



OSWAL SUNIL & COMPANY

CHARTERED ACCOUNTANTS

71, DARYAGANJ, NEW DELHI-110 002

Tel. : 2325-1582, 2326-2902, 4306-0999

E-mail : oswalsunil.co@gmail.com

Website : www.oswalsunil.com

INDEPENDENT AUDITOR'S REPORT

To the Members of **Media Matrix Enterprises Private Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Media Matrix Enterprises Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2019, the statement of Profit and Loss and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit and its cash flows for the year ended on that date.

Basis for Opinion

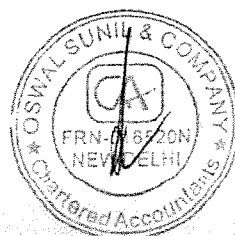
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The other information comprising the above documents is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.



When we read the other information comprising the above documents, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

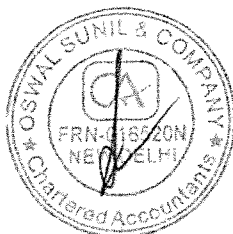
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

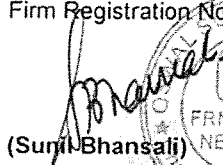
Report on Other Legal and Regulatory Requirements

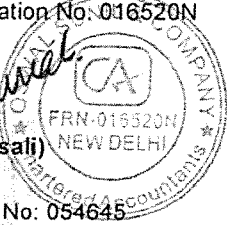
- A. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- B. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c) The balance sheet, the statement of profit and loss and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provide for any remuneration to its directors during the year.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 20 to the financial statements;
 - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 20 to the financial statements;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Oswal Sunil & Company
Chartered Accountants
Firm Registration No: 016520N


(Sunil Bhansali)
Partner
Membership No: 054645



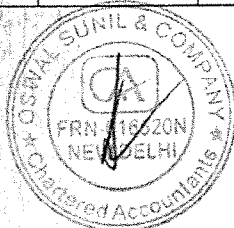
Place: New Delhi
Date: 20.05.2019

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in "Paragraph-A" under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Media Matrix Enterprises Private Limited of even date)

- 1) The Company does not have any Fixed Asset during the year under review. Therefore the provisions of Para 3(i) of the said order are not applicable to the company.
- 2) Having regard to the nature of the Company's business/activities/result, clause 3(ii) regarding Inventory, of 'the Order' is not applicable.
- 3)
 - a. The Company has granted unsecured loan to a company covered in the register maintained under section 189 of the Companies Act, 2013.
 - b. In our opinion and considering the explanation given to us, receipt of the principal and interest is/was regular.
 - c. The aforesaid loan was repayable on demand and there is no repayment schedule.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, with respect to the loans and investments, etc., as provided in paragraph 3 (iv) of the Order.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of the products of the Company.
- 7)
 - a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Income-Tax, Goods & Services Tax, Service Tax, Duty of Customs, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as on 31st March, 2019 for a period of more than six months from the date on when they become payable.
 - b) According to the records of the Company, the dues of income-Tax, Goods & Services Tax, Service Tax, Duty of Customs, Value added Tax, Cess and any other statutory dues which has not been deposited on account of disputes and the forum where the dispute is pending, are as under:

| Name of the statute | Nature of dues | Amount in Rs. | Period to which the amount relates | Forum where dispute is pending | Remarks |
|---------------------|------------------------|---------------|------------------------------------|--------------------------------|--------------------------------------|
| Income Tax Act | Income Tax and Penalty | 28,07,890/- | FY 2012-13 | ITAT, New Delhi | Tax paid under Protest Rs.3,14,150/- |

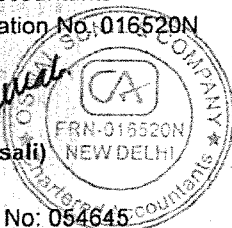


- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to banks. No repayments were due in case of debentures issued by the Company. The Company has not taken any loan from financial institutions or from the government.
- 9) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, paragraph 3 (ix) of the Order is not applicable
- 10) According to the information and explanation given to us and based on our examination, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid any managerial remuneration during the year. Therefore, the provisions of paragraph 3 (xi) of the Order are not applicable to the Company.
- 12) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of paragraph 3 (xii) of the Order are not applicable to the Company.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, in our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) The Company has made preferential allotment or private placement of fully convertible debentures during the year and as per the information and explanations given to us and based on our examination of the records of the Company, the amount raised have been used for the purposes for which the funds were raised.
- 15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of paragraph 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Oswal Sunil & Company
Chartered Accountants
Firm Registration No. 016520N

