



Independent Auditor's Report on Special Purpose Financial Information

To,
The Board of Directors,
Route Mobile Nepal Private Limited

OPINION

1. We have audited the accompanying special Purpose financial statements of PT Route Mobile Nepal Private Limited ("the Company") which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter together referred to as "the Special Purpose financial statements").
2. In our opinion, the accompanying special Purpose Information/Statement for the year ended 31st March, 2024 has been prepared in all Material respects, in accordance with the basis of Accounting specified in notes to the special purpose Financial Statement.

BASIS FOR OPINION

3. We conducted our audit of the financial statements in accordance with the International Standards on Auditing (ISAs), subject to Materiality as specified in audit instructions as described Further in paragraph 10 below. 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 Group in accordance with the 'Code of Ethics' for Professional Accountants issued by the International Ethics Standards Board for Accountants (ISEBA Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



BASIS OF ACCOUNTING AND RESTRICTION ON USE AND DISTRIBUTION

4. We draw attention to Note 1 to the Special Purpose Financial Statement which describes the basis of accounting for aforesaid Special Purpose Financial Statement. Special Purpose Financial Statement has been prepared by the management solely for Limited Purpose to enable its ultimate holding Company Route Mobile Limited to prepare its Financial Statements for the year ended 31st March, 2024., and therefore, it may not be suitable for another purpose. This report is issued solely for the aforementioned purpose and intended only for use by the management of the Group and the statutory auditors of the Ultimate Holding company in relation to the audit of Financial Statements of the Ultimate holding company and accordingly, should not be used, referred to or distributed for any other purpose or to any party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE SPECIAL PURPOSE FINANCIAL STATEMENTS

5. The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company. 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 the 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. 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.
7. Those Charged with Governance are responsible for overseeing the company's financial reporting process.



AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF SPECIAL FINANCIAL STATEMENT

8. Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 ISAs 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 Special Purpose Financial statements.
9. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's Internal Control.
 - 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.

10. As requested by the group auditor in their audit instructions of the Company, we have planned and performed our audit using the materiality level specified in their audit instructions, which is different from the materiality level that we would have used, had we been designing the audit to express an opinion on the special purpose financial information alone. We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

FOR N. DOSI & Co.
Chartered Accountants
Firm Registration No- 0119288W

Nilesh Dosi

Nilesh Dosi
Proprietor
Mem. No. 106858
Place: Mumbai
Date: 30/04/2024
UDIN: 24106858BKACTX4545



Route Mobile Nepal Private Limited

Balance sheet as at 31 st March 2024

(Amounts in NPR, except for share data, and if otherwise stated)

	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Financial assets			
Other non - current assets	2	15,00,000	65,00,000
Deferred tax assets (net)	3	6,22,063	6,22,062
		<u>21,22,063</u>	<u>71,22,062</u>
Current assets			
Financial assets			
Trade receivables	4	12,10,100	3,90,277
Cash and cash equivalents	5	1,13,56,403	13,27,420
Other Financial Asset	6	2,03,368	1,90,711
		<u>1,27,69,871</u>	<u>19,08,408</u>
		<u>1,48,91,933</u>	<u>90,30,470</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	1,00,00,000	50,00,000
Other equity	8	(13,68,097)	(18,66,186)
		<u>86,31,903</u>	<u>31,33,814</u>
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	9	58,75,085	55,15,789
		<u>58,75,085</u>	<u>55,15,789</u>
Current liabilities			
Financial liabilities			
Trade payables	10	2,18,915	1,08,900
Other current financial liabilities	11	-	2,65,110
Deferred tax liabilities (net)	12	1,66,030	-
Other current liabilities	13	-	6,856
		<u>3,84,945</u>	<u>3,80,866</u>
		<u>1,48,91,933</u>	<u>90,30,470</u>
Significant accounting policies and other explanatory information	1-24		

This is the Balance Sheet referred to in our report of even date

For N. Dosi & Co.

