SUBSIDIARY COMPANIES ANNUAL REPORT 2018-19

INNOVATION
CREATIVITY
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DIRECTOR'S REPORT

To,

The Members,

Applect Learning Systems Private Limited

Your Directors are pleased to present the Eighteenth Annual Report of the Company on the business and operations of the Company together with the audited financial statements for the financial year ended **31st March, 2019.**

1. FINANCIAL RESULTS

(Amount in Thousands)

Particulars	**For the Year Ended 31st March, 2019**	**For the Year Ended 31st March, 2018**
Revenue (Including Other Income)	351,024	328,232
Profit & Loss (Before Depreciation)	(223,655)	(123,951)
Depreciation	8,522	10,123
Profit & Loss (After Depreciation)	(232,177)	(134,074)
Provision for Tax (Including deferred Tax)	(25,059)	(1,512)
Profit & Loss carried to balance sheet	(257,236)	(135,586)

2. PERFORMANCE REVIEW

Your Company recorded a revenue from operations of INR 347,657 thousand for the period ended March 31, 2019, registering a growth of 13.0% over the corresponding period of the previous year. While the collections during the period registered a growth on 35%, the growth in revenue from operations was lower due to higher proportion of revenue deferment as compared to last year.

The loss before tax for the financial year 2018–19 increased to Rs 257,236 thousand as against Rs 135,586 thousand in the financial year 2017–18.

3. DIVIDEND

The Directors do not recommend any dividend for the financial year ended March 31, 2019.

4. TRANSFER TO GENERAL RESERVES

The Company transferred an amount of Rs. 1,014 thousand to General Reserve arising from forfeiture of employee stock options vested but not exercised.

5. EXTRACT OF ANNUAL RETURN

The Extract of the annual return, in Form MGT-9, pursuant to Section 92(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, is annexed herewith and marked as **ANNEXURE - I** to this Report.

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no other material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report.

7. MEETINGS OF THE BOARD OF DIRECTORS AND INDEPENDENT DIRECTORS HELD DURING THE FINANCIAL YEAR

During the period under review, the Board of Directors of the Company duly met 7 (seven) times on May 21, 2018, August 28, 2018, October 15, 2018, October 31, 2018, November 28, 2018, December 31, 2018 and January 30, 2019. The details of which are summarized below.

The provisions of Companies Act, 2013 read with Secretarial Standards 1 were adhered to while considering the time gap between two meetings of the Board.

S. No.	**Name of Directors**	**No. of meetings entitled to attend**	**No. of meetings attended by him/her during the year**
1.	Pavan Chauhan	7	7
2.	Ritesh Hemrajani	7	6
3	Ranjit Singh Yadav	7	6
4	Kaushik Dutta	7	7
5	Naveen Saraff	7	1

In addition to the above, a meeting of the Independent Directors was held on 28th March, 2019 in compliance with the Section 149(8) read with Schedule IV to the Companies Act, 2013. The said meeting was attended by both Independent Directors Mr. Kaushik Dutta and Mr. Naveen Saraff.

It is confirmed that there is no relationship between the Directors inter-se.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, Mr. Aseem Juneja was appointed as the Company Secretary of the Company w.e.f 18th February, 2019 and Mr. Pankaj Mishra resigned from the post of Company Secretary w.e.f. 23rd January, 2019.

Further, as per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors (other than the Independent Directors) shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Ritesh Hemrajani (DIN 00283248) is liable retire by rotation at the forthcoming annual general meeting and being eligible, offer himself for re-appointment.

9. COMMITTEES OF THE BOARD

Information on the Audit Committee, the Nomination and Remuneration Committee and meetings of those committees held during the year is as under:

a. Audit Committee

The Audit committee comprises of the following members:

i. Mr. Pavan Chauhan, Managing Director

ii. Mr. Kaushik Dutta, Non Executive & Independent Director

iii. Mr. Naveen Saraff, Non Executive & Independent Director

During the year under review, 7 (Seven) meeting of the Audit Committee were held on May 21, 2018, August 28, 2018, October 15, 2018, October 31, 2018, November 28, 2018, December 31, 2018 and January 30, 2019

The Company is not required to establish a vigil mechanism in pursuant to the provisions of section 177(9) and (10) of the Act, read with the Companies (Meetings of Board and its Powers) Rules, 2014.

b. Nomination and Remuneration Committee

Nomination and Remuneration Committee consist of following members:

i. Mr. Ranjit Singh Yadav, Nominee Director

ii. Mr. Kaushik Dutta, Non Executive & Independent Director

iii. Mr. Naveen Saraff, Non Executive & Independent Director

During the year under review, 1 (One) meeting of the Nomination and Remuneration Committee was held on August 28, 2018.

None of recommendations made by the Audit Committee and the Nomination and Remuneration Committee were rejected by the Board.

10. ANNUAL EVALUATION OF DIRECTORS, BOARD AND CHAIRMAN

The performance of the Board of Directors, Individual Director, and Chairman was evaluated on annual basis in the meeting and the same was recorded as satisfactory.

11. DECLARATION FROM INDEPENDENT DIRECTORS

The independent Directors have individually declared to the Board that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 at the time of their respective appointment and there is no change in the circumstances as on the date of this report which may affect their status as an Independent Director.

12. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2018 and of the profit and loss of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such financial controls are adequate and were operating effectively and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. AUDITORS

Statutory Auditors

The Statutory Auditors [i.e. M/s MSKA & Associates. (Firm Registration No. 105047W)], were appointed in the annual general meeting held on September 29, 2017, for a period of 5 (five) years, subject to ratification by the shareholders at every general meeting are eligible for re-appointment.

However in accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditor has confirmed that they are not disqualified under any provisions of Section 141(3) of Companies Act, 2013 and also their engagement with the Company is within the prescribed limits under section 141(3)(g) of Companies Act, 2013.

Cost Auditors

The provisions related to appointment of Cost Auditors are not applicable on the Company.

14. BOARD'S COMMENTS ON QUALIFICATION, RESERVATION & ADVERSE REMARKS OR DISCLAIMER MADE BY STATUTORY AUDITORS

There is no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self explanatory.

15. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company.

16. PARTICULARS OF INTER-CORPORATE LOANS & INVESTMENT

During the period under review, the Company has not provided any loans, guarantee and not made any investments under provisions of the Section 186 of the Companies Act, 2013.

17. PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto is annexed hereto as **Annexure- II** in prescribed **Form AOC-2** and forms part of this report.

18. PARTICULARS OF EMPLOYEE

None of the employees were in receipt of an aggregate remuneration of Rs. 102,00,000/- (One Crore Two Lakhs) or more or employed for part of the year and in receipt of Rs. 8,50,000/-(Eight Lakh Fifty Thousands) or more per month under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

19. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014 are as follows:

a) **Conservation of energy** – *Not Applicable as the Company is not a manufacturing company*

b) **Technology Absorption** – *Not Applicable as the Company is not a manufacturing company*

c) **Foreign Exchange Earnings and Outgo**

The details of foreign exchange earnings and outgo during the financial year are given below:

Particulars	**For the FY 2018-19**
Foreign Exchange Earnings	NIL
Foreign Exchange Outgo	**Amount in Thousands**
Server Hire Charges	621
Advertisement Expenses	16
Others Expense	1140

20. RISK MANAGEMENT POLICY

The Company has identified the key risks which can impact the business of the Company and reviews these risks on a regular basis. The Company evaluates these parameters and take necessary action, wherever required, to minimize the impact on the business of the Company.

21. DETAILS OF COMPANY'S CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

22. DEPOSITS

The Company has not accepted any deposit within the meaning of the Chapter V to Companies Act 2013. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under report.

23. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control to ensure compliance with policies and procedures which is commensurate with size, scale and complexity of its operations.

24. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year, the Company has not received any complaint of harassment.

25. SHARE CAPITAL

(a) Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

(b) Employees Stock Option Plan

During the year, the Company granted 507 (five hundred and seven) stock options.

(c) Issue of Equity Shares with Differential Rights

The Company has not issued any Equity shares with differential rights during the period under review.

(d) Increase in Authorised Share Capital

During the year, Company has increased the authorised share capital from 25,25,00,000/- (Rupees Twenty Five Crores Twenty Five Lakh Only) divided into 2,47,000 (Two Lakh Forty Seven Thousand) Equity shares of Rs. 10/- (Rupees Ten Only) each and 25,00,30,000 (Twenty Five Crore and Thirty Thousand) Preference Shares of Re. 1/- (Rupee One) each to Rs. 38,25,00,000/- (Rupees Thirty Eight Crore Twenty Five Lakh Only) divided into 2,47,000 (Two Lakh Forty Seven Thousand) Equity shares of Rs. 10/- (Rupees Ten Only) each and 38,00,30,000 (Thirty Eight Crore Thirty Thousands) Preference Shares of Re. 1/- (Rupee One Only) each.

26. INFORMATION ABOUT SUBSIDIARY/ JOINT VENTURE / ASSOCIATE COMPANY

The Company do not have any Subsidiary, Joint Venture or Associate Company.

27. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of 7 (seven) years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

28. MISCELLANEOUS DISCLOSURES

During the year under report:

(a) there was no change in the general nature of business of your Company;

(b) no material change or commitment has occurred which would have affected the financial position of your Company between the end of the financial year of your Company to which the financial statements relate and the date of the report;

(c) no significant and material order was passed by the regulators or courts or tribunals which would have impacted the going concern status and your Company's operations in future; and

(d) your Company has not made any provision of money for the purchase of, or subscription for, shares in your Company or its holding company, to be held by or for the benefit of the employees of your Company and hence the disclosure as required under Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is not required.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the co-operation and support extended by the shareholders, various authorities, banks, dealers and vendors.

The Directors also acknowledge with gratitude the dedicated efforts and valuable contribution made by all the employees of the Company.