(Sunil Bhansali)
Partner

Membership No: 054645



Place: New Delhi
Date: 20.05.2019

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MEDIA MATRIX ENTERPRISES PRIVATE LIMITED AS ON 31ST MARCH, 2019.

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

**TO THE MEMBERS OF
MEDIA MATRIX ENTERPRISES PRIVATE LIMITED**

We have audited the internal financial controls over financial reporting of MEDIA MATRIX ENTERPRISES PRIVATE LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

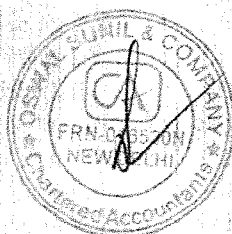
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on Audit of Internal financial control over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on audit of Internal financial controls over financial reporting (the "Guidance Note") and the standards on auditing as specified under Section 143 (10) of the companies act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by Institute of Chartered Accountants of India. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

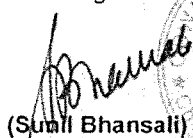
Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Oswal Sunil & Company

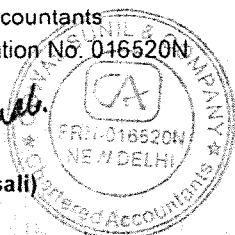
Chartered Accountants

Firm Registration No. 016520N


(Sunil Bhansali)

Partner

Membership No: 054645



Place: New Delhi

Date: 20.05.2019

MEDIA MATRIX ENTERPRISES PRIVATE LIMITED
BALANCE SHEET AS AT 31st MARCH 2019

| | | (Rupees) | |
|--|----------|--------------------------|--------------------------|
| Particulars | Note No. | As at 31st March 2019 | As at 31st March 2018 |
| I EQUITY AND LIABILITIES | | | |
| Shareholders Funds | | | |
| Share Capital | 2 | 2,00,00,000 | 2,00,00,000 |
| Reserves and Surplus | 3 | (9,62,40,718) | (9,89,13,758) |
| Non- Current Liabilities | | | |
| Long-term Borrowings | 4 | 1,21,29,00,000 | 1,13,28,50,000 |
| Current Liabilities | | | |
| Short-term Borrowings | 5 | 35,00,000 | 10,00,00,000 |
| Trade Payable | | | |
| (i) Due to Micro and small Enterprises | | - | - |
| (ii) Due to other than Micro and small Enterprises | | 1,77,31,137 | - |
| Other Current Liabilities | 6 | 17,99,055 | 30,79,000 |
| Short-term Provisions | 7 | 12,73,148 | 5,98,662 |
| Total | | 1,16,09,62,622 | 1,15,76,13,904 |
| II ASSETS | | | |
| Non Current Assets | | | |
| Non- Current Investments | 8 | 1,09,04,58,885 | 1,00,31,40,485 |
| Long-term Loans and Advances | 9 | - | 15,00,00,002 |
| Other Non- Current Assets | 10 | - | 1,49,223 |
| Current Assets | | | |
| Trade Receivable | 11 | 1,60,54,089 | - |
| Cash and Cash Equivalents | 12 | 6,61,690 | 4,93,536 |
| Short-term Loans and Advances | 13 | 5,33,96,725 | 27,72,022 |
| Other Current Assets | 14 | 3,91,233 | 10,58,636 |
| Total | | 1,16,09,62,622 | 1,15,76,13,904 |
| Significant Accounting Policies | 1 | | |
| Notes forming part of Financial Statements | 2-29 | | |