Chartered Accountants

Firm Reg No : 0119288W

Nilesh Dosi

Proprietor

M.No : 106858

Place : Mumbai

Date : 30/04/2024

UDIN No: 24106858BKACTX4S4S

For Route Mobile Nepal Private Limited

Sandipkumar Gupta
Director



Route Mobile Nepal Private Limited
Statement of profit and loss for the year ended 31 March, 2024
(Amounts in NPR, except for share data, and if otherwise stated)

	Note	Year ended 31 March 2024	Year ended 31 March 2023
I. Revenue from operations	14	8,23,991	2,42,477
II. Other Income		-	-
III. Total Revenue (I + II)		8,23,991	2,42,477
IV. Expenses			
Purchases of short messaging services	15	73,354	2,40,727
Other expenses	16	86,518	8,74,578
Total expenses		1,59,872	11,15,305
V. Profit / (Loss) before tax (III-IV)		6,64,119	(8,72,827)
Tax expense			
(i) Current tax		-	-
(ii) Deferred tax Expense/(Credit)		1,66,030	(2,18,207)
		<u>1,66,030</u>	<u>(2,18,207)</u>
VI Net profit / (loss) after tax (V-VI)		4,98,089	(6,54,621)
VII Earnings / (loss) per equity share:	22		
Basic and diluted (in NPR.)		4.98	(13.09)
Face value per share (in NPR.)		10	10

Significant accounting policies and other explanatory information 1-24

This is the Statement of Profit and Loss referred to in our report of even date.

For N. Dosi & Co.
Chartered Accountants
Firm Reg No : 0119288W

For Route Mobile Nepal Private Limited

Nilesh Dosi

Nilesh Dosi
Partner
M.No : 106858
Place : Mumbai

Date : 30/04/2024

UDIN No: 24106858BKACTX4545



Sandipkumar Gupta
Sandipkumar Gupta
Director



Route Mobile Nepal Private Limited

Cashflow Statement for the year ended 31 March 2024

(Amounts in NPR, except for share data, and if otherwise stated)

	31 March 2024	31 March 2023
Cash flows from operating activities		
Profit / (loss) before tax	6,64,119	(8,72,827)
Operating profit / (loss) before working capital changes	6,64,119	(8,72,827)
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(8,19,823)	(2,60,384)
Other current financial assets	(12,657)	(1,67,704)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	1,10,015	(6,69,522)
Other financial liabilities	(2,65,110)	(28,247)
Other current liabilities	(6,856)	(89,566)
Cash generated from operating activities	(9,94,431)	(12,15,422)
Net income tax refund / (paid)	-	-
Net cash generated from operating activities (A)	(3,30,313)	(20,88,249)
Cash flows from investing activities		
Net cash generated from / (used in) investing activities (B)	-	-
Cash flows from financing activities		
Intercompany Borrowings	3,59,296	20,88,249
Further issue of shares	50,00,000	-
Share application money received	50,00,000	-
Net cash generated used in financing activities (C)	1,03,59,296	20,88,249
Net increase / (decrease) in cash and cash equivalents	1,00,28,983	-
Cash and cash equivalents as at the beginning of the period	13,27,420	13,27,420
	1,13,56,403	13,27,420
Components of Cash and Cash Equivalents:		
Cash on hand		
Balances with banks		
- in current accounts	1,13,56,403	13,27,420
Total	1,13,56,403	13,27,420

For N. Dosi & Co.
Chartered Accountants
Firm Reg No : 0119288W



Nilesh Dosi
Partner
M.No : 106858
Place : Mumbai
Date : 30/04/2024
UDIN No: 24106858BKACTX4545



For Route Mobile Nepal Private Limited


Sandip Kumar Gupta
Director



Route Mobile Nepal Private Limited

Statement of Changes in Equity for the year ended 31 March, 2024
(Amounts in NPR, except for share data, and if otherwise stated)

Equity share capital

Particulars	Note	Number of shares	Amount
As at 31 March 2023	7	50,000	50,00,000
Changes during the year		50,000	50,00,000
As at 31 March 2024		1,00,000	1,00,00,000

