RAMANAND & ASSOCIATES
CHARTERED ACCOUNTANTS

Head Office :
C/06, 11&12, Ostwal Park,
Building No.4 CHSL, Near Jesal Park,
Jain Temple Bhayander (E).,
Dist. Thane-401105
Mob.: 93220 06131 / 93222 31113
Tel.: +91 022 28171199
Email : rg@caramanandassociates.com
Website : www.caramanandassociates.com

UDIN: **19103975AAAAEU5779**

To,

The Board of Directors,

ROUTESMS SOLUTION FZE
P.O BOX NO:31291
RAS AL KHAIMAH-
UNITED ARAB EMIRATES

Dear Sirs,

We have verified the translated version of the audited standalone financial statements of **ROUTESMS SOLUTION FZE** (the "**Company**") for the years ended March31, 2019, March 31, 2018 and March 31, 2017 ("**Financial Years**"). These financial statements have been translated by the Company in Indian Rupee in accordance with Ind AS 21, 'The Effect of Changes in Foreign Currency Rates'. The work carried out by us is in accordance with the Standard on Related Services (SRS) 4400, "Engagements to Perform Agreed-upon Procedures regarding Financial Information" issued by the Institute of Chartered Accountants of India.

As required under Schedule VI Part A item no.(11)(I)(A)(ii)(b) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), we have verified the translated financial information contained in the Annexure attached to this certificate which is proposed to be uploaded on the website of **ROUTE MOBILE LIMITED** in connection with its proposed initial public offering of equity shares of Rs. 10/- each.

We did not audit the standalone financial statements of **ROUTESMS SOLUTION FZE**. These financial statements have been audited by other audit firms, whose reports have been furnished to us by the Company.

RAMANAND & ASSOCIATES M.N. 103975 CHARTERED ACCOUNTANTS

These translated financials should not in any way be construed as a reissuance or re-dating of any of the previous audit reports, nor should these be construed as a new opinion on any of the audited standalone financial statements referred to herein.

These translated financials are intended solely for use of the management for uploading on website of **ROUTE MOBILE LIMITED** in connection with its proposed initial public offering of equity shares of Rs. 10/- each.. Our certificate should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

Thanking you,

For Ramanand & Associates

Chartered Accountants

FRN No: - 117776W

Ramanand G. Gupta

Managing Partner

M.No. 103975

Date 27th September,2019

ROUTESMS SOLUTIONS FZE

TRANSLATED VERSION OF AUDITED STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2017

		31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
ASSETS	**Notes**	AED	INR	AED	INR
NON CURRENT ASSETS					
Property, plant & equipment	5	582,648	10,288,989	-	-
Investment in subsidiary	6	147,000	2,672,673	-	-
Total Non Current Assets		**729,648**	**12,961,662**	**-**	**-**
CURRENT ASSETS					
Cash and cash equivalents	7	14,636,790	258,471,276	65,877,548	1,186,910,927
Accounts receivable	8	1,123,886	19,846,718	75,297	1,356,620
Deposits, prepayments & other receivables	9	196,936	3,477,696	-	-
Due from related parties	12-A	6,549,724	115,661,666	4,164,973	75,040,012
Total Current Assets		**22,507,336**	**397,457,356**	**70,117,818**	**1,263,307,559**
Total Assets		**23,236,984**	**410,419,017**	**70,117,818**	**1,263,307,559**
Equity & Liabilities					
Retained earnings		19,547,299	345,262,819	17,758,906	319,960,901
Total Equity		**19,547,299**	**345,262,819**	**17,758,906**	**319,960,901**
CURRENT LIABILITIES					
Due to related parties	12-B	110,509	1,951,480	-	-
Accounts payable	10	3,501,356	61,830,494	18,491,310	333,156,587
Accruals, provisions and other payables	11	77,820	1,374,224	33,867,601	610,190,071
Total Current Liabilities		**3,689,684**	**65,156,198**	**52,358,911**	**943,346,658**
Total Equity & Liabilities		**23,236,984**	**410,419,017**	**70,117,817**	**1,263,307,559**

