



# **RAMANAND & ASSOCIATES**

## **— CHARTERED ACCOUNTANTS —**

**Head Office:**

6/C, Gr. Floor, Ostwal Park Bldg. No. 4,  
Near Jesal Park Jain Temple,  
Bhayandar (East), Dist. Thane 401 105.

**Mob.:** 9322231113 / 9322006131

**Tel.:** 022 28171199 / 32252775

**Email:** rg@caramanandassociates.com

**Website:** www.caramanandassociates.com

**UDIN: 20103975AAAAKM1804**

To,  
The Board of Directors,

**ROUTE MOBILE(UK) LIMITED**  
183-189 The Vale,  
Acton, London  
W3 7RW

Dear Sir,

We have verified the translated version of the audited standalone financial statements of ROUTE MOBILE (UK) LIMITED (the “Company”) for the years ended March’31, 2020,. The 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 Annexures 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 ROUTE MOBILE(UK) LIMITED. These financial statements have been audited by other audit firms, whose reports have been furnished to us by the Company.

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 Accountant)  
FRN No: 17776W



CA Ramanand Gupta  
(Partner)  
Membership No.:103975  
Place: Mumbai  
Date: 01st September 2020

Company Registration no. 07733317 (England and Wales)

**ROUTE MOBILE (UK) LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

## ROUTE MOBILE (UK) LIMITED

### COMPANY INFORMATION

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**Directors** Mr Rajdipkumar Gupta  
Mr Sandipkumar Gupta

**Company number** 07733317

**Registered office** 183-189 The Vale  
Acton  
London  
W3 7RW

**Auditor** Raddy Siddiqui LLP  
183-189 The Vale  
Acton  
London  
W3 7RW



## **ROUTE MOBILE (UK) LIMITED**

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## **ROUTE MOBILE (UK) LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020**

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The directors present the strategic report for the year ended 31 March 2020.

#### **Fair review of the business**

The company's revenues increased by 13.53 % from £43.16 million in the fiscal year ended 31 March 2019 to £49 million in the fiscal year ended 31 March 2020.

During the year the company has successfully established subsidiary in the UAE.

The company is in continuous process of expanding in existing and newer markets through direct and indirect channels. In the past, the Company has achieved success by pursuing similar strategy.

#### **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 longer-term funding is available to provide short-term flexibility whilst providing sufficient funding to the company's forecast 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 out-of-date 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.

##### **Acquisition integration execution**

The company actively pursues inorganic opportunities both in terms of geographical expansion, consolidation in existing markets and adding new product line to its existing product portfolio. The Board acknowledges that there is a risk of operational disturbance in the course of integrating the acquired businesses with existing operations. The company mitigates this risk by careful planning and rigorous due diligence.



**Development and performance**

The company has developed its business to such extent that it has been recognized as "Tier 1 in International A2P messaging provider" by the annual survey conducted by ROCCO for 2020.

MNOs have particularly voted Route Mobile for being strong in key areas - Pricing Model, Global reach, Enabler, NPS & performance+ categories.

MNOs have complimented Route Mobile for being trustworthy, reliable and having good performance.

On behalf of the board

Mr. Sandipkumar Gupta

**Director**

13 August 2020



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# Route Mobile (UK) Limited

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	2020 ₹	2019 £	2019 ₹
Turnover	3	4,90,03,937	4,52,73,11,985	4,31,64,993	3,91,97,15,181
Cost of Sales		( 4,36,75,219)	( 4,03,50,09,318)	( 3,89,47,508)	( 3,53,67,34,927)
Gross Profit		53,28,718	49,23,02,667	42,17,485	38,29,80,254
Administrative expenses		( 22,85,083)	( 21,11,11,276)	( 22,03,878)	( 20,01,29,166)
Other operating Income		2,82,131	2,60,65,152	8,57,017	7,78,23,771
Operating Profit	4	33,25,766	30,72,56,543	28,70,624	26,06,74,859
Interest receivable and similar Income	7	20,33,792	18,78,95,330	27,66,859	25,12,52,195
Interest Payable and similar Expenses	8	( 2,42,642)	( 2,24,16,893)	( 12,77,734)	( 11,60,28,129)
Profit before Taxation		51,16,916	47,27,34,979	43,59,749	39,58,98,925
Tax on Profit	9	4,17,481	3,85,69,692	4,36,317	3,96,20,958
Profit for the Financial year		55,34,397	51,13,04,671	47,96,066	43,55,19,883

The Profit and loss Account has been prepared on the basis that all operations are continuing operations.