Other equity

Particulars	Retained earnings
Balance as at 31 March 2023	(18,66,186)
Profit / (loss) for the year	4,98,089
Balance as at 31 March 2024	(13,68,097)

For N. Dosi & Co.
Chartered Accountants
Firm Reg No : 0119288W

For Route Mobile Nepal Private Limited

Nilesh Dosi

Nilesh Dosi
Partner
M.No : 106858
Place : Mumbai
Date : 30/04/2024
UDIN No: 24106858BKACTX4545



Sandip Kumar Gupta

Sandip Kumar Gupta
Director



Route Mobile Nepal Private Limited

Summary of the significant accounting policies and other explanatory information as at and for the year ended 31 March 2024

Company Overview

Route Mobile Nepal Pvt. Ltd. is registered with the Registrar of Companies under the Companies Act, 2063 (Registration Number 189885/074/075 on 8th of Jestha 2075). The registered office of the Company is located at Ward no 11, Trade tower, Thapathali, Kathmandu, Nepal 44600

The Company is a cloud communication provider to enterprises, over-the-top players and mobile network operators.

1 Significant accounting policies and assumptions

(i) Statement of compliance

This financial statement has been prepared by management for purposes of providing information to Route Mobile Limited (the "ultimate holding company") to enable it to prepare its consolidated financial statement.

The ultimate holding company has adopted Ind AS notified by the Ministry of Corporate Affairs and accordingly the financial statement have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS prescribed under section 133 of the Companies Act, 2013 of India, read with relevant rules issued thereunder for the purpose of consolidation for the year ended 31 March 2023.

The standalone financial statement 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.

(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



Route Mobile Nepal Private Limited

Summary of the significant accounting policies and other explanatory information as at and for the year ended 31 March 2024

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.

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) Foreign currency

The functional currency of the Company is NPR.

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.

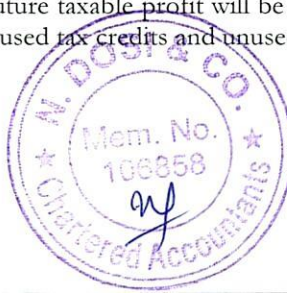
Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated at year end.

(vii) Income taxes

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.



Route Mobile Nepal Private Limited

Summary of the significant accounting policies and other explanatory information as at and for the year ended 31 March 2024

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.

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.

(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.



Route Mobile Nepal Private Limited

Summary of the significant accounting policies and other explanatory information as at and for the year ended 31 March 2024

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.



Route Mobile Nepal Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March, 2024
(Amounts in NPR, except for share data, and if otherwise stated)

	As at 31 March 2024	As at 31 March 2023
2 Other non - current assets		
Security deposits	15,00,000	15,00,000
Share application money receivable	-	50,00,000
	<u>15,00,000</u>	<u>65,00,000</u>
3 Deferred tax assets (net)		
Deferred tax assets arising on account of :		
Disallowance	6,22,063	6,22,062
Total deferred tax assets	<u>6,22,063</u>	<u>6,22,062</u>
4 Trade receivables		
Related party receivables	12,10,100	3,90,277
	<u>12,10,100</u>	<u>3,90,277</u>
5 Cash and cash equivalents		
Balances with banks:		
- in current accounts	1,13,56,403	13,27,420
	<u>1,13,56,403</u>	<u>13,27,420</u>
6 Other Financial assets		
VAT receivable	68,416	55,759
Advance to supplier	1,34,952	1,34,952
	<u>2,03,368</u>	<u>1,90,711</u>



Route Mobile Nepal Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March, 2024
(Amounts in NPR, except for share data, and if otherwise stated)

	As at 31 March 2024	As at 31 March 2023
7 Ordinary share capital		
Authorised capital		
100,000 Ordinary Shares of NPR. 100/= each	1,00,00,000	1,00,00,000
Issued, subscribed and fully paid up		
100,000 Ordinary Shares of NPR. 100/= each	1,00,00,000	50,00,000
	1,00,00,000	50,00,000