As per our report of even date attached

For Oswal Sunil & Company

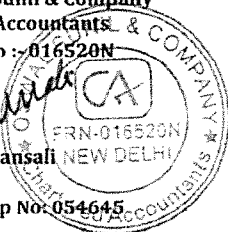
Chartered Accountants

Firm Reg no :- 016520N

CA Sunil Bhansali

Partner

Membership No: 054645



For and on behalf of the Board


Sandeep Jaurath
Director
DIN 05300460


B B Chugh
Director
DIN 00472532

Place : 20 MAY 2019
Date :

MEDIA MATRIX ENTERPRISES PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March 2019

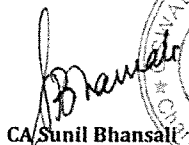
| | | | (Rupees) |
|--|----------|-------------------------------|-------------------------------|
| Particulars | Note No. | Year ended 31st March 2019 | Year ended 31st March 2018 |
| Revenue | | | |
| Revenue from Operations | 15 | 1,51,81,536 | 1,60,000 |
| Other Income | 16 | 1,22,42,041 | 1,24,04,300 |
| Total Revenue | | 2,74,23,577 | 1,25,64,300 |
| Expenses | | | |
| Purchase of Stock -in-trade | 17 | 1,50,31,224 | - |
| Finance Cost | 18 | 49,78,206 | 55,54,790 |
| Administrative and Other Expenses | 19 | 39,01,394 | 27,46,598 |
| Total Expenses | | 2,39,10,824 | 83,01,388 |
| Profit before exceptional items and extraordinary items and tax | | 35,12,753 | 42,62,912 |
| Exceptional Items | 28 | - | 10,03,63,998 |
| Profit before extraordinary items and tax | | 35,12,753 | (9,61,01,086) |
| Extraordinary Items | | - | - |
| Profit before tax | | 35,12,753 | (9,61,01,086) |
| Tax Expense | | | |
| Current tax | | 8,39,713 | 5,82,658 |
| Less : Mat Credit | | - | - |
| Profit (Loss) for the period from continuing operation(after tax) | | 26,73,040 | (9,66,83,744) |
| Profit (Loss) for the Period | | 26,73,040 | (9,66,83,744) |
| Earning per share (Face value of Rs.10/- each) | | | |
| Basic (Rs.) | 23 | 1.34 | (48.34) |
| Diluted (Rs.) | 23 | 0.02 | (0.84) |
| Significant Accounting Policies | 1 | | |
| Notes forming part of Financial Statements | 2-29 | | |

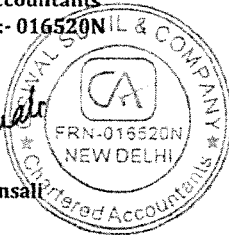
As per our report of even date attached

For Oswal Sunil & Company

Chartered Accountants

Firm Reg no :- 016520


CA Sunil Bhansal
 Partner
 Membership No: 054645



For and on behalf of the Board


Sandeep Jairath
 Director
 DIN 05300460


B B Chugh
 Director
 DIN 00472532

Place :
 Date 20 MAY 2019

MEDIA MATRIX ENTERPRISES PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2019