**Route Mobile (UK) Limited**

**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	2020 £	2020 ₹	2019 £	2019 ₹
Profit for the year	55,34,397	51,13,04,671	47,96,066	43,55,19,883
Other Comprehensive income			-	-
Total Comprehensive income for the year	55,34,397	51,13,04,671	47,96,066	43,55,19,883



**Route Mobile (UK) Limited**

**BALANCE SHEET**

AS AT 31 MARCH 2020

Particulars	Notes	2020		2020		2019		2019	
		£	£	₹	₹	£	£	₹	₹
<b>Fixed assets</b>									
Intangible Assets	10	-	-	-	-	-	-	-	-
Tangible Assets	11	2,80,511		2,65,086		13,313		2,63,31,250	
Investments	12	1,71,73,165		1,48,75,95,284		1,66,89,967		1,43,94,08,786	
		<u>1,74,53,676</u>		<u>1,48,78,60,369</u>		<u>1,67,03,280</u>		<u>1,46,57,40,036</u>	
<b>Current assets</b>									
Debtors	15	2,54,18,247		2,38,59,82,085		1,61,38,467		1,45,82,76,692	
Investments	16	5,00,183		4,69,51,612		67,28,728		60,80,09,869	
Cash at Bank and in hand		<u>18,15,060</u>		<u>16,40,09,363</u>		<u>1,27,279</u>		<u>1,15,00,968</u>	
		2,77,33,490		2,59,69,43,060		2,29,94,474		2,07,77,87,529	
<b>Creditors : amounts falling due within one year</b>	17	<u>(2,59,70,253)</u>		<u>(2,43,77,88,263)</u>		<u>(3,33,33,931)</u>		<u>(3,01,20,63,948)</u>	
<b>Net Current Liabilities</b>		<u>17,63,237</u>		<u>15,91,44,797</u>		<u>(1,03,39,457)</u>		<u>(93,42,76,419)</u>	
<b>Total assets less current liabilities</b>		<u>1,92,16,913</u>		<u>1,64,70,05,166</u>		<u>63,63,823</u>		<u>53,14,63,618</u>	
<b>Creditors : amounts falling due after more than one year</b>		<u>(80,12,758)</u>		<u>(75,21,48,527)</u>					
<b>Provisions for Liabilities</b>		<u>(52,538)</u>		<u>(49,31,683)</u>		<u>(1,603)</u>		<u>(1,44,848)</u>	
<b>Net assets</b>		<u>1,11,51,617</u>		<u>88,99,24,956</u>		<u>63,62,220</u>		<u>53,13,18,770</u>	
<b>Capital &amp; Reserves</b>									
Called up share capital	22	20,000		15,24,000		20,000		15,24,000	
Profit & Loss Reserves		1,11,31,617		1,01,52,16,530		63,42,220		57,27,39,950	
FCTR				-12,68,15,573				-4,29,45,180	
<b>Total equity</b>		<u>1,11,51,617</u>		<u>88,99,24,957</u>		<u>63,62,220</u>		<u>53,13,18,770</u>	

The financial statements were approved by the board of directors and authorised for issue on 13 May 2019 and are signed on its behalf by:

Mr. Sandipkumar Gupta  
Director

Company Registration No. 07733317





ROUTE MOBILE (UK) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019

2 Change in accounting policy

Discounts received were previously recognised as cost of sales. There are now recognised as administrative cost. The change aligns the discounts recognition policy more closely with the group policy. Comparative figures have been adjusted to reflect this change. There is no impact on the net profits or equity as a result of this change.

3 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

4 Turnover and other Revenue

An analysis of the company's Turnover is as follows

	2020 £	2020 ₹	2019 £	2019 ₹
Turnover Analysed by class of business				
Revenue	4,90,03,937	4,52,73,11,985	4,31,64,993	3,91,97,15,181
Other Significant revenue				
Interest Income	91,229	84,28,346	1,85,902	1,68,81,339
Dividends receivable	19,42,563	17,94,66,983	25,80,957	23,43,70,855
Turnover analysed by geographical market				
UK	63,04,344	58,24,37,532	1,37,84,086	1,25,17,01,608
Europe	1,34,08,767	1,23,87,91,723	24,99,779	22,69,99,265
Rest of the world	2,92,90,826	2,70,60,82,729	2,68,81,128	2,44,10,14,308
	4,90,03,937	4,52,73,11,985	4,31,64,993	3,91,97,15,181

5 Operating Profit

Operating profit for the year is stated after charging:

	2020 £	2020 ₹	2019 £	2019 ₹
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	1,26,736	1,17,08,721	7,56,770	6,87,20,568
Fees payable to the company's auditor for the audit of the company's financial statements	13,500	12,47,220	13,500	12,25,904
Depreciation of owned tangible fixed assets	84,438	78,00,948	9,953	9,03,809
Amortisation of intangible assets	-	-	12,495	11,34,643
Operating lease charges	12,488	11,53,725	25,178	22,86,357

6 Employees

The Average monthly number of persons (including director) employed by the company during the year was:

	2020 Number	2019 Number
Administration	3	6

Their aggregate remuneration compared:

	2020 £	2020 ₹	2019 £	2019 ₹
Wages and Salaries	64,903	59,96,174	1,80,942	1,64,30,933
Social security	2,665	2,46,211	20,749	18,84,170
Pension costs	628	58,019	1,290	1,17,142
	68,196	63,00,403	2,02,981	1,84,32,245

7 Directors' remuneration

	2020 £	2020 ₹	2019 £	2019 ₹
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Remuneration for qualifying services	56,160	51,88,437	16,320	14,81,982
<b>8 Interest receivable and similar income</b>				
	2020	2020	2019	2019
	£	₹	£	₹
Interest Income				
Interest on bank deposits	91,229	84,28,346	1,85,902	1,68,81,339
Other interest income				
Income from fixed asset investments				
Income from shares in group undertakings	19,42,563	17,94,66,983	25,80,957	23,43,70,855
Total Income	20,33,792	18,78,95,330	27,66,859	25,12,52,195

Investment income include the following:

Interest on financial asset not measured at fair value through profit or loss

91,229	84,28,346	1,85,902	1,68,81,339
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#### 9 Interest payable and similar expenses

	2020	2020	2019	2019
	£	₹	£	₹
Interest on bank overdrafts and loans	2,40,179	2,21,89,345	2,73,488	2,48,34,825
Other interest on financial liabilities			10,04,246	9,11,93,303
	2,40,179	2,21,89,345	12,77,734	11,60,28,129
Other Finance costs:				
Other Interest	2,463	2,27,548		
	2,42,642	2,24,16,893	12,77,734	11,60,28,129

Other interest on financial liabilities refers to unwinding of finance cost related to earn out payment payable for the acquisition of 365squared Limited.

#### 10 Taxation

	2020	2020	2019	2019
	£	₹	£	₹
Current Tax				
UK Corporation tax on profits for the current period	5,52,193	5,10,15,289	3,40,642	3,09,32,928
Other tax reliefs	(10,20,608)	(9,42,90,604)	(7,74,287)	(7,03,11,248)
Total current tax	(4,68,415)	(4,32,75,316)	(4,33,645)	(3,93,78,320)
Deferred Tax				
Origination and reversal of timing differences	50,934	47,05,624	(2,672)	(2,42,638)
Total tax (credit)/charge	(4,17,481)	(3,85,69,692)	(4,36,317)	(3,96,20,958)

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020	2020	2019	2019
	£	₹	£	₹
Profit before taxation	51,16,916	47,27,34,979	43,59,749	39,58,98,925
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019 : 19.00%)	9,72,214	8,98,19,642	8,28,352	7,52,20,768
Permanent capital allowances in excess of depreciation	(66,978)	(61,87,876)	(1,594)	(1,44,748)
Depreciation on assets not qualifying for tax allowances	16,044	14,82,252	4,265	3,87,295
Other non-reversing timing differences	50,935	47,05,717	(2,672)	(2,42,638)
Dividend income	(3,69,088)	(3,40,98,822)	(4,90,381)	(4,45,30,387)
Foreign tax credit	(10,20,608)	(9,42,90,604)	(7,74,287)	(7,03,11,248)
Total (credit)/charge for the year	(4,17,481)	(3,85,69,692)	(4,36,317)	(3,96,20,958)

#### 11 Dividends

	2020	2020	2019	2019
	£	₹	£	₹
Interim paid	7,45,000	6,88,28,091		

#### 12 Intangible fixed assets

Cost					Software	₹
At 1st April 2019 and 31st March 2020						
FCTR					62,472	56,44,889
At 31st March 2020						2,19,187
					62,472	58,64,176
Amortisation and impairment						
At 1st April 2019 and 31st March 2020						
Amortisation charged for the year					62,472	56,44,889
FCTR						
At 31st March 2020						2,19,187
					62,472	58,64,176
Carrying amount						
At 31st March 2020						
At 31st March 2019						

#### 13 Tangible fixed assets

Cost						
At 1st April 2019						
Additions	8,769	7,92,369	32,743	29,58,667	41,512	37,51,037
FCTR			3,51,636	3,24,86,489	3,51,636	3,24,86,489
At 31st March 2020	8,769	8,23,136	3,84,379	3,60,81,222	3,93,148	3,69,04,358



#### Depreciation and Impairment

At 1st April 2019	4,159	3,75,808	24,040	21,72,262	28,199	25,48,070
Depreciation charged in the year	1,786	1,65,003	82,652	76,35,945	84,438	78,00,848
FCTR		17,239		2,06,850		2,24,090
At 31st March 2020	5,945	5,58,050	1,06,692	1,00,15,057	1,12,637	1,05,73,108
Carrying amount						
At 31st March 2020	2,824	2,65,086	2,77,687	2,60,66,164	2,80,511	2,63,31,250
At 31st March 2019	4,610	4,16,561	8,703	7,86,406	13,313	12,02,967

