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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Route Mobile Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of **Route Mobile Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 September 2020 and the consolidated year to date results for the period 1 April 2020 to 30 September 2020, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 30 September 2019 and the corresponding period from 1 April 2019 to 30 September 2019, as reported in the Statement have been approved by the Holding Company's Board of Directors but have not been subjected to audit or review. Attention is drawn to the fact that the cash flow figures for the corresponding six-months period ended 30 September 2019 have been approved by the Company's Board of Directors but have not been subjected to audit or review.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

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4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of Matter

We draw attention to the matter stated in Note 7 to the accompanying Statement which indicates delay in payment of foreign currency payables and receipt of foreign currency receivables within the group as on 30 September 2020 beyond the timelines stipulated vide FED Master Direction No. 17/2016-17 and FED Master Direction No. 16/2015-16, read with RBI circulars, RBI/2019-20/242 No.33 dated 22 May 2020 and RBI/2019-20/206 No.27 dated 1 April 2020, under the Foreign Exchange Management Act, 1999. The management of the Holding Company is in the process of filing, and in some cases, has filed necessary applications seeking set off of receivables and payables and condonation of delays with appropriate authorities for regularising these defaults. Pending conclusion on these matters, the management is of the view that the amount of fines/penalties, if any, that may be levied, are currently unascertainable but not expected to be material and accordingly, no consequential adjustments have been made to the accompanying Statement with respect to such delays/defaults. Our conclusion is not modified in respect of this matter.

6. We did not review the interim financial results / interim consolidated financial results of ten subsidiaries included in the Statement, whose interim financial results / interim consolidated financial results reflect total assets of ₹ 34,901.39 lakhs as at 30 September 2020 and total revenues of ₹ 12,008.83 lakhs and ₹ 23,709.44 lakhs, total net profit after tax of ₹ 892.79 lakhs and ₹ 1,805.12 lakhs, total comprehensive income of ₹ 892.79 lakhs and ₹ 1,805.12 lakhs, for the quarter and six months period ended 30 September 2020, respectively, and cash flows (net) of ₹ 1,984.75 lakhs for the six months period ended 30 September 2020, as considered in the Statement. These interim financial results / interim consolidated financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Further, of these subsidiaries, there are three subsidiaries located outside India, whose interim financial results / interim consolidated financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under International Standards on Review Engagement (ISRE) applicable in their respective countries. The Holding Company's management has converted the interim financial results / interim consolidated financial results of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of these subsidiaries is based on the review reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

Our conclusion is not modified in respect of these matters with respect to our reliance on the work done by and the reports of the other auditors.

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7. The Statement includes the interim financial information of nine subsidiaries, which have not been reviewed by their auditors, whose interim financial information reflect total assets of ₹ 316.97 lakhs as at 30 September 2020, and total revenues of ₹ 30.36 lakhs and ₹ 47.18 lakhs, net loss after tax of ₹ 15.33 lakhs and ₹ 24.59 lakhs, total comprehensive loss of ₹ 15.33 lakhs and ₹ 24.59 lakhs for the quarter and six months period ended 30 September 2020, respectively, and cash flows (net) of ₹ (9.22) lakhs for the six months period ended 30 September 2020, as considered in the Statement. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, are based solely on such unreviewed interim financial information. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the financial information certified by the Board of Directors.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No:001076N/N500013

**BHARAT
KOCHU
SHETTY**

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BHARAT KOCHU SHETTY
Date: 2020.10.28 14:19:28
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Bharat Shetty

Partner

Membership No:106815

UDIN:20106815AAAAFC9822

Place: Mumbai

Date: 28 October 2020

Route Mobile Limited

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Annexure 1

List of entities included in the Statement

Route Mobile Limited
Sphere Edge Consulting India Private Limited
Start Corp India Private Limited
Cellent Technologies India Private Limited
Route Connect Private Limited
Call 2 Connect India Private Limited
RouteSMS Solutions FZE (Consolidated)
RouteSMS Solutions Nigeria Limited
Route Mobile Pte. Ltd.- Singapore
Route Mobile UK Limited
365Squared Limited
Route Connect (Kenya) Limited
Route Mobile (Bangladesh) Limited
Route Mobile (Nepal) Private Limited
Route Mobile Lanka (Private) Limited
Route Mobile (Uganda) Limited
Route Mobile Limited (Ghana)
Route Mobile Malta Limited
Route Mobile INC.
Routesms Solutions Zambia Limited
Spectrum Telecom FZE-LLC