For & on behalf of the Board of
Applect Learning Systems Private Limited

Date: 22.05.2019
Place: New Delhi

Ritesh Hemrajani
Whole Time Director
DIN:00283248

Pavan Chauhan
Managing Director
DIN:00283074

ANNEXURE- I

Form No.MGT-9

EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31st March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

1. REGISTRATION AND OTHER DETAILS:

CIN	**U99999DL2001PTC110324**
Registration Date	**04/04/2001**
Name of the Company	**Applect Learning Systems Private Limited**
Category/ Sub –Category of the Company	**Private Company Limited by Shares**
Address of the Registered Office	**A-221, Basement & Ground Floor, Okhla Industrial Area Phase-I, New Delhi-110020**
Whether Listed Company	**No**
Name, Address and Contact details of Registrar and Transfer Agent, if any	**Link Intime India Private Limited** **Address: C 101, 247 Park, L B S Marg,** **Vikhroli West, Mumbai 400 083** **Contact No.: 022-49186000**

I. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

S. No.	Name & Description of Main Products/Services	NIC Code of the Product/ Service	% to Total Turnover of the Company
1.	Educational Support services	85500	100

II. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Info Edge India Ltd.	L74899DL1995PLC068021	Ultimate Holding	16.47	-
2.	Startup Investments (Holding) Limited	U74140DL2015PLC277487	Holding	37.68	-

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

i) Category-wise Share Holding

A. Promoter's

• Equity Shares:-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
1) Indian									
a) Individual / HUF	-	11,761	11,761	33	11,761	-	11,761	33	-
b)Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d)Bodies Corp.	-	-	-	-	-	-	-	-	-
d)Banks/FI	-	-	-	-	-	-	-	-	-
e)Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(1)	**-**	**11,761**	**11,761**	**33**	**11,761**	**-**	**11,761**	**33**	**-**
2)Foreign									
a)NRI's-Individuals	-	-	-	-	-	-	-	-	-
b)Other-Individuals	-	-	-	-	-	-	-	-	-
c)Bodies Corp.	-	-	-	-	-	-	-	-	-
d)Banks/FI	-	-	-	-	-	-	-	-	-
e)Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(2)	-	-	-	-	-	-	-	-	-
Total of A(1) + A(2)= A	**-**	**11,761**	**11,761**	**33**	**11,761**	**-**	**11,761**	**33**	**-**

B. Public Share Holding:-

• Equity Shares:-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
1) Institutions									
a)Mutual Funds	-	-	-	-	-	-	-	-	-
b)Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d)Banks/FI	-	-	-	-	-	-	-	-	-
d)Venture Capital funds	-	-	-	-	-	-	-	-	-
e)FIIs	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
i) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-Total B(1)	-	-	-	-	-	-	-	-	-
2)Non- Institutions	-	-	-	-	-	-	-	-	-
a)Bodies Corp.(Indian/ Overseas)	-	19,300	19,300	54.16	19,300	-	19,300	54.16	-
b)Individuals	-	-	-	-	-	-	-	-	-
i)Individual Shareholders holding nominal share Capital upto 1 lakh	-	525	525	1.47	-	525	525	1.47	-
ii) Individual Shareholders holding nominal share Capital excess 1 lakh	-	-	-	-	-	-	-	-	-
e) Others (Specify)	-	4,052	4,052	11.37	4,052	-	4,052	11.37	-
Sub-Total B(2)	-	**23,877**	**23,877**	**67**	**23,352**	**525**	**23,877**	**67**	-
Totalof (1)+(2)= B	-	**23,877**	**23,877**	**67**	**23,352**	**525**	**23,877**	**67**	-

• Preference Shares:-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
1) Indian									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b)Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d)Bodies Corp.	-	24,9974,932	24,9974,932	100	24,9974,932		24,9974,932	100	
d)Banks/FI	-	-	-	-	-	-	-	-	-
e)Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(1)	**-**	**24,9974,932**	**24,9974,932**	**100**	**24,9974,932**		**24,9974,932**	**100**	
2)Foreign									
a)NRI's-Individuals	-	-	-	-	-	-	-	-	-
b)Other-Individuals	-	-	-	-	-	-	-	-	-
c)Bodies Corp.	-	-	-	-	-	-	-	-	-
d)Banks/FI	-	-	-	-	-	-	-	-	-
e)Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(2)	-	-	-	-	-	-	-	-	-
Total of A(1) + A(2)= A	**-**	**24,9974,932**	**24,9974,932**	**100**	**24,9974,932**		**24,9974,932**	**100**	

ii) **Share Holding of Promoters**

• **Equity Shares**

S.No.	Shareholder's Name	Shareholding held at the beginning of the year			Shareholding held at the end of the year			% Change during the year
		No. of shares	% of total Shares	%of Shares Pledged/ encumbered to total shares	No. of shares	% of total Shares	%of Shares Pledged/ encumbered to total shares	
1.	Pavan Chauhan	9,252	25.96	-	9,252	25.96	-	-
2.	Ritesh Hemrajani	2,509	7.04	-	2,509	7.04	-	-

iii) **Change in Promoter's Shareholding (Please specify, if there is no change)**

S. No.	Particulars	Shareholding held at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
	At the beginning of the year	11,761	33	11,761	33
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer / bonus/sweat	-	-	-	-
	At the end of the year	11,761	33	11,761	33

iv) **Share Holding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

S. No.	Particulars	Shareholding held at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top Ten Shareholders	No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
	At the beginning of the year	23,877	67	23,877	67
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease(e.g. allotment / transfer / bonus/ sweat	-	-	-	-
	At the end of the year	23,877	67	23,877	67

v) **Share Holding of Directors & KMPs**

S. No.	Particulars	Shareholding held at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
	At the beginning of the year	11,761	33	11,761	33
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease(e.g. allotment / transfer / bonus/ sweat	-	-	-	-
	At the end of the year	11,761	33	11,761	33