#### 14 Fixed Asset Investments

	Notes	2020	2020	2019	2019
		£	₹	£	₹
Investments in Subsidiaries	15	1,58,82,143	1,36,66,13,800	1,58,83,040	1,36,64,94,622
Loans to Subsidiaries	15	12,70,750	11,92,83,865	7,99,942	7,22,82,998
Investments in Associates		2,187			
Loans to Associates		18,085	16,97,618	6,985	6,31,167
		1,71,73,165	1,48,75,95,284	1,66,89,967	1,43,94,08,786

#### 14 Fixed Asset Investments

Movement in Fixed Assets Investments	Shares in group undertakings and participating interest	Shares in group undertakings and participating interest	Loans to group undertakings and participating interest	Loans to group undertakings and participating interest	Total	Total
	£	₹	£	₹	£	₹
Cost or Valuation						
At 1st April 2019	1,58,83,040	1,36,64,94,622	8,06,927	7,29,14,164	1,66,89,967	1,43,94,08,786
Additions	2,187	2,02,050	6,13,209	5,56,84,119	6,15,396	5,58,86,169
Disposals	(897)	(82,871)	(1,31,301)	(1,19,23,146)	(1,32,198)	(1,20,06,017)
FCTR				43,06,345		43,06,345
At 31st March 2020	1,58,84,330	1,36,66,13,800	12,88,835	12,09,81,483	1,71,73,165	1,48,75,95,284
Carrying Amount						
AT 31st March 2020	1,58,84,330	1,36,66,13,800	12,88,835	12,09,81,483	1,71,73,165	1,48,75,95,284
AT 31st March 2019	1,58,83,040	1,36,64,94,622	8,06,927	7,29,14,164	1,66,89,967	1,43,94,08,786

#### 15 Subsidiaries

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts.

Route Mobile (UK) Limited is a wholly owned subsidiary of Route Mobile Limited, India and the results of Route Mobile (UK) Limited are included in the consolidated financial statements of Route Mobile limited which are available from 4th Dimension, 3rd Floor, Mind Space, Mumbai 400 064, India.

Details of the company's subsidiaries at 31 March 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
365squared Ltd	Malta	Inter alia providing Technology services for mobile communications with a focus on SMS filtering, analytics and monetisation.	Ordinary	100.00
Route Connect (Kenya) Ltd.	Kenya	Inter alia providing Technology services for mobile communications with a focus on messaging and voice solutions.	Ordinary	100.00



Route Mobile Inc	USA	which Ordinary Route Mobile Inc is incorporated under the Virginia Stock Corporation	Ordinary	100.00
Route Mobile Ltd. (Ghana)	Ghana	Inter alia providing technology services for telecommunication solutions.	Ordinary	70.00
Route Mobile (Bangladesh) Limited	Bangladesh	Inter alia providing technology services for mobile communications with a focus on messaging and voice solutions.	Ordinary	100.00
Route Mobile Nepal Pvt.Ltd.	Nepal	Inter alia providing technology services for mobile communications with a focus on messaging and voice solutions.	Ordinary	100.00
Route Mobile Lanka(Private) Limited	Sri lanka	Inter alia providing technology services for mobile communications with a focus on messaging and voice solutions.	Ordinary	100.00
Route Mobile Malta Limited	Malta	Inter alia providing technology services for mobile communications with a focus on messaging and voice solutions.	Ordinary	100.00
Route Mobile Uganda Limited	Uganda	Inter alia to establish, promote, purchase, set up or connect with any database, network data and information processing centres and bureaus for dissemination of knowledge and information related to c	Ordinary	100.00
Routesms Solutions Zambia Limited	Zambia	Inter alia information and communication i.e wireless telecommunications activities, cloud communication service providers including messaging, voice, e-mail and SMS filtering, analytics and monetiza	Ordinary	99.99





Spectrum telecom FZ-LLC

Inter alia providing  
Technology services for  
mobile communications  
with a focus on SMS,  
filtering, analytics and  
monetiza

UAE

Ordinary

100.00

The aggregate capital & reserves and the result for the year of subsidiaries noted above was as follows:

Name of the Undertaking	Capital and Reserves £	Capital and Reserves ₹	Profit/(Loss) £	Profit/(Loss) ₹
365 Squared Limited	20,131	18,89,674	22,56,787	20,84,97,102
Route (Connect) Kenya Limited	70,471	66,15,033	(2,263)	(2,09,071)
Route Mobile INC	(14,27,844)	(13,40,30,101)	(4,60,582)	(4,25,51,651)
Route Mobile Limited (Ghana)	(51,776)	(48,60,155)	(34,101)	(31,50,479)
Route Mobile (Bangladesh) Limited	(26,809)	(25,16,530)	(32,879)	(30,37,582)
Route Mobile Nepal Private Limited	27,097	25,43,965	(2,380)	(2,19,880)
Route Mobile Lanka (Private) Limited	(11,644)	(10,93,009)	(4,809)	(4,44,288)
Route Mobile Malta Limited	531	49,844	-	-
Route Mobile Uganda Limited	(21,385)	(20,07,386)	(28,149)	(26,00,593)
Routesms Solutions Zambia Limited	(5,387)	(5,05,672)	(5,983)	(5,52,750)
Spectrum telecom FZ-LLC	2,149	2,01,724	-	-

The Investments in Subsidiaries are all stated at cost.

