at 31 March 20 Deferred tax assets/ (liabilities)
Depreciation and amortisation	65.12	-	(42.94)	-	(2.86)	19.32
Provision for compensated absences	7.70	-	2.69	-	-	10.39
Provision for gratuity	51.99	-	3.75	4.77	-	60.51
Provision for expenses	168.62	-	(13.79)	-	-	154.83
Difference in book values and tax base values of ROU asset and Lease liability	-	14.24	(3.53)	-	-	10.71
Brought forward losses	-	-	55.76	-	-	55.76
Net gain on financial assets designated as FVTPL	-	-	(47.77)	-	-	(47.77)
Provision for doubtful debts and advances	55.37	-	12.48	-	-	67.85
<b>Total</b>	<b>348.80</b>	<b>14.24</b>	<b>(33.35)</b>	<b>4.77</b>	<b>(2.86)</b>	<b>331.60</b>
	As at 1 April 2020 Deferred tax assets/ (liabilities)	Credit/ (charge) in retained earnings	Credit/(charge) in statement of profit and loss	Credit/(charge) in other comprehensive income	Exchange difference	As at 31 March 21 Deferred tax assets/ (liabilities)
Depreciation and amortisation	19.32	-	37.73	-	1.26	58.31
Provision for compensated absences	10.39	-	(10.39)	-	-	-
Provision for gratuity	60.51	-	11.31	3.21	-	75.03
Provision for expenses	154.83	-	144.73	-	(0.19)	299.37
Difference in book values and tax base values of ROU asset and Lease liabilities	10.71	-	(19.69)	-	-	(8.98)
Brought forward losses	55.76	-	(29.88)	-	-	25.88
Net gain on financial assets designated as FVTPL	(47.77)	-	(22.75)	-	-	(70.52)
Provision for doubtful debts and advances	67.85	-	(11.69)	-	-	56.16
<b>Total</b>	<b>331.60</b>	<b>-</b>	<b>99.37</b>	<b>3.21</b>	<b>1.07</b>	<b>435.25</b>

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

35 Other comprehensive income

	Year ended 31 March 2021	Year ended 31 March 2020
<b>Items that will be reclassified to profit or loss</b>		
Gains and losses arising from translating the financial statements of foreign operations	136.58	597.56
Income tax relating to this item	-	-
<b>Items that will not be reclassified to profit or loss</b>		
Remeasurements of defined employee benefit plans	(10.06)	(29.27)
Income tax relating to this item	3.21	4.77
	<b>129.73</b>	<b>573.06</b>
	As at 31 March 2021	As at 31 March 2020

36 Assets pledged as security

<b>Current assets</b>		
Fixed deposits lien by bank against working capital loan	-	3,899.74
Investments	-	1,189.80
Trade receivables	-	11,179.81
Other bank balances	-	202.09
Loans	-	2,233.97
Other current financial assets	-	886.76
Other current assets	-	4,425.57
	-	<b>24,017.74</b>
<b>Non Current assets</b>		
Moveable fixed assets (Furniture and office equipment)	-	119.02
Building	651.48	884.60
Computers	-	329.76
Vehicle	21.30	92.63
<b>Total non-current assets</b>	<b>672.78</b>	<b>1,426.01</b>
<b>Total assets pledged as security</b>	<b>672.78</b>	<b>25,443.75</b>



37 Fair value measurements

**Financial instruments by category:**

Particulars	31 March 2021		31 March 2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial Assets - Non-current</b>				
Other non-current financial assets	-	3,167.44	-	1,619.56
<b>Financial Assets - Current</b>				
Investments	1,280.18	-	1,189.80	-
Trade receivables	-	21,730.29	-	20,369.94
Cash and cash equivalents	-	26,998.97	-	6,151.87
Other bank balances	-	19,766.47	-	4,112.33
Other current financial assets	-	2,455.18	-	1,064.26
<b>Financial Liabilities - Non-current</b>				
Borrowings (including current maturities)	-	397.30	-	430.51
Lease liability (including current maturities)	-	1,599.70	-	1,150.84
<b>Financial Liabilities - Current</b>				
Borrowings	-	-	-	3,735.56
Trade payables	-	23,848.87	-	18,122.81
Other current financial liabilities	-	4,408.02	-	8,743.31

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at 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 into the three levels prescribed under the Ind AS. An explanation of each level follows underneath the table.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

The fair values for Security deposits, loan to employees, fixed deposits, non-current borrowings and lease liability are based on discounted cash flows using a discount rate determined considering the borrowing rate quotation received from the bank.

III. Financial assets and liabilities measured at fair value Fair value hierarchy - recurring fair value measurement:

Particulars	31 March 2021	31 March 2020
Investment in Mutual funds	1,280.18	1,189.80

Fair value of the mutual funds are based on NAV at the reporting date.

Since the valuation of investment is done based on observable inputs, the investment is categorised as Level 2.

IV. Assets and liabilities which are measured at amortised cost for which fair values are disclosed

(It is categorised under Level 3 of fair value hierarchy)

Particulars	31 March 2021		31 March 2020	
	Fair Value	Carrying amount	Fair Value	Carrying amount
<b>Financial Assets - Non-current</b>				
Other financial assets				
- Security deposits	2,916.82	2,916.82	1,613.56	1,613.56
- Loan to employees (including current maturity)	-	-	1.55	1.55
Fixed deposits with bank having maturity of more than 12 months	250.62	250.62	5.60	5.60
<b>Financial Liabilities - Non-current</b>				
Borrowings (including current maturities)	397.30	397.30	430.51	430.51
Lease obligations	1,599.70	1,599.70	1,150.84	1,150.84

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of trade receivables, cash and bank balances, current investments, other current financial assets, trade payables, current borrowings and other current financial liabilities are considered to be approximately equal to the fair value.

38 Financial risk management

The Group is exposed primarily to fluctuations in foreign currency exchange rates, credit risk, liquidity risk and interest rate risk which may adversely impact the fair value of its financial instrument. The Group has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by Board of Directors of Holding Company. The focus of the Board of directors is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the Group.

The Group's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the group's operations. The group's principal financial assets include current investments, trade and other receivables, and cash and bank balances and bank deposits that derive directly from its operations.

A Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms and obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. The financial instruments that are subject to concentration of credit risk principally consist of trade receivables, current investments, cash and bank balances and bank deposits.

The trade receivables of the Group are typically non-interest bearing un-secured customers. The customer base is widely distributed both economically and geographically. Credit risk is controlled by analysing credit limits and credit worthiness of the customer based on their financial position, past experience and other factors, on continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

The credit limit policy is established considering the current economic trends of the industry in which the Group is operating.

The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates, accordingly provision is created. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the consolidated statement of profit and loss.