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ROUTE MOBILE LIMITED

Registered office : 4th Dimension, 3rd Floor, Mind Space, Malad (West), Mumbai 400 064, Maharashtra, India
Corporate Identity Number: U72900MH2004PLC146323, Website : www.route-mobile.com

A. STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2020

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2020 (Unaudited)	30.06.2020 (Audited)	30.09.2019 (Refer note 3)	30.09.2020 (Unaudited)	30.09.2019 (Refer note 3)	31.03.2020 (Audited)
1	Revenue						
	Revenue from operations	34,927.72	30,961.42	19,657.16	65,889.14	42,632.45	95,625.28
	Other income	522.73	268.22	482.63	790.95	793.26	1,184.89
	Total revenue	35,450.45	31,229.64	20,139.79	66,680.09	43,425.71	96,810.17
2	Expenses						
	Purchases of messaging services	28,128.07	24,941.82	15,702.30	53,069.89	34,232.21	76,413.47
	Employee benefits expense	1,457.08	1,303.43	1,433.63	2,760.51	2,960.53	5,820.05
	Finance costs	87.97	98.89	99.45	186.86	217.07	486.81
	Depreciation and amortisation expense	680.59	602.36	532.76	1,282.95	1,061.51	2,267.91
	Other expenses	1,159.83	954.33	804.76	2,114.16	1,653.31	3,394.51
	Total expenses	31,513.54	27,900.83	18,572.90	59,414.37	40,124.63	88,384.75
3	Profit before exceptional item and tax (1-2)	3,936.91	3,328.81	1,566.89	7,265.72	3,301.08	8,425.42
4	Exceptional item - Service tax expense	-	-	-	-	-	1,489.09
5	Profit before tax (3-4)	3,936.91	3,328.81	1,566.89	7,265.72	3,301.08	6,936.33
6	Tax expense						
	Current tax	801.47	518.62	363.38	1,320.09	629.68	1,082.53
	Deferred tax (credit)/charge	(136.57)	116.68	(96.35)	(19.89)	47.96	33.35
		664.90	635.30	267.03	1,300.20	677.64	1,115.88
7	Profit for the period (5-6)	3,272.01	2,693.51	1,299.86	5,965.52	2,623.44	5,820.45
8	Other comprehensive income						
	(i) (a) Items that will not be reclassified to profit or loss	(5.03)	(5.03)	9.61	(10.06)	9.61	(29.27)
	(b) Tax (expense) / benefit on items that will not be reclassified to profit or loss	1.26	1.27	(2.80)	2.53	(2.80)	4.77
	(ii) (a) Items that will be reclassified to profit or loss	(377.64)	(39.86)	(187.48)	(417.50)	(374.97)	597.56
	(b) Tax (expense) / benefit on items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total other comprehensive income (net of tax)	(381.41)	(43.62)	(180.67)	(425.03)	(368.16)	573.06
9	Total comprehensive income for the period (7+8)	2,890.60	2,649.89	1,119.19	5,540.49	2,255.28	6,393.51
10	Profit attributable to:						
	Owners of the Holding Company	3,287.06	2,708.87	1,275.05	5,995.93	2,598.65	5,826.99
	Non-controlling interest	(15.05)	(13.36)	24.81	(30.41)	24.79	(6.54)
	Other comprehensive income attributable to:						
	Owners of the Holding Company	(387.57)	(43.20)	(77.71)	(430.77)	(265.21)	595.33
	Non-controlling interest	6.16	(0.42)	(102.96)	5.74	(102.95)	(22.27)
	Total comprehensive income attributable to:						
	Owners of the Holding Company	2,899.49	2,665.67	1,197.34	5,565.16	2,333.44	6,422.32
	Non-controlling interest	(8.89)	(15.78)	(78.15)	(24.67)	(78.16)	(28.81)
11	Paid-up equity share capital (face value of ₹ 10/- each)	5,685.71	5,000.00	5,000.00	5,685.71	5,000.00	5,000.00
12	Other equity (excluding revaluation reserve ₹ Nil)						
13	Earnings per share (face value of ₹ 10/- each) (not annualised) (₹)	6.46	5.42	2.55	11.88	5.20	11.65
	Basic and diluted						