(Notes on pages 8 to 23 form an integral part of these Translated financial statements)

RAMANAND & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

ROUTESMS SOLUTIONS FZE

TRANSLATED VERSION OF AUDITED COMPREHENSIVE INCOME STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2017

	Notes	31-Mar-17 AED	31-Mar-17 INR	31-Mar-16 AED	31-Mar-16 INR
Revenue	13	108,991,676	1,946,801,544	85,398,485	1,491,472,253
Less: Cost of revenue	14	(81,107,214)	(1,448,731,272)	(58,180,403)	(1,016,112,367)
Gross Profit		**27,884,462**	**498,070,272**	**27,218,082**	**475,359,886**
Other income	15	302,363	5,400,786	-	-
Total		**28,186,825**	**503,471,058**	**27,218,082**	**475,359,886**
Less : General & Administrative Expenses and Other Charges					
General and administrative expenses	16	6,553,136	117,051,648	9,172,089	160,189,197
Depreciation on fixed assets	5	142,990	2,554,077	-	-
Finance charges	17	83,434	1,490,292	356,369	6,223,933
Total expenses		**6,779,560**	**121,096,017**	**9,528,458**	**166,413,131**
Net profit for the year		**21,407,265**	**382,375,041**	**17,689,624**	**308,946,755**

(Notes on pages 8 to 23 form an integral part of these Translated financial statements)

ROUTESMS SOLUTIONS FZE

TRANSLATED VERSION OF AUDITED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2017

	Retained Earnings	Total	Retained Earnings	Total
	AED	AED	INR	INR
As on 31/03/2016	**69,282**	**69,282**	**1,175,915**	**1,175,915**
Net Profit during the year	17,689,624	17,689,624	308,946,755	308,946,755
FCTR	-	-	9,838,231	9,838,231
As on 31/03/2017	**17,758,906**	**17,758,906**	**319,960,901**	**319,960,901**
Dividend declared	(19,618,872)	(19,618,872)	(346,449,930)	(346,449,930)
Net Profit during the year	21,407,265	21,407,265	382,375,041	382,375,041
FCTR	-	-	(10,623,192)	(10,623,192)
As on 31/03/2019	**19,547,299**	**19,547,299**	**345,262,819**	**345,262,819**

(Notes on pages 8 to 23 form an integral part of these Translated financial statements)

RAMANAND & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

ROUTESMS SOLUTIONS FZE

TRANSLATED VERSION OF AUDITED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH 2017

	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	AED	INR	AED	INR
Cash Flow from Operating Activities				
Operating profit for the year	21,407,265	382,375,041	17,689,624	308,946,755
Adjustments:-				
Unrealised foreign exchange	-	(10,623,192)	-	9,838,231
Depreciation of fixed assets	142,990	2,554,077	-	-
Operating Income Before Working Capital Changes	**21,550,254**	**374,305,926**	**17,689,624**	**318,784,986**
(Increase) / Decrease in operating assets				
Accounts receivable	(1,048,589)	(18,490,098)	(3,070,152)	(1,356,620)
Advances, deposits & prepayments	(196,936)	(3,477,696)	200	3,395
Due from related parties	(2,384,751)	(40,621,654)	(1,175,118)	(75,040,012)
Increase / (Decrease) in operating liabilities				
Accounts payable	(14,989,954)	(271,326,094)	18,480,304	332,969,781
Accruals, provisions and other payables	(33,789,781)	(608,815,866)	33,656,602	606,608,740
Due to related parties	110,509	1,951,479	(25,848)	(523,587)
Net Cash Flow from Operating Activities	**(30,749,248)**	**(566,474,002)**	**65,555,612**	**1,181,446,683**
Cash flow from Investing Activities				
Purchase of fixed assets during the period	(725,638)	(12,843,045)	-	-
Investment in Subsidary	(147,000)	(2,672,673)	-	-
Net Cash flow from Investing Activities	**(872,638)**	**(15,515,718)**	**-**	**-**
Cash flow from financing Activities				
Dividend declared	(19,618,872)	(346,449,930)	-	-
Net Cash flow from Financing Activities	**(19,618,872)**	**(346,449,930)**	**-**	**-**
Net increase (Decrease) in cash and cash equivalents	**(51,240,758)**	**(928,439,651)**	**65,555,612**	**1,181,446,683**
Add opening cash and cash equivalents	65,877,548	1,186,910,927	321,936	5,464,244
Closing Cash and cash equivalents	**14,636,790**	**258,471,276**	**65,877,548**	**1,186,910,927**