Bank balances and deposits are held with only high rated banks and majority of other security deposits are placed majorly with government agencies.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

The table below provide details regarding past dues receivables as at each reporting date:

Particulars	As at 31 March 2021	As at 31 March 2020
Upto 3 months	19,473.71	19,198.57
3 - 6 months	841.67	785.92
6 - 12 months	813.65	316.86
More than one year	933.66	323.61
<b>Total</b>	<b>22,062.69</b>	<b>20,624.96</b>
Provision for expected credit loss created	332.40	255.02

**B Liquidity risk**

Liquidity risk is the risk that the group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The group's objective is to maintain optimum levels of liquidity and to ensure that funds are available for use as per requirement.

The liquidity risk principally arises from obligations on account of following financial liabilities viz. borrowings, trade payables and other financial liabilities.

The group's corporate finance department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarises the maturity profile of the group's financial liabilities based on contractual undiscounted payments at each reporting date:

**As at 31 March 2021**

Particulars	Upto 1 year	Between 1 and 3 years	Beyond 3 years	Total
<b>Financial Liabilities - Non-Current</b>				
Borrowings (including current maturities)	56.39	103.44	385.27	<b>545.10</b>
Lease liability (including current maturities)	481.97	723.18	609.79	<b>1,814.94</b>
<b>Financial Liabilities - Current</b>				
Borrowings	-	-	-	-
Trade payables	23,848.87	-	-	<b>23,848.87</b>
Other current financial liabilities	4,408.02	-	-	<b>4,408.02</b>
<b>Total</b>	<b>28,795.25</b>	<b>826.62</b>	<b>995.06</b>	<b>30,616.93</b>

**As at 31 March 2020**

Particulars	Upto 1 year	Between 1 and 3 years	Beyond 3 years	Total
<b>Financial Liabilities - Non-Current</b>				
Borrowings (including current maturities)	59.31	161.69	392.23	613.23
Lease liability (including current maturities)	588.42	605.14	-	1,193.56
<b>Financial Liabilities - Current</b>				
Borrowings	3,735.56	-	-	3,735.56
Trade payables	18,122.81	-	-	18,122.81
Other current financial liabilities	8,743.31	-	-	8,743.31
<b>Total</b>	<b>31,249.41</b>	<b>766.83</b>	<b>392.23</b>	<b>32,408.47</b>

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

**C Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and price risk. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

**(i) Foreign currency risk**

The group operates internationally and portion of the business is transacted in several currencies and consequently the group is exposed to foreign exchange risk through its sales in overseas markets and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure on overseas sales is partly balanced by purchasing of services in the respective currencies.

The group's exposure to foreign currency risk at the end of reporting period are as under:

₹ in lakhs

Particulars	31 March 2021	31 March 2020
<b>Financial liabilities</b>		
Trade Payables Euro	1,388.21	911.81
Trade Payables USD	15,168.94	4,287.94
Trade Payables AED	-	10.27
Trade Payables FJD	0.06	0.06
Other payables Euro	-	5,097.71
Borrowings Euro	-	2,100.00
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>16,557.21</b>	<b>12,407.79</b>
<b>Financial assets</b>		
Trade Receivable Euro	6,825.89	4,783.23
Trade Receivable USD	5,146.83	8,467.07
Trade Receivable GBP	-	0.69
Bank Balance USD	2,348.06	1,514.56
Bank Balance GBP	78.04	71.21
Bank Balance SGD	0.59	0.58
Bank Balance Euro	8,979.22	1,255.11
<b>Net exposure to foreign currency risk (assets)</b>	<b>23,378.63</b>	<b>16,092.45</b>
<b>Net exposure to foreign currency assets/(liabilities)</b>	<b>6,821.42</b>	<b>3,684.66</b>

The following table demonstrates the sensitivity in EUR, USD, AED,SGD, FJD and GBP and with all other variables held constant. The below impact on the group's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

**Sensitivity to foreign currency risk**

The following table demonstrates the sensitivity in foreign currency with all other variables held constant. The below impact on the Group's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

(₹ in lakhs)

Currencies	31 March 2021		31 March 2020	
	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%
EUR	(288.34)	288.34	41.42	(41.42)
USD	153.48	(153.48)	(113.87)	113.87
AED	-	-	0.21	(0.21)
GBP	(1.56)	1.56	(1.44)	1.44
SGD	(0.01)	0.01	(0.01)	0.01
FJD	0.00	(0.00)	0.00	(0.00)

(ii) **Price risk**

The Group is exposed to price risk from its investment in mutual funds classified in the balance sheet at fair value through profit and loss.

To manage its price risk arising from the investment, the Group has invested in the mutual fund after considering the risk and return profile of the mutual funds i.e. the debt profile of the mutual fund indicates that the debt has been given to creditworthy banks and other institutional parties and equity investment is made after considering the performance of the stock.

**Sensitivity**

(₹ in lakhs)

Particulars	Impact on profit for the year ended 31 March 2021	Impact on profit for the year ended 31 March 2020
Impact on profit before tax for 5% increase in NAV	64.01	59.49
Impact on profit before tax for 5% decrease in NAV	(64.01)	(59.49)

(iii) **Cash flow and fair value interest rate risk**

Interest rate risk arises from the sensitivity of the financial liabilities to changes in market rate of interest. The group's exposure to the risk of changes in market interest rate relates primarily to the current borrowings with floating interest rate.

According to the Group, interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

**Exposure to interest rate risk**

Particulars	As at 31 March 2021	As at 31 March 2020
Total Borrowings	397.30	4,186.50
% of Borrowings out of above bearing variable rate of interest	0.00%	17.58%

**Interest rate sensitivity**

**A change of 50 bps in interest rates would have following Impact on profit before tax**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
50 bps increase would decrease the profit before tax by	(0.41)	(1.19)
50 bps decrease would increase the profit before tax by	0.41	1.19

**39 Capital Management**

The Groups' objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders. The amounts managed as capital by the Group are summarised below:

Particulars	As at 31 March 2021	As at 31 March 2020
Borrowings#	397.30	4,186.50
Less: Cash and cash equivalents	(26,998.97)	(6,151.87)
Net debt	(26,601.67)	(1,965.37)
Equity	65,212.10	26,938.43
Capital and net debt	38,610.43	24,973.05
Gearing ratio	-68.90%	-7.87%

#Borrowings for the above purpose includes non-current borrowings, current borrowings, current maturities of non current borrowings and Interest accrued but not due on borrowings.