B. SEGMENT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2020

(₹ in lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2020 (Unaudited)	30.06.2020 (Audited)	30.09.2019 (Refer note 3)	30.09.2020 (Unaudited)	30.09.2019 (Refer note 3)	31.03.2020 (Audited)
Segment revenue						
-India	12,700.81	13,108.25	11,387.71	25,809.06	22,467.15	48,649.57
-Dubai	4,410.72	4,563.16	3,627.67	8,973.88	8,334.43	18,894.70
-United Kingdom	24,340.32	20,667.57	8,784.79	45,007.89	20,423.32	45,449.19
-Nigeria	2,408.29	1,934.65	1,359.77	4,342.94	2,875.65	6,314.29
-Others	1,552.34	1,939.85	960.48	3,492.19	2,661.45	10,789.35
-Inter-segment revenue	(10,484.76)	(11,252.06)	(6,463.26)	(21,736.82)	(14,129.55)	(34,471.82)
Total Revenue from operations	34,927.72	30,961.42	19,657.16	65,889.14	42,632.45	95,625.28
Segment Results						
-India	112.59	843.62	(442.75)	956.21	(31.50)	919.68
-Dubai	143.37	341.05	93.71	484.42	478.10	1,622.59
-United Kingdom	2,781.59	1,372.81	1,098.19	4,154.40	1,701.83	2,685.53
-Nigeria	204.14	191.11	139.17	395.25	208.31	520.96
-Others	197.42	408.07	296.17	605.49	353.01	1,954.28
-Inter-segment revenue	63.04	2.82	(0.78)	65.86	15.14	24.30
Segmental results before other income, finance costs, exceptional item and tax	3,502.15	3,159.48	1,183.71	6,661.63	2,724.89	7,727.34
Add : Other income	522.73	268.22	482.63	790.95	793.26	1,184.89
Less : Finance costs	87.97	98.89	99.45	186.86	217.07	486.81
Profit before exceptional item and tax	3,936.91	3,328.81	1,566.89	7,265.72	3,301.08	8,425.42
Less : Exceptional item- Service tax expense	-	-	-	-	-	1,489.09
Profit before tax	3,936.91	3,328.81	1,566.89	7,265.72	3,301.08	6,936.33
Segment assets (including of NCI)						
-India	65,987.30	39,240.24	32,665.01	65,987.30	32,665.01	40,384.99
-Dubai	21,298.50	20,766.20	16,963.65	21,298.50	16,963.65	20,554.09
-United Kingdom	55,770.30	49,215.49	36,761.00	55,770.30	36,761.00	42,811.57
-Nigeria	2,521.45	1,746.94	1,228.00	2,521.45	1,228.00	1,706.09
-Others	16,432.93	16,410.11	6,581.52	16,432.93	6,581.52	16,504.85
-Inter-segment Assets	(66,660.88)	(63,995.17)	(42,916.90)	(66,660.88)	(42,916.90)	(59,408.35)
	95,349.60	63,383.81	51,282.28	95,349.60	51,282.28	62,553.24
Segment liabilities (including of NCI)						
-India	33,295.31	29,138.33	24,341.66	33,295.31	24,341.66	32,030.07
-Dubai	8,560.26	8,220.53	6,354.26	8,560.26	6,354.26	8,408.02
-United Kingdom	40,670.14	37,028.88	29,585.57	40,670.14	29,585.57	32,295.79
-Nigeria	1,493.53	790.07	614.78	1,493.53	614.78	885.16
-Others	6,631.94	6,478.99	7,387.94	6,631.94	7,387.94	6,246.38
-Inter-segment liabilities	(49,906.66)	(47,644.16)	(40,362.02)	(49,906.66)	(40,362.02)	(44,033.46)
	40,744.52	34,012.64	27,922.19	40,744.52	27,922.19	35,831.96



C. Consolidated Balance Sheet

(₹ in lakhs)