#### 16 Debtors

Amounts falling due within one year:	2020 £	2020 ₹	2019 £	2019 ₹
Trade Debtors	53,84,907	50,54,75,127	28,70,336	25,93,64,417
Amounts owed by group undertakings	1,60,95,697	1,51,08,84,865	1,22,51,600	1,10,70,58,230
other debtors	37,71,154	35,39,93,959	10,02,374	9,05,74,814
Prepayments and accrued income	1,66,489	1,56,28,134	14,157	12,79,231
	<u>2,54,18,247</u>	<u>2,38,59,82,085</u>	<u>1,61,38,467</u>	<u>1,45,82,76,692</u>

#### 17 Current Assets Investments

	2020 £	2020 ₹	2019 £	2019 ₹
Listed Investments			67,28,728	60,80,09,869
Other Investments	5,00,183	4,69,51,612		
	<u>5,00,183</u>	<u>4,69,51,612</u>	<u>67,28,728</u>	<u>60,80,09,869</u>
Usted Investments Included In above:				
Listed investments carrying amount	-	-	67,28,728	60,80,09,869

#### 18 Creditors: Amounts falling due within one year

	Notes	2020 £	2020 ₹	2019 £	2019 ₹
Bank Loans and Overdrafts	20	-	-	60,06,786	54,27,74,975
Payments received on account		1,26,097	1,18,36,583	-	-
Trade Creditors		54,53,712	51,19,33,774	8,51,379	7,69,30,860
Amounts owed to group undertakings		1,29,84,251	1,21,88,16,949	1,78,74,710	1,61,51,64,127
Corporation Tax		3,67,044	3,44,54,005	3,40,444	3,07,62,621
Other taxation and Social security		26,106	24,50,541	49,953	45,13,768
Other Creditors		55,10,971	51,73,08,612	81,14,239	73,32,05,056
Accruals and deferred Income		15,02,072	14,09,97,799	96,420	87,12,540
		<u>2,59,70,253</u>	<u>2,43,77,98,263</u>	<u>3,33,33,931</u>	<u>3,01,20,63,948</u>

Other creditors include £ 54,39,317 (2018:- £ 80,86,998) earn out payment payable for the acquisition of 365 squared limited.

#### 19 Creditors: Amounts falling due after more than one year

	2020 £	2020 ₹	2019 £	2019 ₹
Other Borrowings	80,12,758	75,21,48,527	-	-

#### 20 Loans and Overdrafts

	2020 £	2020 ₹	2019 £	2019 ₹
Bank Loans			60,06,786	54,27,74,975
Loans from group undertakings	80,12,758	75,21,48,527		
	<u>80,12,758</u>	<u>75,21,48,527</u>	<u>60,06,786</u>	<u>54,27,74,975</u>
Payable within one year			60,06,786	54,27,74,975
Payable after one year	80,12,758	75,21,48,527		

#### 21 Provisions for Liabilities

	Notes	2020 £	2020 ₹	2019 £	2019 ₹
Deferred Tax liabilities	20	52,538	49,31,683	1,603	1,44,848



## 22 Deferred taxation

Deferred tax assets and liabilities are offset where the company has the legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purpose.

	Liabilities 2020 £	Liabilities 2020 ₹	Liabilities 2019 £	Liabilities 2019 ₹
<b>Balances:</b>				
Accelerated capital allowances	52,538	49,31,683	1,603	1,44,848
<b>Movements in the year:</b>			2020 £	2020 ₹
Liability at 1 st April 2019			1,603	1,44,847.56
Credit to profit or loss			50,935	46,25,292
FCTR				1,61,543
Liability at 31 st March 2020			52,538	49,31,683

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

<b>23 Retirement benefit schemes</b>	2020 £	2020 ₹	2019 £	2019 ₹
<b>Defined contributions schemes</b>				
Charge to profit or loss in respect of defined contribution	628	58,019	1,290	1,17,142

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

<b>24 Share capital</b>	2020 £	2020 ₹	2019 £	2019 ₹
<b>Ordinary Share capital</b>				
Issued and fully paid up				
20000 Ordinary shares of £ 1 each	20,000	15,24,000	20,000	15,24,000

## 25 Operating lease commitments

### Lessee

At the reporting end date the company had outstanding commitments for the future minimum lease payments under non-cancellable operating leases, which falls due as follows:

	2020 £	2020 ₹	2019 £	2019 ₹
Within one year	-	-	53,728	48,54,878

## 26 Related Party Transactions

### Remuneration of Key managerial Personnel

The remuneration of key managerial personnel is as follows.