**Dividend:**

Particulars	31 March 2021	31 March 2020
<b>Equity dividend</b>		
Dividend on equity shares declared and paid during the year		
Final dividend for the year ended 31 March 2019 of ₹1.5 per share	-	750.00
Interim dividend for the year ended 31 March 2020 of ₹1.5 per share	-	750.00
Proposed dividend on equity shares not recognised as liability		
Proposed final dividend for the year ended 31 March 2021 of ₹2 ( 31 March 2020: Nil) per fully paid share	1,154.27	-

**40 Related party disclosures:**

**(a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
(i) Directors and Key Management Personnel (KMP) (with whom transactions have taken place)	Rajdikumar Gupta Sandipkumar Gupta Chandrakant Gupta Rathindra Das, Company Secretary Suresh Jankar, Chief Financial Officer Sudha Navandar Ankit Paleja (Independent Director till 31 January 2020) Ramachandran Sivathanu Nimesh Salot (Independent Director with effect from 12 February 2020) Arun Vijaykumar Gupta (Independent Director with effect from 19 November 2020)

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Description of relationship	Names of related parties
(ii) Entities in which KMP/relatives of KMP can exercise significant influence (with whom transaction have taken place)	29 Three Holidays Private Limited
	Spectrum Technologies
	Zon Hotels Private Limited (formerly, Shrem Resort Private Limited)
	Chandrakant Gupta HUF
	Rajdikumar Gupta HUF
	Sandipkumar Gupta HUF
	CC Gupta Family Trust
	Saraswati Devi Charitable Trust
	Horizon Sports India Private Limited
	Ahana Hospitality LLP (formerly, Ahana Hospitality Private Limited)
Route Mobile Foundation for Education and Sports (with effect from 26 March 2021)	
(iii) Relatives of KMP (with whom transactions have taken place)	Chamelidevi Gupta
	Sarika Gupta
	Sunita Gupta
	Tanvi Gupta

(b) Details of related party transactions :

Particulars	Directors and Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP can exercise significant influence		Relatives of KMP	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Purchase of messaging services</b>						
Spectrum Technologies	-	-	93.90	11,670.31	-	-
<b>Sale of messaging services</b>						
Spectrum Technologies	-	-	321.37	-	-	-
<b>Travelling and conveyance</b>						
29 Three Holidays Private Limited	-	-	5.81	246.61	-	-
<b>Expenses reimbursed by other company</b>						
29 Three Holidays Private Limited	-	-	1.54	0.97	-	-
Spectrum Technologies	-	-	3.30	-	-	-
<b>Expenses reimbursed to other company/others</b>						
29 Three Holidays Private Limited	-	-	40.41	13.03	-	-
<b>Bad debts written off</b>						
29 Three Holidays Private Limited	-	-	-	0.17	-	-

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	Directors and Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP can exercise significant influence		Relatives of KMP	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Sponsorship Fees</b>						
Horizon Sports India Private Limited	-	-	-	35.00	-	-
<b>Business advance given</b>						
Zon Hotels Private Limited (formerly, Shrem Resort Private Limited)	-	-	-	55.00	-	-
Spectrum Technologies	-	-	-	2,557.37	-	-
29 Three Holidays Private Limited	-	-	-	25.00	-	-
<b>Rental income</b>						
29 Three Holidays Private Limited	-	-	-	0.90	-	-
Ahana Hospitality LLP (formerly, Ahana Hospitality Private Limited)	-	-	-	0.16	-	-
<b>Business advance received back</b>						
Spectrum Technologies	-	-	1,313.22	1,000.89	-	-
29 Three Holidays Private Limited	-	-	25.00	-	-	-
<b>Remuneration to Directors*</b>						
Rajdikumar Gupta	133.14	75.94	-	-	-	-
Sandipkumar Gupta	226.54	199.65	-	-	-	-
<b>Remuneration to KMP*</b>						
Suresh Jankar	56.00	56.45	-	-	-	-
Rathindra Das	30.40	28.89	-	-	-	-

\*Gratuity liability and compensated absences are determined for the Group as a whole. Therefore, the same cannot be disclosed for the key managerial personnel separately

Details of related party transactions

Particulars	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Sitting fees to Directors</b>						
Sandipkumar Gupta	3.50	3.00	-	-	-	-
Chandrakant Gupta	2.25	1.25	-	-	-	-
Sudha Navandar	3.25	2.50	-	-	-	-
Arun Vijaykumar Gupta	0.75	-	-	-	-	-
Ankit Paleja	-	0.50	-	-	-	-
Ramachandran Sivathanu	3.25	3.00	-	-	-	-
Nimesh Salot	1.50	1.00	-	-	-	-
<b>Expenditure on Corporate Social Responsibility</b>						
Route Mobile Foundation for Education and Sports	-	-	47.19	-	-	-
Saraswati Devi Charitable Trust	-	-	-	35.00	-	-



Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	Directors and Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP can exercise significant influence		Relatives of KMP	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Salaries and Wages</b>						
Sarika Gupta	-	-	-	-	3.75	9.00
Sunita Gupta	-	-	-	-	3.75	9.00
Tanvi Gupta	-	-	-	-	2.50	6.00
<b>Share issue expenses recovered</b>						
Sandipkumar Gupta	1,361.46	-	-	-	-	-
Rajdipkumar Gupta	1,361.46	-	-	-	-	-
<b>Dividend Paid</b>						
Sandipkumar Gupta	-	432.00	-	-	-	-
Rajdipkumar Gupta	-	432.00	-	-	-	-
Chandrakant Gupta	-	69.00	-	-	-	-
Chamelidevi Gupta	-	-	-	-	-	69.00
Sunita Gupta	-	-	-	-	-	129.60
Sarika Gupta	-	-	-	-	-	129.60
Chandrakant Gupta HUF	-	-	-	10.80	-	-
Rajdipkumar Gupta HUF	-	-	-	9.00	-	-
Sandipkumar Gupta HUF	-	-	-	9.00	-	-
CC Gupta Family Trust	-	-	-	150.00	-	-
<b>(c) Balances with related parties (as at year-end)</b>						
<b>Balances outstanding at the end of the year</b>						
<b>Trade receivable</b>						
29 Three Holidays Private Limited	-	-	-	0.01	-	-
<b>Other receivable</b>						
29 Three Holidays Private Limited	-	-	-	2.59	-	-
<b>Amount payable</b>						
29 Three Holidays Private Limited	-	-	-	12.02	-	-
Spectrum Technologies	-	-	-	4.67	-	-
<b>Advances receivable</b>						
29 Three Holidays Private Limited	-	-	-	25.00	-	-
Spectrum Technologies	-	-	-	1,556.48	-	-
<b>Security deposit taken</b>						
29 Three Holidays Private Limited	-	-	-	0.30	-	-