(Notes on pages 8 to 23 form an integral part of these Translated financial statements)

RAMANAND & ASSOCIATES * CHARTERED ACCOUNTANTS * MUMBAI

ROUTESMS SOLUTIONS FZE

TRANSLATED VERSION OF AUDITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

1 *COMPANY'S NATURE, OPERATIONS AND OWNERSHIP*

a) **M/s ROUTESMS SOLUTIONS FZE** is a Free Zone Establishment registered with Ras Al Khaimah Investment Authority, Ras Al Khaimah with License No.RAKIA 72 FZ3 01 13 6543 issued on 31/01/2013.

b) The Company is located in Ras Al Khaimah Free Zone and the Company's registered office address is P.O. Box 31291 - Ras Al Khaimah, U.A.E..

c) The main activities of the Company are information technology cosultancy, internet consultancy,computer software house and enterprise messaging solutions.

d) Mr. Sandipkumar Chandrakant Gupta (Indian National holding Passport No.Z2470094) is the Manager and Authorized Signatory thereof.

e)The license issuing authority, RAKIA, does not stipulate any requirement of Share capital and hence does not issue Share Certificate,Memorandum of Association or Articles of Association for a Free Zone Establishment.

2 BASIS OF PREPARATION

2.1 - Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as promulgated by the International Accounting Standards Board and the requirements of the U.A.E related laws(as amended).

2.2 - Basis of measurement

* The financial statements have been prepared under the historical cost convention unless otherwise indicated.

* The financial statements are presented in United Arab Emirates Dirham (AED) and are rounded to the nearest value.

2.3 - Going Concern

The financial statements are prepared on a going concern basis which assumed that the Entity will continue to operate as a going concern for the foreseeable future.

2.4 - Comparative Information

* The accounting policies and estimates adopted are consistent with those used in previous financial years.

* Certain comparative figures are regrouped and rearranged wherever necessary to conform to the presentation adopted in these financial statements. Such reclassification do not affect previously reported net income or shareholders' equity.

RAMANAND & ASSOCIATES
CHARTERED ACCOUNTANTS

3 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

3.1 - New and Revised IFRSs applied with no material effect on the financial statements

The following new and revised IFRSs have been adopted in these financial statements. The application of these new and revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may effect the accounting for future transactions or arrangements.

- Amendments to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations.
- Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and
- Amendments to IAS 16 and IAS 41 *Agriculture : Bearer Plants*
- Amendments to IAS 27 Equity Method in Separate Financial Statements
- Amendments to IAS 1Disclosure Initiative
- Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation
- Annual Improvements 2012-2014 Cycle

3.2 - New and Revised IFRSs in issue but not yet effective

The Entity has not early applied the following new standards, amendments and interpretations that have been issued but not yet effective:

New and Revised IFRSs	Effective for annual periods beginning on or after
IFRS 9 Financial Instruments (2014)	1-Jan-18
IFRS 15 Revenue from Contracts with Customers	1-Jan-18
IFRS 16 Leases specifies how an IFRS reporter will recognize, measure, present and disclose leases	1-Jan-19
Amendments to IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses	1-Jan-17
Amendments to IAS 7 Disclosure Initiative	1-Jan-17
Amendments to IFRS 2 Classification and Measurement of Share- based Payment Transactions.	1-Jan-18
Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Not yet determined
Amendments to IAS 40 - Transfers of Investment Property	1-Jan-18
Annual Improvements 2014-2016 Cycle:	
IFRS 1& IAS 28	1-Jan-18
IFRS 12	1-Jan-17
♦ IFRIC 22 Foreign Currency Transactions and Advance Consideration	1-Jan-18

RAMANAND & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 - Current / Non-Current Classification

Expected to be realised or intended to sold or consumed in normal operating cycle or held primarily for the purpose of trading or expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve month after the reporting period.