| | | (Rupees) | |
|----------|---|-------------------------------|-------------------------------|
| | Particulars | Year ended 31st March 2019 | Year ended 31st March 2018 |
| A | Cash flows from Operating activities | | |
| | Profit before tax | 35,12,753 | (9,61,01,086) |
| | Adjusted for: | | |
| | Profit/(Loss) on sale of investments, (net) | - | 10,03,63,998 |
| | Debts/advances written off | - | - |
| | Provision for doubtful debts and advances | - | - |
| | Credit balances no longer required, written back | - | - |
| | Provision no longer required, written back | - | - |
| | Provisions for staff benefits | - | - |
| | Mark to market of currency option/forward contract | - | - |
| | Unrealised foreign exchange (gain) /loss | - | - |
| | Operating profit before working capital changes | 35,12,753 | 42,62,912 |
| | Movement in working capital | | |
| | Decrease/ (increase) in trade receivables | (1,60,54,089) | 3,60,000 |
| | Decrease/(Increase) in loans and advances | (5,06,24,703) | (24,56,433) |
| | Decrease/(Increase) in other current assets | 6,67,403 | (10,58,636) |
| | Decrease/(increase) in inventories | - | - |
| | (Decrease)/Increase in current liabilities and Short term provisions | (7,93,74,322) | 10,35,80,639 |
| | Cash generated from operations | (14,18,72,958) | 10,46,88,481 |
| | Direct taxes paid | (6,90,490) | (5,82,658) |
| | Net cash from operating activities | (14,25,63,448) | 10,41,05,823 |
| B | Cash flows from Investing activities | | |
| | Purchase of investments | (10,75,18,800) | (98,29,40,085) |
| | Term loan received back | - | - |
| | Proceeds from sale of investments | 2,02,00,400 | 8,64,92,202 |
| | Purchase of investments in mutual funds | - | - |
| | Proceeds from sale of investment in mutual funds | - | - |
| | Taxes paid | - | - |
| | Dividend and Interest income | - | - |
| | Net cash used for investing activities | (8,73,18,400) | (89,64,47,883) |
| C | Cash flows from Financing activities | | |
| | Borrowings from holding company (net) | - | - |
| | Proceeds from Long term loans | 8,00,50,000 | 94,25,00,000 |
| | Proceeds from issue of share capital/Share application money | - | - |
| | Term loans given | 15,00,00,002 | (15,00,00,002) |
| | Repayment of Short term foreign currency loan from banks | - | - |
| | Principal payment on finance lease obligations | - | - |
| | Interest paid | - | - |
| | Net cash from (used for) financing activities | 23,00,50,002 | 79,24,99,998 |
| | Exchange differences on translation of foreign currency cash and cash equivalents | - | - |
| | Net increase in cash and cash equivalents (A+B+C) | 1,68,154 | 1,57,938 |
| | Cash and cash equivalents at the beginning of the year | 4,93,536 | 3,35,598 |
| | Cash and cash equivalents at the end of the year | 6,61,690 | 4,93,536 |
| | Cash and bank balances as per Note no.12 | 6,61,690 | 4,93,536 |
| | Less: Fixed Deposit greater than three months | - | - |
| | Cash and cash equivalents in cash flow statement | 6,61,690 | 4,93,536 |

Notes:-

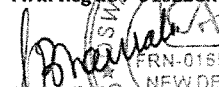
1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 Cash Flow Statement

As per our report of even date attached

For Oswal Sunil & Company

Chartered Accountants

Firm Reg no:- 016520N


CA Sunil Bhansali
Partner
Membership No: 054645

For and on behalf of the Board


Sandeep Jairath
Director
DIN 05300460


B B Chugh
Director
DIN 00472532

Place : 20 MAY 2019
Date :

MEDIA MATRIX ENTERPRISES PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

| Particulars | (Rupees) | |
|---|--------------------------|--------------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Note No.2 | | |
| Share Capital | | |
| Authorised | | |
| 20,00,000 (20,00,000) Equity Shares of Rs 10/- each | 2,00,00,000 | 2,00,00,000 |
| | 2,00,00,000 | 2,00,00,000 |
| Issued,Subscribed & Paid up | | |
| 20,00,000 (20,00,000) Equity Shares of Rs 10/- each | 2,00,00,000 | 2,00,00,000 |
| Total | 2,00,00,000 | 2,00,00,000 |

Note No. 2 (a)
Reconciliation of Shares Outstanding

| Particulars | Numbers | |
|---|-----------|-----------|
| | | |
| Shares Outstanding at the beginning of the period | 20,00,000 | 20,00,000 |
| Add : Shares issued during the period | - | - |
| Shares outstanding at the end of the year | 20,00,000 | 20,00,000 |

Note No. 2(b)
Shareholder(s) Holding More Than 5% Shares

| Particulars | Nos of Shares % of Holding | Nos of Shares % of Holding |
|--|-------------------------------|-------------------------------|
| Media Matrix Worldwide Limited (the Holding Company) * | 2,000,000 (100%) | 2,000,000 (100%) |

* 06 Shares are held by six individuals as nominee of Media Matrix Worldwide Limited

Note No. 3
Reserves and Surplus

Surplus

| | | |
|---|----------------------|----------------------|
| Opening Balance | (9,89,13,758) | (22,30,014) |
| Add : Profit/ (Loss) for the Current year | 26,73,040 | (9,66,83,744) |
| Closing Balance | (9,62,40,718) | (9,89,13,758) |