IV) **INDEBTEDNESS**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	-	23,51,211	-	23,51,211
Total(i+ii+iii)		23,51,211	-	23,51,211
Change in Indebtedness during the financial year - Addition - Interest addition - Reduction		7,80,00,000 19,35,861		7,80,00,000 19,35,861
Net Change		7,99,35,861		7,99,35,861
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due		7,80,00,000 42,87,072		7,80,00,000 42,87,072
Total(i+ii+iii)		8,22,87,072		8,22,87,072

V. REMUNERATION OF DIRECTORS AND KMP

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:-

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Mr. Pavan Chauhan-MD 60,00,000	Mr. Ritesh Hemrajani-WTD 30,00,000	90,00,000
2.	Stock Option	-	-	
3.	Sweat Equity	-	-	
4.	Commission - as % of profit - others, specify...	-	-	
5.	Others, please specify	-	-	
	Total (A)	60,00,000	30,00,000	90,00,000
	Ceiling as per the Act (Through Special Resolutions)	60,00,000	60,00,000	

Note: - The above remuneration does not include provision for Leave encashment.

B. Remuneration to Other Directors-

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
1.	Independent Directors	Kaushik Dutta	Naveen Saraff	Ranjit Singh Yadav	
	• Fee for attending board meetings • Fee for attending committee meetings • Commission • Others, please specify	1,40,000 80,000	NIL NIL	-	1,40,000 80,000
	Total (1)	220,000	NIL	-	220,000
2.	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	7,50,000	7,50,000
	Total (2)	-	-	7,50,000	-
	Total (B)=(1+2)	220,000	NIL	750,000	970,000
	Total Managerial Remuneration	220,000	NIL	750,000	970,000
	Overall Ceiling as per the Act	1,00,000 per meeting	1,00,000 per meeting		

C. Remuneration to KMP other than MD/Manager/WTD:

S.No.	Particulars of Remuneration	Key Managerial Personnel(KMP)			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	3,58,426 P.A.	62,40,000 P.A.	65,98,426 P.A.
2.	Stock Option*	-	-	721	721
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - Others, specify...	-	-	-	
5.	Others, please specify	-	-	8,00,000	8,00,000
	Total	-	3,58,426 P.A.	70,40,000	73,98,426

*Out of 721 stock option, 143 Stock Option granted at a price of Rs 10/- each having vesting period 3 years 4 month, 178 Stock Option granted at a price of Rs 10/- each having vesting period 3 years 6 month, 222 Stock Option granted at a price of Rs. 77,898/- each having vesting period 3 years 4 month and 178 stock option granted at a price of Rs.10/- each having vesting period 4 years.

VI. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

Type	Section of the Companies Act, 2013	Brief Description	Details Penalty/Punishment/ Compounding fees imposed	Authority(RD/ NCLT/COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHERS OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For & on behalf of the Board of
Applect Learning Systems Private Limited

Date: 22.05.2019
Place: New Delhi

Ritesh Hemrajani
Whole Time Director
DIN:00283248

Pavan Chauhan
Managing Director
DIN:00283074

ANNEXURE-II

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis :

S.No.	Name of Related Partyand nature of relationship	Nature of Contract/ Arrangement/ Transactions	Duration of Contract/ Arrangement	Terms of Contract/ Arrangement	Justification for entering into such contract or arrangement or transactions	Date of Approval by the Board, if any	Amount Paid as Advance	Date on which the special resolution was passed in general meeting as require under first proviso to section188

2. Details of material contracts or arrangement or transactions at arm's length basis:

S.No.	Name of Related Party	Nature of Relationship	Nature of Contract/ Arrangement/ Transactions	Amount (in thousands)	Duration of Contract/ Arrangement	Terms of Contract/ Arrangement	Date of Approval by the Board, if any	Amount Paid as Advance
1	Info Edge (India) Limited	Ultimate Holding Company	Recruitment Services	2,36,000	-	As per T&C available on website	21.05.2018	-
2	Info Edge (India) Limited	Ultimate Holding Company	Resdex Premium plus 1 Year	4,36,600	-	As per agreement	21.05.2018	

Details of related party transactions i.e. transaction of the Company with its promoters, Directors or the management are present under Note no 36 to Financial Statement.

For & on behalf of the Board of
Applect Learning Systems Private Limited

Date: 22.05.2019
Place: New Delhi

Ritesh Hemrajani
Whole Time Director
DIN:00283248

Pavan Chauhan
Managing Director
DIN:00283074

INDEPENDENT AUDITOR'S REPORT

To the Members of Applect Learning Systems Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Applect Learning Systems Private Limited ("the Company"), which comprise the balance sheet as at March 31,2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, in which are incorporated the financial statement of Applect Employees Stock Option Plan Trust ("the Trust") for the year ended on that date audited by another auditor.

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, and loss, changes in equity 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 Act. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, 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.