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Balance at the beginning of the year	50,000	50,00,000	50,000	50,00,000
Add: Issued during the year	50,000	50,00,000	-	-
Balance at the end of the year	1,00,000	1,00,00,000	50,000	50,00,000

(b) Shareholders holding more than 5% of the shares

	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% of holding	Number of shares	% of holding
Route Mobile (UK) Limited	1,00,000	100	50,000	100
Total	1,00,000	100	50,000	100



Route Mobile Nepal Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March, 2024

(Amounts in NPR, except for share data, and if otherwise stated)

8 Other equity

	As at 31 March 2024	As at 31 March 2023
Surplus in the statement of profit and loss	(13,68,097)	(18,66,186)
Total other equity	(13,68,097)	(18,66,186)
Surplus in the statement of profit and loss		
Balance at the beginning of the year	(18,66,186)	(12,11,565)
Add: Profit / (loss) for the year	4,98,089	(6,54,621)
Balance at the end of the year	(13,68,097)	(18,66,186)
Other equity	(13,68,097)	(18,66,186)

Nature and purpose of reserves**(i) Surplus in the statement of profit and loss**

Retained earnings pertain to the accumulated earnings / (losses) made by the company over the years.

9 Non-current Borrowings**Unsecured**

Loans and advances from related parties

58,75,085	55,15,789
58,75,085	55,15,789

10 Trade payables

Sundry Creditors

2,18,915	1,08,900
2,18,915	1,08,900

11 Other current financial liabilities

Outstanding expenses

-	2,65,110
-	2,65,110

12 Deferred tax liabilities (net)

Deferred tax liabilities arising on account of

Disallowance

1,66,030	-
1,66,030	-

13 Other current liabilities

Advance from customers

-	6,856
-	6,856



Route Mobile Nepal Private Limited

Significant accounting policies and other explanatory information for the year ended March 31, 2024

(Amounts in NPR, except for share data, and if otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
14 Revenue from operations		
Sale of services		
'Messaging and voice services	8,23,991	2,42,477
Total revenue	<u>8,23,991</u>	<u>2,42,477</u>
15 Purchases of short messaging services		
Purchases of messaging services	73,354	2,40,727
	<u>73,354</u>	<u>2,40,727</u>
16 Other expenses		
Professional charges	-	6,33,779
Interest on delayed payment of taxes	-	1,07,886
Bank charges	1,000	-
Foreign exchange loss (net)	85,518	1,32,913
	<u>86,518</u>	<u>8,74,578</u>



Route Mobile Nepal Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March, 2024
(Amounts in NPR, except for share data, and if otherwise stated)

17 Fair value measurements

Financial instruments by category:

Particulars	31 March 2024	31 March 2023
	Amortised cost	Amortised cost
Financial Assets - Non-current		
Investments	-	-
Security deposit	15,00,000	15,00,000
Loans	-	50,00,000
Financial Assets - Current		
Investments	-	-
Cash and cash equivalents	1,13,56,403	13,27,420
Financial Liabilities - Non-current		
Borrowings	58,75,085	55,15,789
Financial Liabilities - Non-current		
Trade payables	2,18,915	1,08,900

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 accounting standard. 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. Financial assets and liabilities measured at fair value Fair value hierarchy - recurring fair value measurement:

NIL

III. Assets and liabilities which are measured at amortised cost for which fair values are disclosed (It is categorised under Level 2 of fair value hierarchy)

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of non-current loans, non-current borrowings, trade receivables, cash and bank balances, current loans, trade payables, current borrowings and other current financial liabilities are considered to be approximately equal to the fair value.



Route Mobile Nepal Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March, 2024
(Amounts in NPR, except for share data, and if otherwise stated)

18 Financial risk management

The company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity 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 risk management committee 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 comprise borrowing and trade payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loan, trade receivables, cash and bank balances that derive directly from its operations.

The Company is exposed to credit risk, market risk and liquidity risk. The Company's senior management oversees the management of these risks.

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. Credit risk is controlled by analysing credit limits and credit worthiness of the customer on continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The financial instruments that are subject to concentration of credit risk principally consist of trade receivables, cash and bank balances.