Note No .4
Long-Term Borrowings

Unsecured

0% Compulsorily Convertible Debentures (CCD's)

| | | |
|--|----------------|--------------|
| 1,06,10,000 (PY 98,09,500) CCD's of Rs. 100/- each * | 1,06,10,00,000 | 98,09,50,000 |
| 1,51,900 (PY 1,51,900) CCD's of Rs. 1000/- each * | 15,19,00,000 | 15,19,00,000 |

* refer Additional Note no. 24

| | | |
|--------------|-----------------------|-----------------------|
| Total | 1,21,29,00,000 | 1,13,28,50,000 |
|--------------|-----------------------|-----------------------|

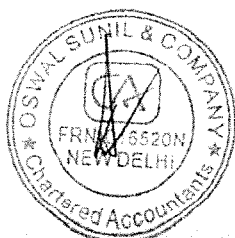
Note No .5
Short Term Borrowings

Unsecured

| | | |
|---|------------------|---------------------|
| Inter Corporate Borrowings | 35,00,000 | 10,00,00,000 |
| (Terms of repayment :- Repayable on demand) | | |
| | 35,00,000 | 10,00,00,000 |

Note No. 6
Other Current Liabilities

| | | |
|------------------------|------------------|------------------|
| TDS Payable | 5,44,306 | 5,55,608 |
| Provision for Expenses | 12,54,749 | 71,200 |
| Interest Payable | - | 24,52,192 |
| | 17,99,055 | 30,79,000 |



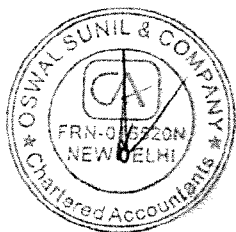
MEDIA MATRIX ENTERPRISES PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

| | | (Rupees) | |
|---|--------------------------|--------------------------|--|
| Particulars | As at 31st March 2019 | As at 31st March 2018 | |
| Note No. 7 | | | |
| Short Term Provisions | | | |
| Provision for Income Tax | 12,73,148 | 5,98,662 | |
| Total | 12,73,148 | 5,98,662 | |
| Note No. 9 | | | |
| Long-Term Loans and Advances | | | |
| Secured, Considered Good | | | |
| Loan and Advances to Body Corporate | - | 15,00,00,002 | |
| Total | - | 15,00,00,002 | |
| Note No. 10 | | | |
| Other Non Current Assets | | | |
| Mat Credit Entitlement | - | 1,49,223 | |
| Total | - | 1,49,223 | |
| Note No. 11 | | | |
| Trade Receivables | | | |
| UnSecured, Considered Good | | | |
| Debts outstanding for a period exceeding six months | - | - | |
| Others | 1,60,54,089 | - | |
| Total | 1,60,54,089 | - | |
| Note No. 12 | | | |
| Cash & Cash Equivalents | | | |
| Cash on Hand | - | - | |
| Balance with banks | - | - | |
| - Balances in Short term accounts | 6,61,690 | 4,93,536 | |
| Total | 6,61,690 | 4,93,536 | |
| Note No. 13 | | | |
| Short Term Loans and Advances | | | |
| Unsecured, Considered Good | | | |
| Loans and advances to related parties | - | 12,00,000 | |
| Loan and Advances to Body Corporate | 5,00,00,006 | - | |
| Other Advances - | | | |
| TDS Recoverable | 26,95,207 | 15,72,022 | |
| GST Recoverable | 3,87,362 | - | |
| Income Tax paid Under Protest | 3,14,150 | - | |
| Total | 5,33,96,725 | 27,72,022 | |
| Note No. 14 | | | |
| Other Current Assets | | | |
| Interest Recoverable | 3,91,233 | 10,58,636 | |
| Total | 3,91,233 | 10,58,636 | |