Material Uncertainty Related to Going Concern

We draw attention to Notes 43 in the financial statements, which indicates that the Company has accumulated losses of Rs.1,926,921('000) at the year ended March 31, 2019 and, as of that date, the Company's current liabilities exceeded its total current assets by Rs.306,143('000). However, the Company has received a letter of support from its holding Company confirming necessary financial support for the 12 months period ending March 31, 2020. In view of the above, Financial Statements of the Company have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of theAct with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes inequity 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 implementation and maintenance of 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Other Matter

We did not audit the financial statements of Trust included in the Ind AS financial statements of the Company whose financial statements reflect total assets of Rs. 11,632 thousand as at March 31, 2019 (March 31, 2018: Rs. 11,632 thousand) and the total revenue of Rs. Nil for the year ended on that date (March 31, 2018: Rs. Nil), as considered in the financial statements of these Trust have been audited by the another auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of Trust, is based solely on the report of such auditors.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. 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 Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 reports on the accounts of the Trust of the Company audited by another auditor have been provided to us by the management and have been properly dealt with by us in preparing this report.
   (d) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   (f) On the basis of the written representations received from the directors as on March 31,2019taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2019from being appointed as a director in terms of Section 164 (2) of the Act.
   (g) With respect to the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule11 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 does not have any pending litigations which would impact its financial position.
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules there under.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.:105047W

Amit Mitra

Partner

Membership No.:094518

Place: Gurugram

Date: May 22, 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF APPLECT LEARNING SYSTEMS PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.:105047W

Amit Mitra

Partner

Membership No.:094518

Place: Gurugram

Date: May 22, 2019

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF APPLECT LEARNING SYSTEMS PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2019

[Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) All the fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us there is no immovable property held by the Company. Accordingly, the provision stated in paragraph 3(i)(c) of the order is not applicable. Further Company has adequate agreements w.r.t lease property with lessors.

ii. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.

iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties* covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, there are no amounts outstanding which are in the nature of deposits as on March 31, 2019 and the Company has not accepted any deposits during the year.

vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other statutory dues applicable to it.

However, no undisputed statutory dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty and cess which have not been deposited on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.

x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.

xv. 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 him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.:105047W

Amit Mitra

Partner

Membership No.:094518

Place: Gurugram

Date: May 22, 2019

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF APPLECT LEARNING SYSTEMS PRIVATE LIMITED

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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

We have audited the internal financial controls with reference to financial statements of Applect Learning Systems 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 with reference to financial statements 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 (ICAI) (the "Guidance Note"). 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 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls With Reference to Financial Statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, 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 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; and (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 With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. We are not reporting on adequacy and operating effectiveness of internal financial control with reference to financial statement of Trust, included in the financial statement of the Company, as it is not a Company under the Act.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.:105047W

Amit Mitra

Partner

Membership No.:094518

Place: Gurugram

Date: May 22, 2019

BALANCE SHEET

(Amount in INR thousands, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	5A	14,425	18,761
Capital work-in-progress	5B	1,418	-
Intangible assets	6	18	30
Financial assets			
Security deposits	7	918	3,054
Deferred tax asset (net)	31	-	25,059
Other non-current assets	8	1,126	338
Total non-current assets		17,905	47,242
Current assets			
Inventory	9	380	8
Financial assets			
Cash and cash equivalents	10	36,484	36,388
Bank balances other than cash and cash equivalent	11	411	21,627
Security deposits	12A	4,202	1,674
Other financial assets	12B	9,000	2,133
Current tax assets (net)	13	1,717	1,629
Other current assets	14	4,111	6,375
Assets classified as held for sale		-	77
Total current assets		56,305	69,911
Total assets		**74,210**	**117,153**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	356	356
Other equity	16	(392,763)	(164,488)
Total equity		(392,407)	(164,132)
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	2,320	2,352
Other financial liabilities	18	1,480	1,046
Employee benefit obligations	19	12,739	9,684
Other non-current liabilities	20	87,630	41,570
Total non-current liabilities		104,169	54,652
Current liabilities			
Financial liabilities			
Borrowings	21A	78,000	-
Trade payables	21B	14,308	9,365
Other financial liabilities	21C	57,136	45,290
Employee benefit obligations	19	2,367	1,841
Other current liabilities	22	210,637	170,137
Total current liabilities		362,448	226,633
Total liabilities		466,617	281,285
Total equity and liabilities		**74,210**	**117,153**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Place: Gurugram
Date: 22 May 2019

For and on behalf of the Board of Directors of
Applect Learning Systems Private Limited
CIN: U99999DL2001PTC110324

Pavan Chauhan
Director
DIN: 00283074

Place: New Delhi
Date: 22 May 2019

Ritesh Hemrajani
Director
DIN: 00283248

Place: New Delhi
Date: 22 May 2019

Aseem Juneja
Company Secretary
Membership No: A56822

Place: New Delhi
Date: 22 May 2019

Shwetank Patni
Chief Finance Officer

Place: New Delhi
Date: 22 May 2019

STATEMENT OF PROFIT AND LOSS

(Amount in INR thousands, unless otherwise stated)