Particulars	As at	
	30.09.2020 (Unaudited)	31.03.2020 (Audited)
Assets		
Non-current assets		
Property, plant and equipment	2,046.36	2,242.23
Right-of-use assets	656.74	965.94
Goodwill	8,628.62	8,445.20
Other Intangible assets	6,364.28	5,908.64
Financial assets		
Other financial assets	2,807.55	1,619.56
Deferred tax assets (net)	407.38	382.42
Non-current tax assets (net)	1,205.73	1,828.06
Other non-current assets	316.01	751.78
	22,432.67	22,143.83
Current assets		
Financial assets		
Investments	1,251.66	1,189.80
Trade receivables	21,526.87	20,369.94
Cash and cash equivalents	19,673.51	6,151.87
Other bank balances	23,068.84	4,112.33
Other financial assets	2,565.10	1,064.26
Other current assets	4,830.95	7,521.21
	72,916.93	40,409.41
Total assets	95,349.60	62,553.24
Equity and liabilities		
Equity		
Equity share capital	5,685.71	5,000.00
Other equity	49,161.19	21,938.43
Equity attributable to owners of the Holding Company	54,846.90	26,938.43
Non-controlling interest	(241.82)	(217.15)
Total equity	54,605.08	26,721.28
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	397.24	371.20
Lease liabilities	295.78	562.42
Provisions	246.69	223.23
Deferred tax liabilities (net)	49.92	50.82
	989.63	1,207.67
Current liabilities		
Financial liabilities		
Borrowings	3,000.00	3,735.56
Lease liabilities	451.43	588.42
Trade payables		
-Total outstanding dues of micro enterprises and small enterprises	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	19,259.43	18,122.81
Other current financial liabilities	12,546.19	8,802.62
Provisions	94.35	82.48
Current tax liabilities (net)	3,057.98	2,438.30
Other current liabilities	1,345.51	854.10
	39,754.89	34,624.29
Total equity and liabilities	95,349.60	62,553.24



D. Consolidated Statement of Cash flows

(₹ in lakhs)

Particulars	Half year ended 30.09.2020 (Unaudited)	Half year ended 30.09.2019 (Refer note 3)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	7,265.72	3,301.08
Adjustments for :		
Financial asset measured at amortised cost	0.10	0.10
Depreciation and amortisation expense	1,282.95	1,061.51
Advances and trade receivable written off	175.74	20.09
Interest income on fixed deposits	(215.02)	(120.80)
Interest on income tax refund	(22.06)	(2.47)
Fair value changes of contingent consideration	-	(250.74)
Provision for doubtful debts and advances	-	13.95
Provision for doubtful debts and advances written back	(9.84)	-
Interest on borrowings from bank	136.95	124.31
Interest on lease liability/finance lease obligations	44.03	78.14
Other borrowing cost	5.48	7.58
Unrealised foreign exchange (gain)/loss	(401.57)	176.50
Net gain arising on financial assets designated as FVTPL	(61.88)	(62.25)
Loss on derivative transaction	-	4.54
Mark to market of derivative financial instruments	114.76	(2.57)
Liabilities no longer payable, written back	(9.72)	(240.55)
Gain on extinguishment of lease liabilities (net)	(41.13)	-
Operating profit before working capital changes	8,264.51	4,108.42
Adjustments for working capital:		
(Increase)/Decrease in trade receivables	(1,236.31)	502.83
Decrease/(Increase) in financial assets and other assets	771.15	(1,139.50)
Increase in trade payables, provisions and other liabilities	5,479.75	3,508.70
Cash generated from operating activities	13,279.10	6,980.45
Direct taxes paid (net)	(574.11)	(890.38)
Net cash generated from operations (A)	12,704.99	6,090.07
B CASH FLOW FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment and intangible assets	(131.37)	(582.87)
Payment for acquisition of subsidiary	(2,417.59)	(22.05)
Fixed deposits (placed)/matured (net)	(18,979.86)	2,976.76
Interest received	165.91	89.06
Net cash (used in) / generated from investing activities (B)	(21,362.91)	2,460.90
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of non-current borrowings	(25.48)	(9.90)
Dividend paid (including Dividend distribution tax)	-	(904.16)
Proceeds from issue of equity shares	24,000.00	-
Repayment of current borrowings (net)	(735.56)	(3,612.88)
Payment of interest portion of lease liabilities/finance lease obligations	(44.03)	(78.14)
Payment of principal portion of lease liabilities/finance lease obligations	(314.16)	(276.69)
Interest paid	(145.20)	(138.40)
Net cash generated from / (used in) financing activities (C)	22,735.57	(5,020.17)
D Currency fluctuations arising on consolidation (D)	(556.01)	75.40
Net increase in cash and cash equivalents (A+B+C+D)	13,521.64	3,606.20
Cash and cash equivalents at the beginning of the period	6,151.87	2,940.06
Cash and cash equivalents at the end of the period	19,673.51	6,546.26
Cash and cash equivalents as per consolidated financial statements	19,673.51	6,546.26

Note:

The Consolidated statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7, 'Statement of Cash Flows'.