MEDIA MATRIX ENTERPRISES PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

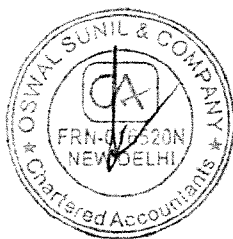
| PARTICULAR | (Rupees) | |
|--|-------------------------------|-------------------------------|
| | Year ended 31st March 2019 | Year ended 31st March 2018 |
| Note No. 15 | | |
| Revenue from operations | | |
| Domestic Sales | 48,47,515 | - |
| High Sea Sales | 1,03,34,021 | - |
| Consultancy Income | - | 1,60,000 |
| Total | 1,51,81,536 | 1,60,000 |
| Note No. 16 | | |
| Other Income | | |
| Interest Income on Loans | 1,18,29,540 | 1,24,04,300 |
| Divident Income | 4,12,501 | - |
| Total | 1,22,42,041 | 1,24,04,300 |
| Note No. 17 | | |
| Purchase of Stock in Trade | | |
| Opening Stock | - | - |
| Add: Purchase during the Year | 1,50,31,224 | - |
| Less: Closing Stock | - | - |
| Total | 1,50,31,224 | - |
| Note No. 18 | | |
| Finance Cost | | |
| Bank Charges | 284 | 1,077 |
| Interest on TDS | 14 | - |
| Interest on Borrowings | 49,77,908 | 55,53,713 |
| Total | 49,78,206 | 55,54,790 |
| Note No. 19 | | |
| Administrative and Other Expenses | | |
| Payment to Auditors | | |
| - As Auditors | 40,000 | 20,500 |
| - for Other Services | - | 19,500 |
| Data Entry Charges | 4,20,000 | 3,70,000 |
| Legal and Professional Charges | 34,32,500 | 22,99,686 |
| Rates & Taxes | 8,894 | 36,912 |
| Total | 39,01,394 | 27,46,598 |



MEDIA MATRIX ENTERPRISES PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE NO. 8 :- NON CURRENT INVESTMENTS

| PARTICULARS | Face Value | As at 31st March 2019 | | As at 31st March 2018 | |
|--|------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | | NO. OF SHARE/UNITS | AMOUNT RUPEES | NO. OF SHARE/UNITS | AMOUNT RUPEES |
| | | | | | |
| INVESTMENTS IN EQUITY INSTRUMENTS (AT COST) (IN FELLOW SUBSIDIARIES- UNQUOTED) | | | | | |
| DigiVive Services Private Limited | 10/- | - | - | 20,15,000 | 2,02,00,400 |
| NexG Devices Private Limited | 10/- | 7,50,000 | 75,18,800 | - | - |
| (IN OTHER- QUOTED) | | | | | |
| Kothari Petrochemicals Limited | 10/- | 5,50,000 | 1,29,40,085 | 5,50,000 | 1,29,40,085 |
| Total 'A' | | | 2,04,58,885 | | 3,31,40,485 |
| INVESTMENTS IN 0% COMPULSORILY CONVERTIBLE DEBENTURES (CCDS), FULLY PAID UP (IN FELLOW SUBSIDIARIES)(AT COST , UNQUOTED) | | | | | |
| Nexg Devices Private Limited | 100/- | 10,00,000 | 10,00,00,000 | 10,00,000 | 10,00,00,000 |
| (IN OTHER- UNQUOTED) | | | | | |
| NexG Ventures India Private Limited | 100/- | 97,00,000 | 97,00,00,000 | 87,00,000 | 87,00,00,000 |
| Total 'B' | | | 1,07,00,00,000 | | 97,00,00,000 |
| Total 'A' + 'B' | | | 1,09,04,58,885 | | 1,00,31,40,485 |

| Particular | Market Value | Book Value | Market Value | Book Value |
|---|--------------------|-----------------------|--------------------|-----------------------|
| Aggregate amount of Quoted Investment | 1,03,12,500 | 1,29,40,085 | 1,21,55,000 | 1,29,40,085 |
| Aggregate amount of Unquoted Investment | - | 1,07,75,18,800 | - | 99,02,00,400 |
| Total | 1,03,12,500 | 1,09,04,58,885 | 1,21,55,000 | 1,00,31,40,485 |



MEDIA MATRIX ENTERPRISES PRIVATE LIMITED

NOTE-01: SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

- i) The financial statements are prepared in accordance with Indian Generally Accepted Accounting principles ("GAAP") under the historical cost convention on an accrual basis. GAAP comprises mandatory Accounting Standards referred to in section 133 of the companies Act 2013 read with Rule 7 of Company (Accounts) Rules 2014, to the extent applicable. The Management evaluates all recently issued or revised accounting standards on an ongoing basis.
- ii) The preparation of the Financial Statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported accounts of income and expenses of the period, reported values of assets and liabilities and disclosures relating to contingent assets and liabilities as of date of the financial statements. Examples of such estimates include provision for doubtful debts, provision for doubtful loans and advances, estimated period of utility of tangible / intangible assets. Actual results may differ from these estimates.