	Notes	Year ended 31 March 2019	Year ended 31 March 2018
Income			
Revenue from operations	23	347,657	308,362
Other income	24	3,367	19,870
Total income		**351,024**	**328,232**
Expenses			
Purchase of traded goods	25	40,871	14,664
Change in inventory of traded goods	26	(372)	(8)
Employee benefits expense	27	391,500	310,755
Finance costs	28	12,583	14,976
Depreciation and amortization expense	29	8,522	10,123
Other expenses	30	130,097	111,796
Total expenses		**583,201**	**462,306**
Loss before tax		(232,177)	(134,074)
Tax expense			
Current tax		-	-
Deferred tax	31	(25,059)	(1,512)
Total tax expense		**(25,059)**	**(1,512)**
Loss for the year		(257,236)	(135,586)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements gain of post-employment benefit obligations		(466)	1,207
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurements losses of post-employment benefit obligations		-	(313)
Other comprehensive income for the year		**(466)**	**894**
Total comprehensive income for the year		**(257,702)**	**(134,692)**
Loss per share			
Basic loss per share (INR)	32	(5.34)	(3.75)
Diluted loss per share (INR)	32	(5.34)	(3.75)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Place: Gurugram
Date: 22 May 2019

For and on behalf of the Board of Directors of
Applect Learning Systems Private Limited
CIN: U99999DL2001PTC110324

Pavan Chauhan
Director
DIN: 00283074

Place: New Delhi
Date: 22 May 2019

Ritesh Hemrajani
Director
DIN: 00283248

Place: New Delhi
Date: 22 May 2019

Aseem Juneja
Company Secretary
Membership No: A56822

Place: New Delhi
Date: 22 May 2019

Shwetank Patni
Chief Finance Officer

Place: New Delhi
Date: 22 May 2019

STATEMENT OF CASH FLOWS

(Amount in INR thousands, unless otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
Cash flow from operating activities		
Loss before tax	(232,177)	(134,074)
Adjustments for:		
Depreciation and amortization expense	8,522	10,123
Share based payment expense	29,427	14,499
Finance costs	2,154	12,897
Interest income	(857)	(1,921)
Liabilities written back	-	(12,357)
(Gain)/ loss on sale of fixed assets	(298)	1,917
Operating loss before working capital changes	(193,229)	(108,916)
Changes in working capital		
(Decrease)/ increase in trade payables	4,943	(1,514)
Increase in other current liabilities	40,500	2,113
Increase in non-current liabilities	46,060	15,647
(Decrease)/ increase in provisions	3,116	(562)
Increase in other financial liabilities	10,312	6,571
Decrease/ (increase) in other financial assets	(7,480)	1,985
Decrease in other current assets	2,265	359
Decrease in non-current assets	(788)	948
(Increase) in Inventories	(372)	(8)
Increase in non-current assets held for sale	77	2,227
Cash generated used in operations	(94,596)	(81,150)
Income tax paid	88	108
Net cash flows used in operating activities (A)	(94,684)	(81,258)
Cash flow from investing activities		
Payment for property, plant and equipment and intangible assets	(5,700)	(4,156)
Proceeds from sale/ disposal of property, plant and equipment	406	711
Net proceeds/ investment from fixed deposits	21,216	(21,627)
Interest received	1,079	1,700
Net cash flow from investing activities (B)	17,001	(23,372)
Cash flow from financing activities		
OCCRPS converted into CCPS	-	(11,672)
Proceeds from exercise of share options	-	1
Proceeds from issuance of Debentures	-	379,344
Net proceeds/(repayment) from short-term borrowings	78,000	(236,500)
Interest paid	(221)	(23,149)
Net cash flow from financing activities (C)	77,779	108,024
Net increase in cash and cash equivalents (A+B+C)	96	3,394
Cash and cash equivalents at the beginning of the year	36,388	32,994
Cash and cash equivalents at the end of the year	36,484	36,388
Cash and cash equivalents comprise (Refer Note 10 and 11)		
Balances with banks		
On current accounts	13,778	12,569
Fixed deposits with original maturity of less than 3 months	21,316	23,005
Cash on hand	2	2
Cheques on hand	1,388	812
Total cash and bank balances at end of the year	36,484	36,388
Summary of significant accounting policies	2	

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Place: Gurugram
Date: 21 May 2018

For and on behalf of the Board of Directors of
Applect Learning Systems Private Limited
CIN: U99999DL2001PTC110324

Pavan Chauhan
Director
DIN: 00283074

Place: New Delhi
Date: 21 May 2018

Ritesh Hemrajani
Director
DIN: 00283248

Place: New Delhi
Date: 21 May 2018

Pankaj Mishra
Company Secretary
Membership No: A40550

Place: New Delhi
Date: 21 May 2018

Shwetank Patni
Chief Finance Officer

Place: New Delhi
Date: 21 May 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(Amount in INR thousands, unless otherwise stated)

(A)	Equity share capital	As at 31 March 2019		As at 31 March 2018	
		No. of shares	Amount	No. of shares	Amount
	Equity shares of INR 10 each issued, subscribed and fully paid				
	Opening	35,638	356	35,638	356
	Add: issue during the year	-	-	-	
	Closing	**35,638**	**356**	**35,638**	**356**