Notes (A to D):

- 1) The Statement of Route Mobile Limited ('the Holding Company') and its subsidiaries (referred to as 'the Group') has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.
- 2) The consolidated financial results were reviewed and recommended by the Audit Committee and were thereafter approved by the Board of Directors at their respective meetings held on 28 October 2020. There are no qualifications in the limited review report issued for the said period.
- 3) The Statement includes results for the quarter ended 30 September 2019 and six months ended 30 September 2019 presented based on the information compiled by the management in accordance with Ind AS, which have not been subjected to review or audit by statutory auditors.
- 4) The Holding Company has completed its Initial Public Offering (IPO) of 17,142,856 equity shares of face value of ₹ 10 each at an issue price of ₹ 350 per equity share, consisting of fresh issue of 6,857,142 equity shares and an offer for sale of 10,285,714 equity shares by the selling shareholders. The equity shares of the Holding Company were listed on BSE limited and National Stock Exchange of India Limited on 21 September 2020.

The utilisation of IPO proceeds is summarised below :

(₹ in lakhs)			
Particulars	Objects of the issue as per the Prospectus	Utilisation upto 30.9.2020	Unutilised amounts as on 30.9.2020
Repayment or pre-payment, in full or part, of certain borrowings of our Holding Company	3,650.00	650.00	3,000.00
Acquisitions and other strategic initiatives	8,300.00	-	8,300.00
Purchase of office premises in Mumbai	6,500.00	-	6,500.00
General corporate purposes (including IPO related expenses apportioned to the Holding Company)	5,550.00	1,656.70	3,893.30
Net utilisation	24,000.00	2,306.70	21,693.30

IPO proceeds which remain unutilised as at 30 September 2020 were temporarily invested/parked in deposits with scheduled commercial banks, current account and in monitoring agency account.

- 5) The Holding Company has completed acquisition of a division, comprising intellectual property (software) and related customer contracts, of TeleDNA Communications Private Limited (TDNA), a Bengaluru based Company specializing in development of telecom related solutions, under slump sale arrangement for total consideration of ₹ 1,200 lakhs. The following table presents the purchase price allocation :-

Description	Purchase price allocation (₹ in lakhs)
Net assets	16.23
Customer related intangibles	651.00
Intellectual properties (software)	388.00
Non-compete	38.00
Goodwill	106.77
Total purchase price	1,200.00

- 6) The Holding Company, its subsidiaries, step down subsidiaries operate within a single business segment. The Chief Operating Decision Maker (CODM) evaluates the Group's performance on the basis of geographical location of the operations carried out by the Holding Company, its subsidiaries and step down subsidiaries.
- 7) There are certain delays in payment of foreign currency payables and receipt of foreign currency receivables within the group as at 30 September 2020, outstanding beyond the timelines stipulated vide FED Master Direction No. 17/2016-17 and the FED Master Direction No. 16/2015-16 respectively, read with RBI circulars RBI/2019-20/242 No.33 dated 22 May 2020 and RBI/2019-20/206 No.27 dated 1 April 2020 respectively, under the Foreign Exchange Management Act, 1999. The management of the Holding Company is in the process of filing and in some cases, has filed necessary applications seeking set off of receivables and payables and condonation of delays with the appropriate authorities for regularizing these defaults. Pending conclusion of the aforesaid matter, the amount of fine/penalty, if any, that may be levied, is not ascertainable and accordingly, the accompanying Statement do not include any adjustments that may arise due to such fine/penalty.



Notes (A to D):

- 8) In assessing the recoverability of receivables, investments and other assets, the Group has considered internal and external information up to the date of these consolidated financial results including credit reports and economic forecasts. The Group has performed sensitivity analysis on the assumptions used and based on the current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from the estimate as at the date of these consolidated financial results and the Group will closely monitor any material changes to future economic conditions and respond accordingly.