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	Directors and Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP can exercise significant influence		Relatives of KMP	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Remuneration payable</b>						
Sandipkumar Gupta	73.22	48.71	-	-	-	-
Rajdipkumar Gupta	-	33.63	-	-	-	-
<b>Salaries and Wages payable</b>						
Sarika Gupta	-	-	-	-	-	0.19
Sunita Gupta	-	-	-	-	-	0.19
Tanvi Gupta	-	-	-	-	-	0.12

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs vide cash/bank payment. There have been no guarantees received or provided for any related party receivables or payables. For the year ended 31 March 2021, the Group has recorded impairment of receivables/advances of Nil (31 March 20: ₹0.17 lakhs) relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

41 (a) Statement of consolidated net assets, consolidated profit/(loss), other comprehensive income and total comprehensive income attributable to equity shareholders of the Holding Company and Non-controlling interests

For disclosures mandated by Schedule III of Companies Act, 2013, by way of additional information, refer details below:

Name of the entities in the group	Country of incorporation	Net Assets, i.e. total assets minus total liabilities		Share in profits/(loss)		Share in other comprehensive income / (loss)		Total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income/(loss)	Amount	As % of consolidated comprehensive income	Amount
<b>Parent:</b>									
Route Mobile Limited	India								
31 March 2021		53.08%	34,474.32	16.82%	2,232.52	-7.35%	(9.54)	16.58%	2,222.98
31 March 2020		27.81%	7,431.68	12.97%	754.69	-2.47%	(14.17)	11.58%	740.52
<b>Subsidiaries:</b>									
<b>Indian</b>									
Sphere Edge Consulting India Private Limited	India								
31 March 2021		1.86%	1,207.06	2.98%	394.95	0.00%	-	2.95%	394.95
31 March 2020		3.04%	812.44	1.76%	102.20	0.00%	-	1.60%	102.20
Cellent Technologies India Private Limited	India								
31 March 2021		0.14%	92.26	0.54%	71.34	0.00%	-	0.53%	71.34
31 March 2020		0.08%	20.93	(2.17%)	(126.06)	0.00%	-	(1.97%)	(126.06)

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Name of the entities in the group	Country of incorporation	Net Assets, i.e. total assets minus total liabilities		Share in profits/ (loss)		Share in other comprehensive income / (loss)		Total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income/(loss)	Amount	As % of consolidated comprehensive income	Amount
Start Corp India Private Limited	India								
31 March 2021		0.20%	127.49	0.00%	0.11	0.00%	-	0.00%	0.11
31 March 2020		0.48%	127.38	0.07%	4.04	0.00%	-	0.06%	4.04
Call 2 Connect India Private Limited	India								
31 March 2021		1.12%	729.56	(1.67%)	(221.04)	2.07%	2.69	(1.63%)	(218.35)
31 March 2020		(0.20%)	(52.20)	(1.58%)	(92.23)	(1.80%)	(10.33)	-1.60%	(102.56)
Route Connect Private Limited	India								
31 March 2021		0.02%	13.77	-0.01%	(0.92)	0.00%	-	-0.01%	(0.92)
31 March 2020		0.05%	14.69	0.66%	38.29	0.00%	-	0.60%	38.29
<b>Foreign</b>									
RouteSMS Solutions (UK) Limited (refer note 1 below)	United Kingdom								
31 March 2021		22.28%	14,466.19	57.00%	7,566.67	633.78%	822.16	62.59%	8,388.83
31 March 2020		22.75%	6,077.03	69.62%	4,052.65	-55.88%	(320.16)	58.38%	3,732.49
Routesms Solutions Nigeria Limited	Nigeria								
31 March 2021		2.36%	1,533.70	5.45%	723.15	(8.00%)	(10.38)	5.32%	712.77
31 March 2020		3.07%	820.93	6.08%	353.82	0.55%	3.15	5.58%	356.97
RouteSMS Solutions (FZE) Limited (refer note 1 below)	United Arab Emirates								
31 March 2021		22.30%	14,483.00	19.20%	2,549.35	(320.41%)	(415.64)	15.92%	2,133.71
31 March 2020		46.22%	12,349.29	30.11%	1,752.82	165.27%	947.13	42.23%	2,699.95
Route Mobile Pte. Ltd.	Singapore								
31 March 2021		(0.29%)	(189.07)	0.12%	15.89	(3.98%)	(5.17)	0.08%	10.72
31 March 2020		(0.75%)	(199.80)	1.35%	78.53	(1.86%)	(10.68)	1.06%	67.85

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Name of the entities in the group	Country of incorporation	Net Assets, i.e. total assets minus total liabilities		Share in profits/ (loss)		Share in other comprehensive income / (loss)		Total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income/(loss)	Amount	As % of consolidated comprehensive income	Amount
<b>Non - Controlling interest in all subsidiaries</b>									
RouteSMS Solutions (FZE) Limited									
31 March 2021		(0.39%)	(250.45)	(0.41%)	(54.34)	5.47%	7.10	(0.35%)	(47.24)
31 March 2020		(0.76%)	(203.21)	0.05%	2.74	(3.87%)	(22.21)	(0.30%)	(19.47)
RouteSMS Solutions (UK) Limited									
31 March 2021		(0.02%)	(15.97)	(0.02%)	(2.66)	0.48%	0.63	(0.02%)	(2.03)
31 March 2020		(0.05%)	(13.94)	(0.16%)	(9.28)	(0.01%)	(0.06)	(0.15%)	(9.34)
<b>Intercompany elimination and consolidation adjustments</b>									
31 March 2021		(2.66%)	(1,726.16)	0.00%	-	-202.07%	(262.13)	(1.96%)	(262.13)
31 March 2020		(1.74%)	(463.94)	(18.76%)	(1,091.76)	0.07%	0.39	(17.07%)	(1,091.37)
<b>Total</b>									
31 March 2021			64,945.69		13,275.02		129.72		13,404.73
31 March 2020			26,721.30		5,820.44		573.05		6,393.52

Note: 1. Amount disclosed is after consolidation with subsidiaries and associate, as applicable.