All other assets are classified as non-current. A liability is current when it is:

Expected to be settled in normal operating cycle or it is held primarily for the purpose of trading or it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non- current.

4.2 Fair Value measurement

Fair value is the price 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

The principal of the most advantageous market must be accessible to by the company.

The fair value of an asset or a liability is measured using the assumption that market participants would when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

4.3 - Foreign Currency

The preparation of financial statements of the company, transactions in currencies other than the company's financial currency are recognized at the rate of exchange prevailing at the dates of transactions. At the end of each reporting period, mandatory items denominated in foreign currencies are retranslated at the rates prevailing at the date. Non-monetary items carried at the fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd ...

4.4 - Property, plant & equipment and depreciation

Property, plant & equipment are stated at cost less accumulated depreciation and identified impairment, if any. Cost includes expenditure that is directly attributable to the acquisition of the items including installation costs. Subsequent costs are included in the assets carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit and loss account.

Depreciation on property, plant & equipment is provided on a straight line basis at rates calculated to write off the cost of each asset by equal annual installments over its expected useful life. The rates of depreciation are based upon the following estimated useful lives.
Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, using the WDV method, as follows:

Computers and servers	3-6 Years
Office Equipments	4-5 Years

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined by comparing the disposal proceeds with the carrying amount of the assets and is recognized in the statement of comprehensive income.

Capital work in progress

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

RAMANAND & ASSOCIATES
CHARTERED ACCOUNTANTS

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd ...

4.5 - Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the year in which they arise.

Cost includes expenditure that is directly attributable to the acquisition of the investment property.
The cost of self constructed investment property includes the cost of materials and direct labour, any other cost directly attributable to bringing the investment property to a working for their intended use and capitalised borrowing costs.

Properties are transferred to investment properties from properties under construction or capital work in progress when and only when, there is a change in use, evidenced by commencement of development with a view to sale or operate the project. Such transfers are made at the carrying value of the properties at the date of transfer.

The company determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carrying amount of an investment property exceeds their recoverable amount, an impairment loss is recognised in the profit or loss. The recoverable amount is the higher or investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of an investment property an arm's length open market transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of this investment property and from its disposal at the end of its useful life.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognisation of the property (Calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year in which the property is derecognised.

4.6 - Impairment of tangible assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash- generating units for which a reasonable and consistent allocation basis can be identified.
Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

RAMANAND & ASSOCIATES
MUMBAI
CHARTERED ACCOUNTANTS

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd...)

4.6 - Impairment of tangible assets (Contd...)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

4.7 - Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

4.8 - Financial assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (A PS) financial assets and 'loans and receivables'.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in the current assets, except for maturities greater than 12 months after the end of the reporting period, These are classified as non-current assets, The company's loans and receivables comprise trade and other receivables" and "cash and cash equivalents" in the statement of financial position. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost reduced by appropriate allowance for estimated doubtful debts.

RAMANAND & ASSOCIATES
CHARTERED ACCOUNTANTS

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd...

4.8 - Financial assets (Contd...)

Impairment of financial assets

Assets carried at amortised cost

The company assesses at the end of each reporting period, whether there is objective evidence that a financial asset or company of financial assets is impaired. A financial asset or a company of financial assets is impaired and impairment losses are recognized only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or company of financial assets that can he reliably estimated.

Evidence of impairment may include indications that the debtors or a company of debtors is experiencing significant financial difficulty and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loan and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the statement of profit or loss.

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another company. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for the amounts, it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset.

RAMANAND & ASSOCIATES
MUMBAI
CHARTERED ACCOUNTANTS

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd ...

4.9 - Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. All financial liabilities are recognised initially at fair value and, in the ease of loans, borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities include trade and other payables and borrowings.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers trades payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently are measured at amortised cost using effective interest method.

Loans and other borrowings

Loans and other borrowings are recorded at the proceeds received, net of direct issue costs. Finance charges are accounted on accrual basis and are added to the carrying value of the instruments to the extent that they are not settled in the period in which they arise.