Place : Mumbai
Date : 28 October 2020

For and on behalf of the Board of Directors



Rajdip Kumar Gupta
Managing Director and Group CEO



Walker Chandio & Co LLP

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One International Center,
SB Marg, Prabhadevi (W)
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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Route Mobile Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of **Route Mobile Limited** ('the Company') for the quarter ended 30 September 2020 and the year to date results for the period 1 April 2020 to 30 September 2020, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Attention is drawn to the fact that the figures for the corresponding quarter and year to date period ended 30 September 2019 have been approved by the Company's Board of Directors, but have not been subjected to audit or review. Attention is drawn to the fact that the cash flow figures for the corresponding six-months period ended 30 September 2019 have been approved by the Company's Board of Directors but have not been subjected to audit or review.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

Route Mobile Limited

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

5. Emphasis of Matter

We draw attention to the matter stated in Note 6 to the accompanying Statement which indicates delay in payment of foreign currency payables and receipt of foreign currency receivables to/from subsidiaries, aggregating to ₹ 3,653.44 lakhs and ₹ 1,121.28 lakhs, respectively, outstanding as on 30 September 2020 beyond the timelines stipulated vide FED Master Direction No. 17/2016-17 and FED Master Direction No. 16/2015-16, read with RBI circulars, RBI/2019-20/242 No.33 dated 22 May 2020 and RBI/2019-20/206 No.27 dated 1 April 2020 respectively, under the Foreign Exchange Management Act, 1999. The management of the Company is in the process of filing, and in some cases, has filed necessary applications seeking set-off of receivables and payables and condonation of delays with appropriate authorities for regularising these defaults. Pending conclusion of these matters, the management is of the view that the amount of fines/penalties, if any, that may be levied, are currently unascertainable but not expected to be material and accordingly, no consequential adjustments have been made to the accompanying Statement with respect to such delays/defaults. Our conclusion is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

**BHARAT
KOCHU
SHETTY**

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BHARAT KOCHU
SHETTY
Date: 2020.10.28
14:20:02 +05'30'

Bharat Shetty

Partner

Membership No:106815

UDIN:20106815AAAAFB4617

Place: Mumbai

Date: 28 October 2020



ROUTE MOBILE LIMITED

Registered office : 4th Dimension, 3rd Floor, Mind Space, Malad (West), Mumbai 400 064, Maharashtra, India
Corporate Identity Number: U72900MH2004PLC146323, Website : www.route-mobile.com

A. STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2020

Sr. No.	Particulars	Quarter ended			Half year ended		(₹ in lakhs)
		30.09.2020 (Unaudited)	30.06.2020 (Audited)	30.09.2019 (Refer note 3)	30.09.2020 (Unaudited)	30.09.2019 (Refer note 3)	
1	Revenue						
	Revenue from operations	9,330.79	10,087.23	10,156.60	19,418.02	20,431.36	40,654.73
	Other income	236.87	214.47	184.81	451.34	500.83	1,853.87
	Total revenue	9,567.66	10,301.70	10,341.41	19,869.36	20,932.19	42,508.60
2	Expenses						
	Purchases of messaging services	7,959.50	8,297.99	9,605.45	16,257.49	18,413.58	35,472.10
	Employee benefits expense	719.96	610.53	574.76	1,330.49	1,157.75	2,257.57
	Finance costs	67.46	71.68	51.04	139.14	118.80	279.71
	Depreciation and amortisation expense	272.53	176.47	141.76	449.00	289.01	634.28
	Other expenses	189.05	182.24	256.92	371.29	569.91	1,517.67
	Total expenses	9,208.50	9,338.91	10,629.93	18,547.41	20,549.05	40,161.33
3	Profit / (Loss) before exceptional item and tax (1-2)	359.16	962.79	(288.52)	1,321.95	383.14	2,347.27
4	Exceptional item - Service tax expense	-	-	-	-	-	1,338.91
5	Profit/(Loss) before tax (3-4)	359.16	962.79	(288.52)	1,321.95	383.14	1,008.36
6	Tax expense						
	Current tax	140.00	151.10	1.55	291.10	105.35	187.60
	Deferred tax (credit)/charge	(54.47)	95.67	(70.98)	41.20	75.77	66.07
		85.53	246.77	(69.43)	332.30	181.12	253.67
7	Profit/(Loss) for the period (5-6)	273.63	716.02	(219.09)	989.65	202.02	754.69
8	Other Comprehensive income						
	Items that will not be reclassified to profit or loss						
	Measurements of defined employee benefit plans	(5.03)	(5.03)	9.61	(10.06)	9.61	(18.94)
	Income tax relating to above item	1.26	1.27	(2.80)	2.53	(2.80)	4.77
	Total other comprehensive income (net of tax)	(3.77)	(3.76)	6.81	(7.53)	6.81	(14.17)
9	Total comprehensive income for the period (7+8)	269.86	712.26	(212.28)	982.12	208.83	740.52
10	Paid-up equity share capital (face value of ₹ 10/- each)	5,685.71	5,000.00	5,000.00	5,685.71	5,000.00	5,000.00
11	Other equity (excluding revaluation reserve ₹ Nil)						
12	Earnings per share (face value of ₹ 10/- each) (not annualised) (₹)	0.53	1.43	(0.44)	1.96	0.40	1.51
	Basic and diluted						