To manage credit risk, the Company follows a policy of providing 30 days credit to the domestic customers. In case of foreign debtors, credit period upto 90 days to reputed customers. The credit limit policy is established considering the current economic trends of the industry in which the company is operating.

However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Bank balances are held with only high rated banks.

The table below provide details regarding past dues receivables as at each reporting date:

Particulars	As at	As at
	31 March 2024	31 March 2023
Less than 6 Months	7,43,856	2,04,070
6 months-1 year	1,56,013	79,963
1 - 2 year	2,03,988	13,521
2 - 3 year	13,521	92,722
More than 3 year	92,722	-
Total	12,10,100	3,90,277
Provision of doubtful debts	-	-



Route Mobile Nepal Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March, 2024

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 Company's financial liabilities based on contractual undiscounted payments at each reporting date is as follows:

As at 31 March 2024

Particulars	Upto 1 year	Between 1 and 3 years	Beyond 3 years	Total
Financial Liabilities - Current				
Trade payables	1,10,015	1,08,900	-	2,18,915
Other current financial liabilities	-	-	-	-
Other current liabilities	-	-	-	-
Total	1,10,015	1,08,900	-	2,18,915

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 does not have any unhedged foreign currency exposure. The company has no outstanding borrowing as at the reporting date and has not made any investments. Hence the company is not exposed to market risk.



Route Mobile Nepal Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March, 2024
(Amounts in NPR, except for share data, and if otherwise stated)

19 Capital Management

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The company funds its operation through internal accruals. The company aims at maintaining a strong capital base largely towards supporting the future growth of its business as a going concern.

The company consider the following component of its Balance sheet to be managed capital: Equity Share capital & Other Equity
Other equity as shown in the balance sheet includes Retained earnings.

The amounts managed as capital by the Company are summarised as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Equity Share Capital	1,00,00,000	50,00,000
Other Equity	(13,68,097)	(18,66,186)



Route Mobile Nepal Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March, 2024
(Amounts in NPR, except for share data, and if otherwise stated)

20 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) Holding Company	Route Mobile (UK) Limited
(ii) Ultimate holding company	Route Mobile Limited
(iii) Fellow subsidiaries (with whom transactions have taken place)	Routesms Solutions FZE

b) **Details of related party transactions:**

Particulars	31 March 2024	31 March 2023
<u>Sale of short message services (SMS)</u>		
Route Mobile (UK) Limited	1,02,916	2,42,477
Routesms Solutions FZE	7,14,219	-
<u>Expenses reimbursed by other company</u>		
Route Mobile (UK) Limited	2,41,193	19,47,395

c) **Balances with related parties (as at year-end)**

Particulars	31 March 2024	31 March 2023
<u>Amount receivable</u>		
Route Mobile (UK) Limited	4,95,881	3,90,277
Routesms Solutions FZE	7,14,219	-
<u>Loans & Advances payable</u>		
Route Mobile (UK) Limited	58,75,085	55,15,789



Route Mobile Nepal Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March, 2024
(Amounts in NPR, except for share data, and if otherwise stated)

21 There are no operating lease for the year ended 31st March 2024

22 Earnings / (loss) 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 period. 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 2024	Year Ended 31 March 2023
Net profit / (loss) after tax attributable to equity shareholders (NPR)	4,98,089	(6,54,621)
Weighted average number of shares outstanding during the year - Basic and diluted	1,00,000	50,000
Basic and diluted earnings / (loss) per share (NPR)	4.98	(13.09)
Nominal value per equity share (NPR)	10	10

23 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.

24 The figures for previous year have been regrouped wherever necessary to make them comparable with the current years figures.

The annexed notes form an integral part of these Financial Statements.

For N. Dosi & Co.
Chartered Accountants
Firm Reg No : 0119288W



Nilesh Dosi
Partner
M.No : 106858
Place : Mumbai
Date : 30/04/2024
UDIN No: 24106858BKACTX4545



For Route Mobile Nepal Private Limited



Sandip Kumar Gupta
Director