	2020 £	2020 ₹	2019 £	2019 ₹
Aggregate Compensation	56,160	51,88,437	16,320	14,81,982

### Transactions with related parties

During the year the company entered into the following transactions with related parties

	2020 £	Sale of services 2020 ₹	2019 £	2019 ₹	2020 £	Management charges 2020 ₹	2019 £	2019 ₹
Entities with control, Joint control or significant influence over the company	93,03,130	85,94,85,472	80,04,412	72,68,62,512	9,71,856	8,97,86,568	6,01,394	5,46,11,226
Entities over which the entity has control, Joint control or significant influence	3,92,617	3,62,72,589	5,56,720	5,05,54,481	-	-	-	-
Fellow Subsidiaries	67,06,809	61,96,19,945	22,02,020	19,99,60,445	-	-	-	-

The following amounts were outstanding at the reporting end date:

<b>Amounts owed to related parties</b>	2020 £	2020 ₹	2019 £	2019 ₹
Entities with control, Joint control or significant influence over the company	32,94,121	30,92,15,411	41,84,446	37,81,07,789
Entities over which the entity has control, Joint control or significant influence	35,42,438	33,25,26,524	35,67,902	32,23,96,689
Fellow Subsidiaries	61,47,672	57,70,75,014	1,01,22,362	91,46,59,650



The Amounts owed to related parties is not secured and is repayable within one year. No interest is payable on the outstanding amount.

The following amounts were outstanding at the reporting end date:

	2020 Balance £	2020 Balance ₹
<b>Amounts owed by related parties</b>		
Entities with control, Joint control or significant influence over the company	90,09,036	84,56,68,015
Entities over which the entity has control, Joint control or significant influence	18,02,814	16,92,28,110
Fellow Subsidiaries	<u>52,83,847</u>	<u>49,59,88,739</u>

	2019 Balance £	2019 Balance ₹
<b>Amounts owed by related parties</b>		
Entities with control, Joint control or significant influence over the company	72,71,669	65,70,70,180
Entities over which the entity has control, Joint control or significant influence	44,02,536	39,78,14,466
Fellow Subsidiaries	<u>5,77,395</u>	<u>5,21,73,584</u>

#### 27 Ultimate controlling party

The parent company is Route Mobile Limited, India.

The company financial statement of Route Mobile (UK) limited are consolidated in to the group accounts of the parent company, Route Mobile Limited, India. These are available at Route Mobile Limited, 4 th Dimension, 3 rd floor, Mind Space, Malad (west), Mumbai - 400 064, India.

#### 28 Cash absorbed by operations

	2020 £	2020 ₹	2019 £	2019 ₹
Profit for the year after tax	55,34,397	51,13,04,671	47,96,066	43,55,19,883
<b>Adjustments for :</b>				
Taxation (credited) / charged	( 4,17,481)	( 3,85,69,692)	( 4,36,317)	( 3,96,20,958)
Finance costs	2,42,642	2,24,16,893	12,77,734	11,60,28,129
Investment income	(20,33,792)	(18,78,95,330)	(27,66,859)	(25,12,52,195)
Amortisation and impairment of Intangible assets	-	-	12,495	11,34,643
Depreciation and impairment of tangible fixed assets	84,438	78,00,948	9,953	9,03,809
<b>Movements in Working capital:</b>				
(Increase in debtors)	( 88,10,905)	( 82,70,69,683)	( 1,12,93,484)	( 1,02,04,82,583)
Increase in creditors	(13,83,482)	(12,98,66,829)	68,19,058	61,61,72,115
<b>Cash (Absorbed by)/ generated from operations</b>	<u>( 67,84,193)</u>	<u>( 64,18,79,020)</u>	<u>( 15,81,354)</u>	<u>( 14,15,97,157)</u>

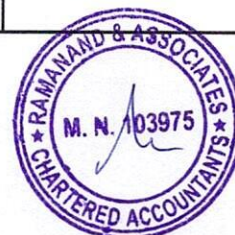
#### 29 Analysis of changes in net debt

	1st April 2019 £	1st April 2019 ₹	Cash flows £	Cash flows ₹	31 st March 2020 £	31 st March 2020 ₹
Cash & Cash Equivalents	1,27,279	1,15,00,968	21,87,964	20,21,38,772	23,15,243	21,36,39,740
Borrowings excluding overdrafts	( 60,06,786)	( 54,27,74,975)	(20,05,972)	(18,53,25,132)	( 80,12,758)	(72,81,00,106)
FCTR	<u>( 58,79,507)</u>	<u>( 53,12,74,006)</u>	<u>1,81,992</u>	<u>1,68,13,640</u>	<u>( 56,97,515)</u>	<u>( 51,44,60,366)</u>



ROUTE MOBILE (UK) LIMITED  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020