(b) Non-controlling interest (NCI)

Summarised Balance sheet

Particulars	Route Mobile Limited (Ghana)		Route Mobile LLC (UAE)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Current assets	64.27	82.88	2,027.37	2,348.88
Current liabilities	(43.55)	(89.25)	(2,520.17)	(2,749.14)
<b>Net current assets</b>	<b>20.72</b>	<b>(6.37)</b>	<b>(492.80)</b>	<b>(400.26)</b>
Non-current assets	19.04	8.37	1.72	1.80
Non-current liabilities	(92.99)	(48.50)	-	-
<b>Net non-current assets</b>	<b>(73.95)</b>	<b>(40.13)</b>	<b>1.72</b>	<b>1.80</b>
<b>Net assets</b>	<b>(53.23)</b>	<b>(46.50)</b>	<b>(491.08)</b>	<b>(398.46)</b>
<b>Accumulated NCI</b>	<b>(15.97)</b>	<b>(13.94)</b>	<b>(250.45)</b>	<b>(203.21)</b>

**Summarised statement of profit and loss**

Particulars	Route Mobile Limited (Ghana)		Route Mobile LLC (UAE)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Revenue	69.24	75.26	4,313.22	5,304.67
Profit/(loss) for the period	(8.87)	(30.95)	(106.56)	5.37
Other comprehensive income	2.09	(0.20)	13.92	(43.56)
<b>Total comprehensive income</b>	<b>(6.78)</b>	<b>(31.15)</b>	<b>(92.64)</b>	<b>(38.19)</b>
(Loss)/Profit allocated to NCI	(2.66)	(9.28)	(54.34)	2.74
Other comprehensive income/(loss) allocated to NCI	0.63	(0.06)	7.10	(22.21)
Total comprehensive income/(loss) allocated to NCI	(2.03)	(9.34)	(47.24)	(19.47)
Dividend paid to NCI	-	-	-	-

**Summarised cash flows**

Particulars	Route Mobile Limited (Ghana)		Route Mobile LLC (UAE)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Cash flows from operating activities	27.25	6.47	15.29	266.13
Cash flows from investing activities	-	-	(0.65)	-
Cash flows from financing activities	48.46	-	-	-
<b>Net (decrease) in cash and cash equivalents</b>	<b>75.71</b>	<b>6.47</b>	<b>14.64</b>	<b>266.13</b>

42 **Employee benefits (as applicable to India entities)**

**I. Contribution to Defined contribution plan, recognised as expenses for the period as under:**

	Year ended 31 March 2021	Year ended 31 March 2020
Employer contribution to provident fund and other fund	33.41	13.39
Employer contribution to employees state insurance scheme	8.24	15.70
	<b>41.65</b>	<b>29.09</b>

**II. Gratuity:**

Defined benefit plans: - The Indian entities in the group provide for gratuity benefit under a defined benefit retirement scheme (the "Gratuity Scheme") as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. Liabilities with regard to the Gratuity Scheme are determined by actuarial valuation carried out using the Projected Unit Credit Method by an independent actuary in accordance with Indian Accounting Standard-19, 'Employee Benefits'. The Gratuity Scheme is a non-funded scheme and the group intends to discharge this liability through its internal resources.

The following table sets out the unfunded status of the Gratuity Scheme in respect of employees of the Indian entities in the group:

	As at 31 March 2021	As at 31 March 2020
<b>(a) Change in present value of benefit obligation</b>		
Projected Benefit Obligation ("PBO") at the beginning of the period	264.55	187.21
Current service cost	45.68	38.90
Interest cost	14.70	11.97
Remeasurements due to:		
- Effect of change in financial assumptions	4.47	11.17
- Effect of change in demographic assumptions	-	(0.01)
- Effect of experience adjustments	5.59	18.11
Benefits paid	(10.07)	(2.80)
<b>Present value of obligation at the end of the period</b>	<b>324.92</b>	<b>264.55</b>
<b>(b) Current / Non Current benefit obligation</b>		
Current	50.96	41.32
Non-current	273.96	223.23
<b>Amount recognised in the Consolidated Balance sheet</b>	<b>324.92</b>	<b>264.55</b>

	Year ended 31 March 2021	Year ended 31 March 2020
<b>(c) Amount recognised in the Consolidated Statement of Profit and Loss</b>		
Current service cost	45.68	38.90
Interest cost	14.70	11.97
<b>Total expense included in "Employee benefit expense"</b>	<b>60.38</b>	<b>50.87</b>
<b>(d) Amount recognised in Other Comprehensive Income (OCI)</b>		
Remeasurements due to:		
- Effect of change in financial assumptions	4.47	11.17
- Effect of change in demographic assumptions	-	(0.01)
- Effect of experience adjustments	5.59	18.11
<b>Actuarial loss recognised in Other comprehensive income</b>	<b>10.06</b>	<b>29.27</b>

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

	As at 31 March 2021	As at 31 March 2020
<b>(e) Assumptions</b>		
Discount rate	5.75%	6.05%
Salary escalation rate	10.00%	10.00%
Withdrawal rate	20.00%	20.00%
Mortality Table	Indian assured lives mortality (2012-14) ultimate	Indian assured lives mortality (2012-14) ultimate
Retirement age	58 years	58 years

**(f) Maturity pattern for defined benefit obligations**

Expected cash flows	31 March 2021	31 March 2020
Year 1	50.96	40.81
Year 2	50.16	38.81
Year 3	49.39	38.79
Year 4	40.96	37.87
Year 5	37.18	30.85
Year 6-10	123.83	102.91

**(g) Sensitivity Analysis:**

Defined benefit obligation	324.92	264.55
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	31 March 2021			31 March 2020		
	Change in the assumption	Increase in profit before tax	Decrease in profit before tax	Change in the assumption	Increase in profit before tax	Decrease in profit before tax
Discount rate	50 bps	7.72	7.38	50 bps	7.11	5.16
Salary growth rate	50 bps	5.63	5.69	50 bps	5.71	3.90

**III. Compensated absences**

The Company has written back ₹41.16 lakhs (provided during the year ended 31 March 2020: ₹14.72 lakhs) towards compensated absences during the year ended 31 March 2021.

**43 Leases**

The Group has discounted lease payments using the incremental borrowing rate as at 1 April 2019 for measuring lease liabilities at ₹1,556.13 lakhs and accordingly recognised right-of-use assets at ₹1,361.40 lakhs by adjusting retained earnings by ₹114.32 lakhs (net of tax), including adjustments for lease equalisation reserve, as at the aforesaid date. In the Statement of Profit and Loss for the current period, expenses in the nature of operating leases are recognised as amortisation of right-of-use assets and finance costs, as compared to lease rent in previous periods.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021  
(₹ in lakhs, except for share data, and if otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>The Balance sheet discloses the following amounts relating to leases:</b>		
<b>Right-of-use assets</b>		
Computers	-	67.06
Buildings	1,566.10	898.88
	<b>1,566.10</b>	<b>965.94</b>
<b>Lease liabilities</b>		
Current	481.97	588.42
Non-current	1,117.73	562.42
	<b>1,599.70</b>	<b>1,150.84</b>

Amounts recognised in statement of profit and loss	For the year ended 31 March 2021	For the year ended 31 March 2020
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<b>Depreciation charge on Right-of-use assets</b>		
Computers	67.06	100.60
Buildings	449.56	466.10
	<b>516.62</b>	<b>566.70</b>