Derecognition of financial liabilities

The company derecognises financial liabilities only when, the company's obligations are discharged, cancelled or they expire. When an existing financial liability is replaced by another, from the same lender on substantially different terms or the terms of an existing liability are substantially modified such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

4.10 - Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

4.11 - Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average basis. Cost of inventories comprises of costs of purchase, and where applicable cost of conversion and other costs that has been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd ...

4.12 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

4.13 Employee's end of service benefits

Staff benefits like Gratuity,leave salary and air passage are accounted as and when paid.The entitlement to those benefits is usually based upon the employees' length of services and the completion of a minimum services period.

4.14 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the Services are recognised when all the following conditions are satisfied:

- the entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract, when the outcome of the transaction and related revenue and cost can be measured reliably, and that economic benefit flows to the company.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd ...

4.15 - Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in policy notes, the management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The significant judgments and estimates made by management, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

Critical judgements in applying accounting policies

In the process of applying the company's accounting policies, which are described above, and due to the nature of operations, management makes the following judgment that has the most significant effect on the amounts recognised in the financial statements.

Revenue recognition

Under normal circumstances, in recognising the revenue the management is of the view that in line with the requirement of IAS 18 "Revenue", the risk and reward of ownership is transferred to the buyers of the goods and services and that revenue is reduced for the estimated returns, rebate and other allowances (if any).

RAMANAND & ASSOCIATES
MUMBAI
CHARTERED ACCOUNTANTS

5 PROPERTY, PLANT & EQUIPMENT

	Computer & Servers	Office Equipments	Total
	INR	INR	INR
Cost			
At 31/03/2016	-	-	-
Additions during the period	12,900,992	**60,302**	12,961,294
Foreign Exchange	(146,558)	**(685)**	(147,243)
At 31/03/2017	**12,754,435**	**59,617**	**12,814,051**
Depreciation			
At 31/03/2016			-
For the period	2,541,485	12,593	2,554,077
Foreign Exchange	(28,872)	(143)	(29,015)
At 31/03/2017	**2,512,613**	**12,450**	**2,525,062**
Net Book Value			
At 31/03/2016	-	-	-
At 31/03/2017	**10,241,822**	**47,167**	**10,288,989**

In the opinion of the management there is no impairment to the net book value of the property, plant & equipment as at 31 March 2017

6 *INVESTMENT IN SUBSIDIARY*

	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	AED	INR	AED	INR
M/s.Route Mobile LLC,Dubai	**147,000**	**2,672,673**	-	-

e represents the amount invested in M/s.Route Mobile LLC,Dubai towards Share Capital as M/s Routesms Solutions FZE is holding 49% shares in that C

7 *CASH AND CASH EQUIVALENTS*

Cash and cash equivalents included in the statement of cash flows comprise the following balance sheet amounts:

	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	AED	INR	AED	INR
Cash in hand	169	2,984	-	-
Cash at bank	1,382,041	24,405,481	65,877,548	1,186,910,927
Fixed Deposits	13,254,580	234,062,810	-	-
	14,636,790	**258,471,276**	**65,877,548**	**1,186,910,927**

8 *ACCOUNTS RECEIVABLE*

	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	AED	INR	AED	INR
Sundry debtors	**1,123,886**	**19,846,718**	**75,297**	**1,356,620**

Ageing of Accounts Receivable

	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	AED	INR	AED	INR
0 to 60 days	983,732	17,371,737	68,034	1,225,764
60 and above	140,154	2,474,980	7,263	130,857
	1,123,886	**19,846,717**	**75,297**	**1,356,620**

Accounts receivable are stated net of any required provision and are short term in nature, fair value approximates carrying value.

The company's terms of sale require the amounts to be paid within 60 days of date of invoice.