B. Standalone Balance Sheet

(₹ in lakhs)

Particulars	As at	
	30.09.2020 (Unaudited)	31.03.2020 (Audited)
Assets		
Non-current assets		
Property, plant and equipment	672.87	703.62
Right-of-use assets	126.62	266.14
Goodwill	106.77	-
Other Intangible assets	1,264.65	337.75
Investments in subsidiaries	3,650.03	2,649.96
Financial assets		
Loans	769.67	-
Other financial assets	119.58	119.35
Deferred tax assets (net)	258.53	297.20
Non-current tax assets (net)	912.06	1,480.78
Other non-current assets	308.08	736.62
	8,188.86	6,591.42
Current assets		
Financial assets		
Investments	1,251.66	1,189.80
Trade receivables	9,571.96	11,179.82
Cash and cash equivalents	14,111.39	2,292.75
Other bank balances	22,579.77	3,602.31
Loans	481.35	2,233.97
Other financial assets	2,466.14	886.76
Other current assets	957.77	4,425.57
	51,420.04	25,810.98
Total assets	59,608.90	32,402.40
Equity and liabilities		
Equity		
Equity share capital	5,685.71	5,000.00
Other equity	25,071.39	2,431.69
	30,757.10	7,431.69
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	16.95	18.78
Lease liabilities	17.86	27.86
Provisions	220.23	202.98
	255.04	249.62
Current liabilities		
Financial liabilities		
Borrowings	3,000.00	3,735.56
Lease liabilities	120.24	280.83
Trade payables		
-Total outstanding dues of micro enterprises and small enterprises	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	19,917.18	18,934.25
Other current financial liabilities	5,004.39	1,364.08
Provisions	89.06	77.99
Other current liabilities	465.89	328.38
	28,596.76	24,721.09
Total equity and liabilities	59,608.90	32,402.40



C. Standalone Statement of Cash flows

Particulars	(₹ in lakhs)	
	Half year ended 30.09.2020 (Unaudited)	Half year ended 30.09.2019 (Refer note 3)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,321.95	383.14
Adjustments for :		
Financial asset measured at amortised cost	(5.68)	(7.18)
Depreciation and amortisation expense	449.00	289.01
Interest on lease liability/finance lease obligations	12.04	28.17
Advances and trade receivable written off	7.21	13.15
Interest income on fixed deposits	(202.47)	(37.95)
Interest income on loan to subsidiary companies	(42.67)	(90.08)
Net gain arising on financial asset measured at FVTPL	(61.88)	(62.25)
Provision for doubtful debts and advances	-	13.76
Provision for doubtful debts and advances written back	(9.84)	-
Interest on borrowings from bank	121.82	85.80
Other borrowing cost	4.88	0.03
Unrealised foreign exchange loss	254.78	160.83
Loss on derivative transaction	-	4.54
Mark to market of derivative financial instruments	114.76	(2.57)
Liabilities no longer payable, written back	(0.06)	(204.01)
Operating profit before working capital changes	1,963.84	574.39
Adjustments for working capital:		
Decrease/(Increase) in trade receivables	1,619.35	(540.53)
Decrease/(Increase) in financial assets and other assets	813.22	(1,828.45)
Increase in trade payables, provisions and other liabilities	3,146.30	4,487.83
Cash generated from operating activities	7,542.71	2,693.24
Direct taxes refund/(paid) (net)	277.62	(526.85)
Net cash generated from operating activities (A)	7,820.33	2,166.39
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(113.63)	(153.93)
Fixed deposits placed	(19,000.82)	(3,038.78)
Loan returned by subsidiaries (net)	29.85	578.54
Interest received on loan to subsidiaries	-	81.42
Interest received	134.23	4.64
Net cash (used in) investing activities (B)	(18,950.37)	(2,528.11)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	24,000.00	-
Repayment of non-current borrowings	(3.65)	(53.77)
Interest paid	(129.48)	(92.34)
Payment of interest portion of lease liabilities/finance lease obligations	(12.04)	(28.17)
Payment of principal portion of lease liabilities/finance lease obligations	(170.59)	(102.97)
Dividend paid	-	(750.00)
Dividend distribution tax paid	-	(154.16)
(Repayment of)/Proceeds from current borrowings (net)	(735.56)	1,814.92
Net cash generated from financing activities (C)	22,948.68	633.51
Net increase in cash and cash equivalents (A+B+C)	11,818.64	271.79
Opening balance of cash and cash equivalents	2,292.75	380.82
Closing balance of cash and cash equivalents	14,111.39	652.61
Cash and cash equivalents as per financial statements	14,111.39	652.61