Interest expense included in finance cost	78.61	142.17
Expense relating to short-term leases	88.37	81.67
Expense relating to leases of low-value assets that are not shown above as short-term leases	-	-
Expense relating to variable lease payments not included in lease liability	-	-
Total cash outflow for leases during current financial year (excluding short term leases)	703.46	712.69
Additions to the right of use assets during the current financial year	1,165.91	-

**The Company has taken computers and computer servers on finance lease. The future lease rent payable on such assets taken on finance lease are as follows:**

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Minimum lease payments</b>		
Not later than 1 year	-	57.33
Later than 1 year but not later than 5 years	-	-
Beyond 5 years	-	-
<b>Present value of minimum lease payments</b>		
Not later than 1 year	-	55.71
Later than 1 year but not later than 5 years	-	-
Beyond 5 years	-	-

c) The Group has applied the practical expedient available as per amendment to Ind AS 116, "Leases", for rent concessions which are granted due to COVID-19 pandemic. Accordingly, ₹70.40 lakhs has been recognised under 'Other income' for the year ended 31 March 2021.



**Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021**  
(₹ in lakhs, except for share data, and if otherwise stated)

**44 Interest in other entities**

The Consolidated Financial Statements present the Consolidated Accounts of Route Mobile Limited with its following subsidiaries:

Sr. No.	Relationship	Name of the Subsidiary	Principal place of business and country of incorporation	Proportion of ownership interest 31 March 2021	Proportion of ownership interest 31 March 2020
1	Subsidiary	Route Mobile (UK) Limited	UK	100%	100%
2	Subsidiary	Sphere Edge Consulting India Private Limited	India	100%	100%
3	Subsidiary	RouteSMS Solutions FZE	UAE	100%	100%
4	Subsidiary	RouteSMS Solutions Nigeria Limited	Nigeria	100%	100%
5	Subsidiary	Cellent Technologies India Private Limited	India	100%	100%
6	Subsidiary	Start Corp India Private Limited	India	100%	100%
7	Subsidiary	Route Mobile Pte. Ltd. - Singapore	Singapore	100%	100%
8	Subsidiary	Call 2 Connect India Private Limited	India	100%	100%
9	Subsidiary	Route Connect Private Limited	India	100%	100%

**45 Commitments and contingencies**

	As at 31 March 2021	As at 31 March 2020
<b>(i) Claims against the group not acknowledged as debts</b>		
Income tax matters*	1,658.50	1,446.08
Service tax matters*	2,592.19	2,567.51
Guarantees given on behalf of the group by banks	2,827.72	1,698.46
	<b>7,078.41</b>	<b>5,712.05</b>

\*The above figure does not include amounts towards certain additional penalty and interest that may devolve on the Group in the event of an adverse outcome as the same is subjective and not capable of being presently quantified.

**Provident Fund (as applicable to Indian entities)**

(ii) The Honourable Supreme Court, has passed a judgement on 28 February 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The management, based on legal advice, is of the view that the applicability of the judgement to the Indian entities, with respect to the period and the nature of allowances to be covered due to interpretation challenges, and resultant impact on the past provident fund liability, cannot be reasonably ascertained.

**Non compliance with FEMA Regulations by the Holding Company**

(iii) There are certain delays in payment of foreign currency payables and receipt of foreign currency receivables within the group as at 31 March 2021, outstanding beyond the timelines stipulated vide FED Master Direction No. 17/2016-17 and the FED Master Direction No. 16/2015-16 respectively, read with RBI circulars RBI/2019-20/242 No.33 dated 22 May 2020 and RBI/2019-20/206 No.27 dated 1 April 2020 respectively, under the Foreign Exchange Management Act, 1999. The management of the Holding Company is in the process of filing necessary applications seeking set off of receivables and payables and condonation of delays with the appropriate authorities for regularizing these defaults. Pending conclusion of the aforesaid matter, the amount of fine/penalty, if any, that may be levied, is not ascertainable and accordingly, the accompanying consolidated financial statements do not include any adjustments that may arise due to such fine/penalty.

**46 Business Combination**

The contingent consideration payable to the selling shareholders of 365squared Limited (selling shareholders) have been confirmed at EURO 9,090,392, based on agreement dated 24 September 2019 executed between the Company and the selling shareholders.

**Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021**  
(₹ in lakhs, except for share data, and if otherwise stated)

The differential amount of EURO 309,608 (equivalent to ₹241.92 lakhs, based on exchange rate on 24 September 2019, the date of agreement execution), as compared to contingent consideration of EURO 9,400,000 recorded earlier, has been credited to the Consolidated Statement of Profit and Loss during the year ended 31 March 2020.

First instalment of EURO 3,000,000 has been paid during the year ended 31 March 2020 and the balance earn-out amount of Euro 6,090,392 (equivalent to ₹5,097.71 lakhs as on 31 March 2020) has been paid during the year ended 31 March 2021.

**47 Segment reporting**

The Group's chief operating decision maker for evaluating group performance and for allocating resources based on analysis of various performance indicators, has identified four operative segments by geography.

Particulars	India	Dubai	United Kingdom	Nigeria	Unallocated	Eliminations	Total
<b>Segment revenue</b>							
External revenue	39,811.48	15,682.73	71,927.58	10,312.35	2,883.34	-	1,40,617.48
Inter-segment revenue	13,221.31	2,497.29	23,049.74	385.37	2,388.41	(41,542.12)	-
<b>Total revenue</b>	<b>53,032.79</b>	<b>18,180.02</b>	<b>94,977.32</b>	<b>10,697.72</b>	<b>5,271.75</b>	<b>(41,542.12)</b>	<b>1,40,617.48</b>
<b>Segment Results</b>	<b>2,467.92</b>	<b>1,842.97</b>	<b>8,240.10</b>	<b>1,192.31</b>	<b>1,074.02</b>	<b>13.92</b>	<b>14,831.24</b>
Add/(less):							
Other income							1,597.92
Finance costs							275.59
<b>Profit before tax</b>							<b>16,153.57</b>
<b>Less: Tax expense</b>							
Current tax							2,977.92
Deferred tax expense							(99.37)
<b>Profit for the period before non-controlling interests</b>							<b>13,275.02</b>
Less: non-controlling interests (NCI)							(57.00)
<b>Profit for the period</b>							<b>13,332.02</b>

**Other segment information:**

1. Segment assets (including of NCI)	65,726.75	25,174.47	63,362.10	3,653.21	15,105.32	(70,813.04)	1,02,208.81
2. Segment liabilities (including of NCI)	29,082.30	10,941.93	42,997.81	2,119.51	5,167.68	(53,046.10)	37,263.13
3. Non-current assets** (including of NCI)	5,984.24	682.73	159.68	27.48	16,205.13	(1,457.65)	21,601.61
4. Depreciation and amortisation expenses (including of NCI)	1,416.45	46.80	120.05	0.28	991.91	-	2,575.49