9 *ADVANCES, DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES*

	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	AED	INR	AED	INR
Advance to suppliers	196,936	3,477,696	-	-
	196,936	**3,477,696**	-	-

10 *ACCOUNTS PAYABLE*

	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	AED	INR	AED	INR
Trade creditors	**3,501,356**	**61,830,494**	**18,491,310**	**333,156,587**

11 *ACCRUALS AND OTHER PAYABLES*

	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	AED	INR	AED	INR
Advance from customer	67,320	1,188,805	28,117,541	506,591,664
Professional charges payable	10,500	185,420	16,500	297,279
Directors remuneration payable	-	-	5,733,560	103,301,128
	77,820	**1,374,224**	**33,867,601**	**610,190,071**

RAMANAND & ASSOCIATES MUMBAI CHARTERED ACCOUNTANTS

12 TRANSACTIONS WITH RELATED PARTIES

Related parties represent associated companies, shareholders, directors, and key management personnel of the Company and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

The Company, in the ordinary course of business, enters into transactions with other business enterprises that fall within the definition of related parties contained in International accounting standard 24. Such transactions are made on terms and conditions believed by the Company to be comparable to those that could be obtained from third parties. At the end of the reporting period the significant transactions with related parties are as follows.

A) DUE FROM RELATED PARTIES	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	AED	INR	AED	INR
Route Mobile Limited	-	-	1,170,118	21,081,930
Route Mobile LLC	2,182,465	38,540,179	-	-
Route Mobile UK Limited	13,373	236,154	-	-
RouteSms Solutions Nigeria Limited	2,940,990	51,934,983	2,994,855	53,958,082
Cellent Technologies India Pvt Ltd	1,411,880	24,932,408	-	-
Defero Mobile Pte. Ltd.	1,016	17,942	-	-
	6,549,724	**115,661,666**	**4,164,973**	**75,040,012**

The above amounts represent the net receivable from related parties in the normal course of business.

12 *TRANSACTIONS WITH RELATED PARTIES (Contd...)*

B) DUE TO RELATED PARTIES	**31-Mar-17**	**31-Mar-17**	**31-Mar-16**	**31-Mar-16**
	AED	INR	AED	INR
M/s. Route Mobile Limited, India	89,880	1,587,193	-	-
M/s. Defro Mobile Pte Ltd.	20,629.00	364,288	-	-
	110,509	**1,951,480**	**-**	**-**

M/s.Route Mobile Limited,India represents the amount payable towards management fees and Investment in Routesms Solutions FZE.

M/s. Defro Mobile Pte Ltd. represents the net payable towards purchases.

C) Remuneration to manager	**417,400**	**7,370,872**	**6,600,000**	**118,911,714**
D) Expense Reimbursement -Route Mobile Limited, India	**4,100,623**	**72,412,958**	**2,495,011**	**44,952,429**

13 *REVENUE*

	31-Mar-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-16**
	AED	INR	AED	INR
Sales	**108,991,676**	**1,946,801,544**	**85,398,485**	**1,491,472,253**

14 *COST OF REVENUE*

	31-Mar-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-16**
	AED	INR	AED	INR
Purchase	**81,107,214**	**1,448,731,272**	**58,180,403**	**1,016,112,367**

15 *OTHER INCOME*

	31-Mar-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-16**
	AED	INR	AED	INR
Exchange gain	166,470	2,973,475.27	-	0
Interest received	100,380	1,792,980	-	0
Miscellaneous income	35,513	634,331	-	0
	302,363	**5,400,786**	**-**	**-**

16 *GENERAL & ADMINISTRATIVE EXPENSES*

	31-Mar-17	**31-Mar-17**	**31-Mar-16**	**31-Mar-16**
	AED	INR	AED	INR
Management & administration fees	4,100,623	73,245,036	2,495,011	43,575,008
Managerial remuneration	417,400	7,455,569	6,600,000	115,268,050
Business promotion	908,698	16,231,099	-	-
Legal & professional charges	474,132	8,468,912	60,577	1,057,969
Software expense	7,332	130,964	-	-
Travelling expense	498,725	8,908,190	-	-
Office expense	6,976	124,605	-	-
Staff welfare	51,040	911,673	-	-
Communication charges	77,710	1,388,050	-	-
Audit Fees	10,500	187,550	16,500	288,170
	6,553,136	**117,051,648**	**9,172,089**	**160,189,197**

17 FINANCE CHARGES

	31-Mar-17	31-Mar-17	31-Mar-16	31-Mar-16
	AED	INR	AED	INR
Bank charges	83,434	1,490,292	10,904	190,437
Foreign exchange loss	-	-	345,465	6,033,497
	83,434	**1,490,292**	**356,369**	**6,223,933**

18 FINANCIAL INSTRUMENTS

a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed in Note 4 to the financial statements.

b) Fair value of financial assets and financial liabilities that are not measured at fair value on recurring basis.