B. Revenue Recognition

- i) Revenue from services is recognized as services are rendered, in accordance with the terms of contracts with concerned parties.
- ii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

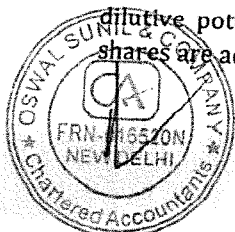
C. Income-Tax

- i) **Current Tax:** Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year,
- ii) **Deferred Tax:** In accordance with the Accounting Standard 22 - Accounting for taxes on Income, the deferred tax for the timing differences is accounted for using the tax rates and laws that have been enacted or substantially enacted by the Balance Sheet date, Deferred tax assets arising from the timing differences are recognized only on the consideration of prudence,

D. Earnings Per Share

Basic earnings per share are calculated by dividing the net earnings for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the number of shares comprise the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of shares, if any which would have been used in the conversion of all dilutive potential equity shares. The number of shares and potentially dilutive equity shares are adjusted for the bonus shares and the sub-division of shares, if any.



E. Investments

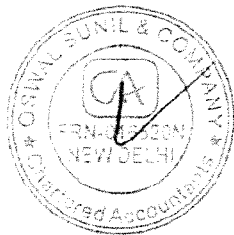
Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investment is classified as Non-Current investment. Non Current investment is stated at cost. Current investment are carried at lower of cost and fair value and determined on an individual investment basis.

F. Preliminary Expenses

Preliminary Expenses are amortized over a period of five years from the year of commencement of operations.

G. Contingent Liabilities

No provision is made for a liability which is contingent in nature but if material, the same is disclosed by way of note to the accounts.



MEDIA MATRIX ENTERPRISES PRIVATE LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

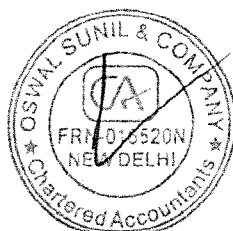
20. Contingent Liability (Not provided for)-

| Particulars | Year ended | |
|--|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| | Rs. | Rs. |
| Income tax matter under appeal (AY :2013-14) | 28,07,890/- | - |

- i) The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities / Statutory Authorities. The Company has reviewed all its pending litigations and proceedings, if any and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position
- ii) The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review wherever applicable, the Company has made adequate provisions for these long term contracts in the books of account as required under any applicable laws/accounting standards.
- iii) As at March 31, 2019 the Company did not have any outstanding long term derivative contracts.
21. There are no Micro, Small Enterprises to whom the Company owes dues, which are outstanding for more than forty five days as at 31st March, 2019. The identification of Micro, Small Enterprises and information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the Company.

| | |
|--|-----|
| The disclosure pursuant to the said Act is as under: | Rs. |
| (i) Principal amount and the interest thereon | - |
| (ii) Interest paid (along with payment made to Suppliers) beyond the appointed day during the Period | - |
| (iii) Interest due and payable for delay in making the payment | - |
| (iv) Interest accrued and remaining unpaid at the end of the Period | - |
| (v) Further interest remaining due and payable in succeeding years | - |

22. The Company does not have any item resulting into timing differences as at March 31, 2019 and therefore no provision for deferred taxes is required.