(B) Other equity

	Equity component of compound financial instrument	Reserve and surplus					Total
		Share options outstanding account	Securities premium reserve	Treasury shares	General reserve	Retained earnings	
Balance as at 1 April 2017	213,401	83,009	709,123	(11,576)	71,846	(1,534,527)	(468,724)
Loss for the year	-	-	-	-	-	(135,586)	(135,586)
Other comprehensive income	-	-	-	-	-	894	894
Total other comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(134,692)**	**(134,692)**
Transactions with owners in their capacity as owners							
0.1% Compulsory Convertible Preference Shares	247,747	-	10,993	-	-	-	258,740
0.1% Optionally Convertible Cumulative Redeemable Preference Shares	(213,401)	-	-	-	-	-	(213,401)
Issue of 0.01% Compulsory Convertible Debentures	379,089	-	-	-	-	-	379,089
Employee stock option expense	-	14,499	-	-	-	-	14,499
Exercise of share options	-	(460)	460	1	-	-	1
Transfer from reserve	-	-	70,892	-	(70,892)	-	-
Forfeiture of share options	-	(74,926)	-	-	74,926	-	-
Balance as at 31 March 2018	**626,836**	**22,122**	**791,468**	**(11,575)**	**75,880**	**(1,669,219)**	**(164,488)**

	Equity component of compound financial instrument	Reserve and surplus					Total
		Share options outstanding account	Securities premium reserve	Treasury shares	General reserve	Retained earnings	
Balance as at 1 April 2018	626,836	22,122	791,468	(11,575)	75,880	(1,669,219)	(164,488)
loss for the year	-	-	-	-	-	(257,236)	(257,236)
Other comprehensive income	-	-	-	-	-	(466)	(466)
Total other comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(257,702)**	**(257,702)**
Transactions with owners in their capacity as owners							
Employee stock option expense	-	29,427	-	-	-	-	29,427
Exercise of share options	-	-	-	-	-	-	-
Transfer from reserve			-	-	-	-	-
Forfeiture of share options	-	(1,014)	-	-	1,014	-	-
Balance as at 31 March 2019	**626,836**	**50,535**	**791,468**	**(11,575)**	**76,894**	**(1,926,921)**	**(392,763)**
Summary of significant accounting policies	2						

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Place: Gurugram
Date: 21 May 2018

For and on behalf of the Board of Directors of
Applect Learning Systems Private Limited
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Shwetank Patni
Chief Finance Officer

Place: New Delhi
Date: 21 May 2018

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR thousands, unless otherwise stated)

1. General Information

Applect Learning Systems Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on 4 April 2001 under the provisions of the Companies Act, 1956 applicable in India. Its registered and principal office of business is located at A-221, Okhla Phase -I, New Delhi. The Company is primarily engaged in the business of providing online & offline educational services. The courses offered caters to classes 1 to 12 and competitive entrance exams for engineering and medical stream.

The financial statements were authorised for issue in accordance with a resolution of the directors on 22 May 2019.

2. Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Financial statements for the year ended 31 March 2017 were the first set of financial statements prepared in accordance with Ind AS.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)

ii) Share based payment transactions and

iii) Asset classified as held for sale

(c) Current vs. non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(d) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	
Leasehold improvement*	Lease period
Plant & Machinery	10 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Computers:	
-Servers	6 years
-End user devices such as, desktops, laptops etc.	3 years

* Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	
Computer software	6 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.6 Revenue Recognition

The Company primarily earns revenue from online and offline coaching services and education content loaded on tablets.

Revenue is recognised when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of goods and services tax (GST), trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection.

Sale of services

Revenue from online and offline coaching received in the form of subscription fees is recognised over the period services are rendered.

In respect of above, the amounts received in advance are reflected in the Balance sheet under "Other current and Non-current Liabilities" as "Revenue received in advance".

Consideration in case of bundled sales, i.e. sale of service bundled with tablets, is allocated on the basis of their respective fair values. Fair values are determined in accordance with Ind AS 113, Fair Value Measurement. In case of bundled sales, revenue from sale of tablets is recognised on transfer of risk and rewards of ownership.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit/(loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.8 Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

The appropriate level of management is committed to a plan to sell the asset (or disposal group),

An active programmed to locate a buyer and complete the plan has been initiated (if applicable),

The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and

Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the Balance Sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

2.9 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.12 Inventories

Inventory includes stock in trade. Inventories are values at lower of cost or net realisable value.

Cost includes purchase price, taxes (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Cost is determined using First-in First-out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

2.13 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cheques on hand, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash at banks and short-term deposits net of bank overdraft.

2.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value, generally the transaction price, and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(c) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contract are separated if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

(d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.15 Compound financial instrument

Compulsory Convertible Instruments

Compulsory Convertible Preference Shares and Compulsory Convertible Debentures are separated into liability and equity components based on the terms of the contract. At the inception of the Compulsory Convertible Instruments, the following two elements will be separated:

(a) a liability component arising from the interest payments; and

(b) an equity component representing the delivery of fixed number of equity shares in future.

On issuance of the Compulsory Convertible Instrument, the fair value of the liability portion is determined using a market interest rate for an equivalent non convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument since it meets Ind AS 32, Financial Instruments: Presentation, criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the equity component is not subsequently re-measured.