\*\* Non-current assets are excluding financial assets and deferred tax assets

Segment reporting as at and for the year ended 31 March 2020

Particulars	India	Dubai	United Kingdom	Nigeria	Unallocated	Eliminations	Total
<b>Segment revenue</b>							
External revenue	40,822.98	14,762.10	30,325.73	6,057.92	3,656.55	-	95,625.28
Inter-segment revenue	7,826.59	4,132.60	15,123.46	256.37	7,132.80	(34,471.82)	-
<b>Total revenue</b>	<b>48,649.57</b>	<b>18,894.70</b>	<b>45,449.19</b>	<b>6,314.29</b>	<b>10,789.35</b>	<b>(34,471.82)</b>	<b>95,625.28</b>
<b>Segment Results</b>	<b>919.68</b>	<b>1,622.59</b>	<b>2,685.53</b>	<b>520.96</b>	<b>1,954.28</b>	<b>24.30</b>	<b>7,727.34</b>
Add/(less) :							
Other income							1,184.89
Finance costs							486.81
<b>Profit before exceptional items and tax</b>							<b>8,425.42</b>
<b>Exceptional items</b>							<b>1,489.09</b>
<b>Profit before tax</b>							<b>6,936.33</b>
<b>Less: Tax expense</b>							
Current tax							1,082.53
Deferred tax expense							33.35
<b>Profit for the period before non-controlling interests</b>							<b>5,820.45</b>
Less: non-controlling interests							6.54
<b>Profit for the period</b>							<b>5,826.99</b>

Other segment information:

1. Segment assets (including of NCI)	40,384.99	20,554.09	42,811.57	1,706.09	16,504.85	(59,408.35)	62,553.24
2. Segment liabilities (including of NCI)	32,030.07	8,408.02	32,295.79	885.16	6,246.38	(44,033.46)	35,831.96
3. Non-current assets** (including of NCI)	4,991.38	749.79	263.31	7.90	14,587.04	(457.57)	20,141.85
4. Depreciation and amortisation expenses (including of NCI)	1,038.72	50.52	78.01	0.20	1,100.46	-	2,267.91

\*\* Non-current assets are excluding financial assets, deferred tax assets and investment in associate

B) Major customer

The Company earns revenue from two major customers who individually contribute more than 10 percent of the Company's revenue for the year ended 31 March 2021.

48 Employee Stock Option Plan (ESOP)

The Holding Company has implemented Employee Stock Option Plan for the employees of the Holding Company and its subsidiaries through Route Mobile Employee Welfare Trust (the "trust") formed for the purpose. All the options issued by the Holding Company are equity share based options which have to be settled in equity shares only. The shares are to be allotted to employees under the ROUTE MOBILE LIMITED - Employee Stock Option Plan 2017 (the 'ESOP scheme'). The shareholders at its meeting held on October 12, 2017 approved grant of 2,500,000 employee share options to eligible employees under the ESOP scheme of Holding Company.

I. The position of the Employee Stock Option Scheme of the Holding Company as at March 31, 2021 is as under:

Sr. No.	Particulars	ESOP Scheme
1	Details of approval	Resolution passed by Nomination and Remuneration committee in the meeting dated October 05, 2017 and the shareholders, in the Extra ordinary General Meeting held on October 12, 2017 had approved the grant of 2,500,000 employee stock options in accordance with the ESOP Scheme, equivalent to 5% of the issued and paid up share capital of the Holding Company.
2	Implemented through	Trust
3	Total number of stock options approved	25,00,000
4	Total number of stock options granted ( Grant I )	14,52,500
	Total number of stock options granted (Grant II)	8,88,500
	Total number of stock options granted (Grant III)	4,70,500
5	Vesting schedule ( Grant I )	Each 25% of granted options shall vest on October 12, 2018, October 12, 2019, October 12, 2020 and October 12, 2021 respectively.
	Vesting schedule ( Grant II )	Each 25% of granted options shall vest on February 20, 2021, February 20, 2022, February 20, 2023 and February 20, 2024 respectively.
	Vesting schedule ( Grant III )	Each 25% of granted options shall vest on June 25, 2021, June 25, 2022, June 25, 2023 and June 25, 2024 respectively.
6	Maximum term of Options granted (years)	4 years
7	Source of shares (Primary, Secondary or combination)	Primary
8	Price per option	₹300/-
	Price per option Grant ( Grant II )	₹326.16/-
	Price per option Grant ( Grant III )	₹326.16/-
9	The exercise period and process of exercise	Exercise anytime within five years from date of vesting.

II. Method used to account for ESOP

The Holding Company has recorded compensation cost for all grants made to employees under the fair value method of accounting. The fair value of each option granted is estimated on the date of grant using Discounted cash flow method. There was no material change in the fair value of the option from the date of valuation to grant date, hence there is no charge in the statement of profit and loss on account of ESOP.

III. Weighted average exercise price of Options granted:

	Grant I	Grant II	Grant III
Exercise price equals fair market value	₹300	₹326.16	₹326.16
Exercise price is greater than fair market value	Nil	Nil	Nil
Exercise price is less than fair market value	Nil	Nil	Nil

IV. Weighted average fair value of Options granted:

	Grant I	Grant II	Grant III
Fair value of options granted	₹300	₹326.16	₹326.16

V. Employee-wise details of options granted:

(i) Employees who were granted, options amounting to 5% or more of the options granted

Sr. No.	Name of Employee	Designation	Exercise Price per share (₹)	Number of Options granted
1	Mr. Rahul Pandey	Chief Credit Officer	300.00	1,50,000
			326.16	10,000

(ii) Identified employees who were granted options, equal to or exceeding 1% of the issued capital of the company at the time of grant:

Sr. No.	Name of Employee	Designation	Exercise Price per share (₹)	Number of Options granted
1	Nil	Nil	Nil	Nil

VI. The movement of stock options are summarized below:

Particulars	Number of options	
	31 March 2021	31 March 2020
Outstanding at the beginning of the year	20,55,500	12,67,250
Options granted during the year	4,70,500	8,88,500
Options forfeited / lapsed during the year	54,500	1,00,250
Options exercised during the year	8,56,441	Nil
Options expired during the year	Nil	Nil
Options outstanding at the end of the year	16,15,059	20,55,500
Options exercisable at the end of the year	2,24,184	5,98,500

Unallocated options as at 31 March 2021 are 23,500 options

VII. The exercise price and expected remaining contractual life (comprising the vesting period and exercise period) of options outstanding as at 31 March 2021 is as follows:

Grant I

Sr. No.	Grant Date	Number of Options granted	Vesting Date	Exercise End Date	Exercise Price per share (₹)	Expected remaining contractual life (Months)
1	13 October 2017	39,800	12 October 2019	11 October 2024	300	42
2	13 October 2017	99,725	12 October 2020	11 October 2025	300	54
3	14 October 2017	2,85,500	12 October 2021	11 October 2026	300	66

Grant II

Sr. No.	Grant Date	Number of Options granted	Vesting Date	Exercise End Date	Exercise Price per share (₹)	Expected remaining contractual life (Months)
1	21 February 2020	84,659	20 February 2021	19 February 2026	326.16	59
2	21 February 2020	2,16,625	20 February 2022	19 February 2027	326.16	71
3	21 February 2020	2,16,625	20 February 2023	19 February 2028	326.16	83
4	21 February 2020	2,16,625	20 February 2024	19 February 2029	326.16	95

Grant III

Sr. No.	Grant Date	Number of Options granted	Vesting Date	Exercise End Date	Exercise Price per share (₹)	Expected remaining contractual life (Months)
1	26 June 2020	1,13,875	25 June 2021	24 June 2026	326.16	63
2	26 June 2020	1,13,875	25 June 2022	24 June 2027	326.16	75
3	26 June 2020	1,13,875	25 June 2023	24 June 2028	326.16	87
4	26 June 2020	1,13,875	25 June 2024	24 June 2029	326.16	99

VIII. Assumptions:

Sr. No.	Particulars	Grant I	Grant II and Grant III
1	Risk Free Interest Rate	6.70%	6.55%
2	Expected Life (years)	4	4
3	Expected Volatility	56%	100%
4	Market Risk Premium	8.82%	2.32%
5	Cost of debt	11.00%	12.87%
6	Terminal Growth Rate	4.00%	3%
7	Cost of capital	11.06%	12.53%

49 The Holding Company has completed its Initial Public Offering (IPO) of 17,142,856 equity shares of face value of ₹10 each at an issue price of ₹350 per equity share, consisting of fresh issue of 6,857,142 equity shares and an offer for sale of 10,285,714 equity shares by the selling shareholders of the Holding Company. The equity shares of the Holding Company were listed on BSE limited and National Stock Exchange of India Limited on 21 September 2020.

The utilisation of IPO proceeds is summarised below:

(₹ in lakhs)

Particulars	Objects of the issue as per the Prospectus	Utilisation upto 31.03.2021	Unutilised amounts as on 31.3.2021
Repayment or pre-payment, in full or part, of certain borrowings of the Company	3,650.00	3,650.00	-
Acquisitions and other strategic initiatives	8,300.00	4,084.80	4,215.20
Purchase of office premises in Mumbai	6,500.00	-	6,500.00
General corporate purposes (including IPO related expenses apportioned to the Company)	5,550.00	1,784.19	3,765.81
<b>Net utilisation</b>	<b>24,000.00</b>	<b>9,518.99</b>	<b>14,481.01</b>

IPO proceeds which remain unutilised as at 31 March 2021 were temporarily invested/parked in deposits with scheduled commercial banks, current account and in monitoring agency account.

50 Summary of acquisition

During the year, the Holding Company has completed acquisition of a division, comprising intellectual property (software) and related customer contracts, of TeleDNA Communications Private Limited (TeleDNA), a Bengaluru based company specializing in development of telecom related solutions, under slump sale arrangement for total consideration of ₹1,200 lakhs. The following table presents the purchase price allocation (PPA) :-

**Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021**  
(₹ in lakhs, except for share data, and if otherwise stated)

The fair value of assets and liabilities as at the date of acquisition, in accordance with PPA, is as below:

Description	Purchase price allocation (₹ in lakhs)
Net assets	16.23
Customer related intangibles	651.00
Intellectual properties (software)	388.00
Non-compete	38.00
Goodwill	106.77
<b>Total purchase price</b>	<b>1,200.00</b>

Note: Management has appointed an independent valuation expert to allocate the purchase price to the identifiable assets and liabilities and identified intangible assets. Basis the procedure performed for purchase price allocation, management represents that identifiable assets and liabilities including identifiable intangible assets and resulting goodwill are disclosed at the fair value as on the date of acquisition.

**51 Earnings per share**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Net profit after tax attributable to equity shareholders of the Holding Company	13,332.02	5,826.99
Weighted average number of shares outstanding during the year - Basic	5,38,40,834	5,00,00,000
Weighted average number of shares outstanding during the year - Diluted	5,50,18,128	5,00,00,000
Basic earnings per share (₹)	24.76	11.65
Diluted earnings per share (₹)	24.23	11.65
Nominal value per equity share (₹)	10	10

**52 Contribution towards Corporate Social Responsibility (CSR)**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Details of CSR expenditure of Holding company:-</b>		
Amount required to be spent as per Section 135 of the Act	26.40	43.59
Amount spent during the year on,		
(i) Construction/acquisition of any assets	-	-
(ii) For purpose other than (i) above	48.99	92.30

**53 COVID-19**

In assessing the recoverability of receivables, investment and other assets, the Group has considered internal and external information up to the date of these consolidated financial statements including credit reports and economic forecasts. The Group has performed sensitivity analysis on the assumptions used and based on the current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from the estimate as at the date of these consolidated financial statements and the Group will closely monitor any material changes to future economic conditions and respond accordingly.

**Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021**  
(₹ in lakhs, except for share data, and if otherwise stated)

**54 Subsequent events**

- The Holding Company has entered into a share purchase agreement (SPA) dated 29 April 2021 to acquire Phonon Communications Private Limited ("Phonon"), a leading communications automation platform provider for total consideration of ₹2,900 lakhs. The acquisition allows Route Mobile to leverage Phonon's supercharged customer experience platform and enable brands to deliver personalized experiences across digital touchpoints. The acquisition is subject to customary closing actions and internal approvals.
- The Board of Directors have recommended a final dividend of Rs. 2 per equity share (face value of Rs.10 each) for the year ended 31 March 2021, subject to necessary approval by the members in the ensuing Annual General Meeting of the Company.

As per our report of even date attached.

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**Bharat Shetty**  
Partner  
Membership No.: 106815

**Place:** Mumbai  
**Date:** May 18, 2021

**For and on behalf of the Board of Directors of Route Mobile Limited**

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)  
Place: Goa

**Suresh Jankar**  
Chief Financial Officer  
Place: Mumbai

**Place:** Mumbai  
**Date:** May 18, 2021

**Rajdipkumar Gupta**  
Managing Director  
(DIN No. 01272947)  
Place: Goa

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)  
Place: Assam