Note:

- (i) Non-cash transactions :- Conversion of loan to subsidiary of ₹ 1,000.07 lakhs into 18,334 equity shares of ₹ 10 each.
- (ii) The standalone statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7, 'Statement of Cash Flows'.



Notes (A to C):

- 1) The Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.
- 2) The standalone financial results were reviewed and recommended by the Audit Committee and were thereafter approved by the Board of Directors at their respective meetings held on 28 October 2020. There are no qualifications in the limited review report issued for the said period.
- 3) The Statement includes results for the quarter ended 30 September 2019 and six months ended 30 September 2019 presented based on the information compiled by the management in accordance with Ind AS, which have not been subjected to review or audit by statutory auditors.
- 4) The Company has completed its Initial Public Offering (IPO) of 17,142,856 equity shares of face value of ₹ 10 each at an issue price of ₹ 350 per equity share, consisting of fresh issue of 6,857,142 equity shares and an offer for sale of 10,285,714 equity shares by the selling shareholders. The equity shares of the Company were listed on BSE limited and National Stock Exchange of India Limited on 21 September 2020.

The utilisation of IPO proceeds is summarised below :

Particulars	Objects of the issue as per the Prospectus	Utilisation upto 30.9.2020	(₹ in lakhs) Unutilised amounts as on 30.9.2020
Repayment or pre-payment, in full or part, of certain borrowings of our Company	3,650.00	650.00	3,000.00
Acquisitions and other strategic initiatives	8,300.00	-	8,300.00
Purchase of office premises in Mumbai	6,500.00	-	6,500.00
General corporate purposes (including IPO related expenses apportioned to the Company)	5,550.00	1,656.70	3,893.30
Net utilisation	24,000.00	2,306.70	21,693.30

IPO proceeds which remain unutilised as at 30 September 2020 were temporarily invested/parked in deposits with scheduled commercial banks, current account and in monitoring agency account.

- 5) The Company has completed acquisition of a division, comprising intellectual property (software) and related customer contracts, of TeleDNA Communications Private Limited (TDNA), a Bengaluru based Company specializing in development of telecom related solutions, under slump sale arrangement for total consideration of ₹ 1,200 lakhs. The following table presents the purchase price allocation :-

Description	Purchase price allocation (₹ in lakhs)
Net assets	16.23
Customer related intangibles	651.00
Intellectual properties (software)	388.00
Non-compete	38.00
Goodwill	106.77
Total purchase price	1,200.00



Notes (A to C):

- 6) The outstanding balances as at 30 September 2020 include trade payables aggregating ₹ 3,653.44 lakhs and trade receivables aggregating ₹ 1,121.28 lakhs, to/from subsidiaries situated outside India. These balances are pending for settlement and have resulted in delays beyond the timeline stipulated by the FED Master Direction No. 17/2016-17 and the FED Master Direction No. 16/2015-16 respectively, read with RBI circulars RBI/2019-20/242 No.33 dated 22 May 2020 and RBI/2019-20/206 No.27 dated 1 April 2020 respectively under the Foreign Exchange Management Act, 1999. The management of the Company is in the process of filing, and in some cases, has filed necessary applications seeking set-off of receivables and payables and condonation of delays with the appropriate authorities for regularising these defaults. Pending conclusion of the aforesaid matters, the amount of fine/penalty, if any, that may be levied, is currently not ascertainable and accordingly, the accompanying Statement do not include any adjustments that may arise due to such fine/penalty.
- 7) In assessing the recoverability of receivables, investments and other assets, the Company has considered internal and external information up to the date of these standalone financial results including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from the estimate as at the date of these standalone financial results and the Company will closely monitor any material changes to future economic conditions and respond accordingly.
- 8) In accordance with Ind AS 108, 'Operating Segments', the Company has opted to present segment information along with the consolidated financial results of the Group.

For and on behalf of the Board of Directors



Rajdip Kumar Gupta
Managing Director and Group CEO



Place : Mumbai
Date : 28 October 2020