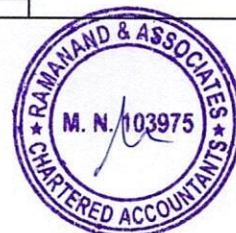
	SHARE CAPITAL		PROFIT AND LOSS RESERVES		TOTAL	
	£	₹	£	₹	£	₹
Balance as at 1st April 2018	20,000	15,24,000	15,46,154	13,72,20,067	15,66,154	13,87,44,067
Year ended 31st March 2019:						
Profit & total comprehensive income for the year	-		47,96,066	43,55,19,883	47,96,066	43,55,19,883
Balance as at 31st March 2019	20,000	15,24,000	63,42,220	57,27,39,950	63,62,220	57,42,63,950
Year ended 31st March 2020:						
Profit & total comprehensive income for the year	-		55,34,397	51,13,04,671	55,34,397	51,13,04,671
Dividends	-		(7,45,000)	(6,88,28,091)	(7,45,000)	(6,88,28,091)
Balance at 31st March 2020	20,000	15,24,000	1,11,31,617	1,01,52,16,530	1,11,51,617	1,01,67,40,530





ROUTE MOBILE (UK) LIMITED  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2019

Particulars	Notes	2020 £	2020 ₹	2019 £	2019 ₹
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	26	(67,84,193)	(64,18,79,020)	(15,81,354)	(14,15,97,157)
Interest paid		(2,42,642)	(2,24,16,893)	(12,77,734)	(11,60,28,129)
Income taxes refunded /(paid)		4,95,016	4,57,32,894.26	5,73,464	5,20,74,966
<b>Net cash (outflow)/inflow from operating activities</b>		(65,31,819)	(61,85,63,019)	(22,85,624)	(20,55,50,319)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(3,51,636)	(3,24,86,489)	(7,316)	(6,64,349)
Proceeds on disposal of subsidiaries		(4,69,911)	(4,34,13,526)	(5,60,978)	(5,09,41,141)
Proceeds on disposal of associates		(13,287)	(12,27,542)	(4,510)	(4,09,543)
Proceeds on disposal of fixed asset investments		67,28,728	62,16,44,969	-67,28,728	(61,10,20,539)
Proceeds from other investments and loans		1,291	1,19,271	68,42,601	62,13,61,088
Interest received		89,194	82,40,339	1,85,902	1,68,81,339
Dividends received		14,74,432	13,62,17,906	25,80,957	23,43,70,855
<b>Net cash generated from / (used in) investing activities</b>		74,58,811	68,90,94,928	23,07,928	20,95,77,711
<b>Financing Activities</b>					
Repayment of borrowings		80,12,758	74,02,72,263		
Repayment of bank loans		(60,06,786)	(55,49,47,131)	(25,643)	(23,28,583)
Dividends paid		(7,45,000)	(6,88,28,091)		
<b>Net cash (used in) / generated from financing activities</b>		12,60,972	11,64,97,041	(25,643)	(23,28,583)
<b>Net decrease in cash &amp; cash equivalents</b>		21,87,964	18,70,28,949	(3,339)	16,98,809
Cash & cash equivalents at beginning of the year		1,27,279	1,15,00,968	1,30,618	1,19,20,916
Foreign currency translation reserve			1,87,99,323		(21,18,756)
<b>Cash &amp; cash equivalents at end of year</b>		23,15,243	21,73,29,241	1,27,279	1,15,00,968
<b>Relating to:</b>					
Cash at bank and in hand		18,15,060		1,27,279	
Short term deposits included in current asset investments		5,00,183			



**ROUTE MOBILE (UK) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**1 Accounting policies**

**Company Information**

Route Mobile (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 183-189 The Vale, Acton, London, W3 7RW.

**1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Route Mobile (UK) Limited is a wholly owned subsidiary of Route Mobile Limited and the results of Route Mobile (UK) Limited are included in the consolidated financial statements of Route Mobile Limited which are available from 4th Dimension, 3rd Floor, Mind Space, Mumbai 400 064, India.

**1.2 Going Concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch 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 entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.





ROUTE MOBILE (UK) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020

---

1 Accounting policies

(Continued)

The company recognises revenue from sale of services based on the usage of Short Message Services (SMS). The revenue is recognised when the company'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.

Amounts received or billed in advance for services to be performed in future are recorded as advances from customers / advance billing.

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.

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.

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 a 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.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	straight line over 3 years
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1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	straight line over 3 to 5 years
Computer equipment	straight line over 3 to 5 years



**1 Accounting policies**

**(Continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**1.6 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

**1.7 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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 asset 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.

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.

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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.8 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.