23. **Basic Earnings Per Share**

| | Year ended March 31, 2019 | Year ended March 31, 2018 |
|--|------------------------------|------------------------------|
| Profit (Loss) after Tax (Rs) | 26,73,040 | (9, 66,83,744) |
| Weighted Average No of Equity Shares | 2,000,000 | 2,000,000 |
| Weighted Average No of Equity Shares for diluted EPS | 12,32,90,000 | 11,52,85,000 |
| Nominal Value of Share | 10/- | 10/- |
| Earnings per Share (Basic EPS) | 1.34 | (48.34) |
| Earnings per Share (Diluted EPS) | 0.02 | (0.84) |

24. **Long Term Borrowings:**

- Company has issued 10,610,000 (98,09,500) unsecured 0% Compulsorily Convertible Debentures (CCDs) to its holding company amounting to Rs 10,61,000,000/- (PY: Rs9,80,950,000/-) of Rs 100 each . The CCDs will be convertible into Equity Shares of the Company at expiry of 9 years from the date of allotment. Each CCD of Rs.100/- each will be convertible into 10/- equity shares of Rs.10 each of the Company.
- Company had issued 1,51,900 (1,51,900) unsecured 0% Compulsorily Convertible Debentures (CCDs) to its holding company amounting to Rs1, 51,900,000/- (PY Rs1, 51,900,000/-) of Rs 1000/- each. The CCDs will be convertible into Equity Shares of the Company at expiry of 9 years from the date of allotment. Each CCD of Rs.1000 each will be convertible into 100/- equity shares of Rs.10/- each of the Company

25. **Related Party Disclosure (AS-18) :**

A) Related Parties Disclosures, as identified by the Management

Related Parties where Control exists:

MN Venture Private Limited. (Ultimate holding company)
Media Matrix Worldwide Limited. (Immediate holding company)

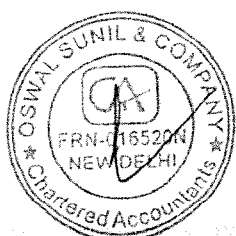
Fellow Subsidiaries:

Digicall Teleservices Private Limited.
(Ceased to be Subsidiary wef 1 July ,2017)

Nexg Devices Private Limited.

DigiVive Services Private limited.
(Ceased to be Subsidiary wef 1 September ,2018)

Digicall Global Private Limited.
(Ceased to be Subsidiary w.e.f 1 July ,2017)



Transactions with Related Parties

| Name of the Party | Description | Volume of transactions during the Period | Amount as on 31.03.2019 |
|------------------------------|----------------------|--|--|
| Media Matrix Worldwide Ltd | Issue of CCDs | -80,50,000/- (- 942,500,000/-) | -121,29,00,000/- (-1,132,850,000/-) |
| NexG Devices Private Limited | Investment in OFCD,s | - (10,000,000/-) | 10,000,000/- (10,000,000/-) |
| | Purchase | 1,50,31,224/- (-) | 1,58,95,138/- (-) |
| | ICD Given | - (12,346,280/-) | -35,00,000/- (1,202,308/-) |
| | Interest on ICD | 1,87,373 (38,4757/-) | 1,87,373/- (38,4757/-) |

Note: Figures in bracket represent previous year figures

26. In the opinion of the Board, Current Assets and Loan & Advances are of the value stated, if realized in the Ordinary course of business.
27. The Company has made investments which are of long term in nature. In the opinion of the management, the investments are strategic in nature and hence any current diminution in value of the investments are considered temporary, and therefore, no provision in value of investment has been made.
28. **Loss on disposal of Investment**
On July 1, 2017 the Company disposed of its entire investment in DigiCall Teleservice Private Limited ("DTPL") for a cash consideration of Rs. 37,982,202/- resulted in a loss on sale of long term investment of Rs 100,363,998/- (net of expense). The transaction was at arm's length based on a valuation done by an independent valuer. This transaction has been disclosed as an exceptional item.
29. The previous year figures have been regrouped, rearranged or recast, wherever necessary, to make them comparable.

As per our report of even date attached
For **Oswal Sunil & Company**

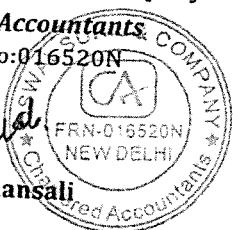
Chartered Accountants

Firm Reg No:016520N

CA Sunil Bhansali

Partner

Membership No.054645



For and on behalf of the Board

Sandeep Jairath

Director

DIN 05300460

B B Chugh

Director

DIN 00472532

Place:

Date: 20 MAY 2019