	As at March, 31 2018	As at March, 31 2018	As at March, 31 2017	As at March, 31 2017
	INR	INR	INR	INR
Financial Assets	**Carring Amount**	Fair Value	**Carring Amount**	Fair Value
Investment in subsidiary	**2,672,673**	2,672,673	**2,672,673**	2,672,673
Accounts receivable	**49,114,537**	49,114,537	**19,846,718**	19,846,718
Advances, deposits & prepayments	**10,267,853**	10,267,853	**3,477,696**	3,477,696
Cash and Bank Balance	**9,384,741**	9,384,741	**258,471,276**	258,471,276
	71,439,803	71,439,803	**284,468,362**	284,468,362
Financial Liabilities				
Bank borrowings	38,251,148	38,251,148	-	-
Trade and Other Payables	172,619,013	172,619,013	63,204,718	63,204,718
	210,870,161	**210,870,161**	**63,204,718**	**63,204,718**

Financial instruments comprise of financial assets and financial liabilities.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties.

Financial assets consist of cash and bank balances, trade receivables, investments and certain other assets. Financial liabilities consist of trade payables and accruals, bank borrowings and certain other liabilities, approximate their carrying amounts largely due to the short-

As at reporting date financial assets and financial liabilities are approximates their carrying values.

19 FINANCIAL RISK MANAGEMENT OBJECTIVES

The association management set out the company's overall business strategies and its risk management philosophy, the company's overall financial risk management program seeks to minimize potential adverse effects on the financial performance of the company. The company policies include financial risk management policies covering specific areas, such as market risk (including foreign exchange risk, interest rate risk), liquidity risk and credit risk. Periodic reviews are undertaken to ensure that the company's policy guidelines are complied with.

There has been no change to the company's exposure to these financial risks or the manner in which it manages and measures the risk.

The company is exposed to the following risks related to financial instruments. The company has not framed formal risk management policies, however, the risks are monitored by management on a continuous basis. The company does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes.

a) Foreign currency risk management

The company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The company does not have any significant exposure to currency risk, as most of its assets and liabilities are denominated in U.A.E. Dirham.

19 F INANCIAL RISK MANAG E ME NT O BJE CTIVE S (Co n td ...)

b) Interest rate risk management

The company's exposure to the risk of changes in market interest rates relates primarily to the company's borrowing.-, with floating interest rates. The company's policy is to manage its interest cost using a mix of fixed and variable rate debts. Interest on financial instruments having floating rates is re-priced at intervals of less than one year and interest on financial instruments having fixed rate is fixed until the maturity of the instrument.

c) Liquidity risk management

Ultimate responsibility for liquidity risk management rest with the management which has built an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and equity from shareholders through their current accounts or loans.

d) Credit risk management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties. The company's exposure are continuously monitored and their credit exposure is reviewed by the management regularly.

Trade receivables consist of a number of customers. Ongoing credit evaluation is performed on the financial condition of trade receivables. Further details of credit risks on trade and other receivables are disclosed in the financial statements.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amounts of the financial assets recorded in the financial statements, which is net of impairment losses, represents the company's maximum exposure to credit risks.

20 *CREDIT RISK MANAGEMENT*

The company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the equity balance. The company's overall strategy remains unchanged from prior year.

21 *CONTINGENT LIABILITIES*

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liabilities or capital commitments on Association's account as of balance sheet date.

22 *COMPARATIVE FIGURES*

Certain of the prior year figures have been regrouped to conform with the presentation of the current year.

23 *GENERAL*

The figures in the financial statements are rounded to the nearest UAE Dirhams.