1 Accounting policies

(Continued)

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

**Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.



**ROUTE MOBILE (UK) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

---

**1 Accounting policies**

**(Continued)**

**Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or

**1.10 Equity Instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.11 Derivatives**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

**1.12 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.





1 Accounting policies

(Continued)

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

**Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.13 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.14 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.15 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

**1.16 Foreign Exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit and loss.



**ROUTE MOBILE (UK) LIMITED  
MANAGEMENT INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2020**



ROUTE MOBILE (UK) LIMITED  
DETAILED TRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH 2019

	2020 GBP	2020 INR	2019 GBP	2019 INR
<b>Turnover</b>				
Sales UK	63,04,344	58,24,37,532	1,37,84,086	1,25,17,01,608
Sales Europe	1,34,08,767	1,23,87,91,723	24,99,779	22,69,99,265
Sales rest of the world	2,92,90,826	2,70,60,82,729	1,61,17,976	1,46,36,36,869
Inter company sales		-	1,07,63,152	97,73,77,439
	<u>4,90,03,937</u>	<u>4,52,73,11,985</u>	<u>4,31,64,993</u>	<u>3,91,97,15,181</u>
<b>Cost of Sales</b>				
Direct Costs	4,36,75,219	4,03,50,09,318	3,89,62,960	3,53,81,38,089
	<u>(4,36,75,219)</u>	<u>(4,03,50,09,318)</u>	<u>(3,89,62,960)</u>	<u>(3,53,81,38,089)</u>
<b>Gross Profit</b>	10.87% 53,28,718	10.87% 49,23,02,667	9.73% 42,02,033	9.73% 38,15,77,093
<b>Other Operating Income</b>				
Sundry Income	124	11,456	5,349	4,85,730.57
Foreign exchange gain/loss	2,82,007	2,60,53,696	8,51,668	7,73,38,040.78
	<u>2,82,131</u>	<u>2,60,65,152</u>	<u>8,57,017</u>	<u>7,78,23,771</u>
<b>Administrative expenses</b>				
Wages & Salaries	8,743	8,07,736.91	1,64,622	1,49,48,951
Social security costs	2,665	2,46,210.55	20,749	18,84,170
Staff welfare	138	12,749.36	1,490	1,35,304
Staff pension costs defined contribution	628	58,018.85	1,290	1,17,142
Director's remuneration	56,160	51,88,437.02	16,320	14,81,982
Management charge - Group	9,71,856	8,97,86,567.89	6,01,394	5,46,11,226
Rent re operating leases	12,488	11,53,725.10	25,178	22,86,357
Computer running costs	47,630	44,00,378.48	57,779	52,46,780
Travelling expenses	18,478	17,07,121.43	26,860	24,39,096
Professional subscriptions	7,505	6,93,362.18	21,199	19,25,033
Legal and professional fees	3,01,708	2,78,73,806.23	71,359	64,79,949
Consultancy fees	1,05,844	97,78,577.78	1,53,253	1,39,16,558
Accountancy	3,300	3,04,876.11	3,430	3,11,471
Audit fees	13,500	12,47,220.44	13,500	12,25,904
Bank Charges	43,644	40,32,125.10	30,738	27,91,248
Bad and doubtful debts	2,50,072	2,31,03,326.63	742	67,379
Discounts received	(46,768)	(43,20,741.15)	(15,452)	(14,03,161)
Insurance (not Premises)	247	22,819.51	27,073	24,58,438
Printing and stationery	111	10,254.92	889	80,728
Advertising	2,74,845	2,53,92,022.33	1,81,053	1,64,41,013
Telecommunications	712	65,779.33	1,680	1,52,557
Sundry expenses	403	37,231.84	4,062	3,68,861
Amortisation	-	-	12,495	11,34,643
Depreciation	84,438	78,00,948.10	9,953	9,03,809
Profit or loss on foreign exchange	1,26,736	1,17,08,720.70	7,56,770	6,87,20,568
	<u>-22,85,083</u>	<u>(21,11,11,276)</u>	<u>(21,88,426)</u>	<u>(19,87,26,005)</u>
<b>Operating Profit</b>	33,25,766	30,72,56,543	28,70,624	26,06,74,859
<b>Interest receivable &amp; similar income</b>				
Bank interest received	91,229	84,28,346	1,85,902	1,68,81,339
Other interest received - not on financial instruments	-	-	-	0
Dividends receivable from group companies	19,42,563	17,94,66,983	25,80,957	23,43,70,855
	<u>20,33,792</u>	<u>18,78,95,330</u>	<u>27,66,859</u>	<u>25,12,52,195</u>
<b>Interest payable and similar expenses</b>				
Bank interest on loans and overdrafts	2,40,179	2,21,89,345	2,73,488	2,48,34,825
Interest on overdue taxation - Non financial liabilities	2,463	2,27,548		
Non Bank interest on loans	-	-	10,04,246	9,11,93,303
	<u>(2,42,642)</u>	<u>(2,24,16,893)</u>	<u>(12,77,734)</u>	<u>(11,60,28,129)</u>
<b>Profit before taxation</b>	10.44% <u>51,16,916</u>	10.44% <u>47,27,34,979</u>	10.10% <u>43,59,749</u>	10.10% <u>39,58,98,925</u>