Optionally Convertible Instruments

Optionally Convertible Preference Shares are separated into liability and equity components based on the terms of the contract. At the inception of the Optionally Convertible Instruments, the following two elements will be separated:

(a) a liability component arising from the interest payments and redemption of principal amount; and

(b) an equity component representing option with the holder for receiving fixed number of equity shares in future.

On issuance of the optionally convertible preference shares, the fair value of the liability portion of an optionally convertible preference shares is determined using a market interest rate for an equivalent non-convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument since it meets Ind AS 32, Financial Instruments: Presentation, criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not subsequently re-measured.

Transaction costs are apportioned between the liability and equity components of the instruments based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

2.16 Employee Benefits

(a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

(b) **Other long-term employee benefit obligations**

(i) **Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) **Defined benefit plans**

The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

(iii) **Other long term employee benefits**

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Leaves under accumulated compensated absences can be encashed only on discontinuation of service by employee.

(c) **Share-based payments**

Equity settled stock options granted under "Applect Learning Systems Private Limited Option Plan 2009" are measured by reference to the fair value of the option at the date of grant in accordance with Ind AS 102, Share-Based Payment. The expense is recognised in the Statement of Profit and Loss with a corresponding increase to the share based payment reserve, a component of other equity. The estimated fair value of estimated of awards is charged to the Statement of Profit and Loss on straight-line basis over the vesting period.

(d) **Treasury shares**

The Company has created an Employee Stock Option Plan Trust (ESOP trust) for providing share-based payment to its employees. The Company uses ESOP trust as a vehicle for transferring shares to employees under the employee remuneration schemes. ESOP Trust buys shares of the Company from existing shareholders and the Company itself, for giving shares to the Company's employees as part of ESOP scheme. The Company treats ESOP trust as its extension and shares held by ESOP Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from other equity. No gain or loss is recognized in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in securities premium reserve. Share options exercised during the year are satisfied with treasury shares.

2.17 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.18 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.19 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest thousands as per requirement of Schedule III of the Act, unless otherwise stated.

3. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 34.

(b) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation. Refer Note 31.

(c) Defined benefit plans and other long-term employee benefits

The cost of the defined benefit plans such as gratuity and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 33.

4. Standards (including amendments) issued but not yet effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective

Ind AS 116- Leases

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 116, Leases. This Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective of the standard is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. The effective date for adoption of Ind AS 116 is financial periods beginning on or after April 1, 2019.The Company is currently evaluating the requirements of amendments. The Company believe that the adoption of this amendment will not have a material effect on its financial statements.

5A. Property, plant and equipment

	Gross block				Depreciation				Net block	
	As at 1 April 2018	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2019	As at 1 April 2018	For the year	Deductions/ Adjustments	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Owned assets										
Leasehold Improvement	8,606	-	-	8,606	5,422	2,585	-	8,007	599	3,184
Plant and Machinery	3,301	19	-	3,320	1,358	260	-	1,618	1,702	1,943
Furniture and Fixtures	846	83	-	929	523	47	-	570	359	323
Office Equipment	6,864	663	237	7,290	4,984	709	186	5,507	1,783	1,880
Computers	20,403	3,517	1,084	22,836	17,860	2,573	1,027	19,406	3,430	2,543
Server	15,775	-	-	15,775	6,887	2,336	-	9,223	6,552	8,888
Total	55,795	4,282	1,321	58,756	37,034	8,510	1,213	44,331	14,425	18,761

	Gross block				Depreciation				Net block	
	As at 1 April 2017	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	As at31 March 2018	As at31 March 2018	As at 31 March 2017
Owned assets										
Leasehold Improvement	14,533	907	6,834	8,606	7,893	2,454	4,925	5,422	3,184	6,640
Plant and Machinery	4,010	366	1,075	3,301	1,680	273	595	1,358	1,943	2,329
Furniture and Fixtures	1,258	-	412	846	725	46	248	523	323	533
Office Equipment	6,618	329	83	6,864	4,368	666	50	4,984	1,880	2,251
Computers	19,863	646	106	20,403	13,685	4,239	64	17,860	2,543	6,178
Server	13,493	2,282	-	15,775	4,457	2,430	-	6,887	8,888	9,036
Total	59,775	4,530	8,510	55,795	32,808	10,108	5,882	37,034	18,761	26,967

5B Capital work-in-progress

During the year company incurring expenses of INR 1,418 (thousand) (Previous Year: Nil) for the construction of new studios and office space at A-222, A-225, Okhla Phase-I, New Delhi . Which were not ready to use as on 31 March 2019 and as shown under head Capital work-in-progress. These expenses include furniture & fittings, electrical installation, sanitary, etc. The same will capitalize under leasehold improvements after completion of the said work.

6. Intangible assets

	Gross block				Depreciation				Net block	
	As at 1 April 2018	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2019	As at 1 April 2018	For the year	Deductions/ Adjustments	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Computer Software	316	-	-	316	286	12	-	298	18	30
Total	316	-	-	316	286	12	-	298	18	30

	Gross block				Depreciation				Net block	
	As at 1 April 2017	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Computer Software	316	-	-	316	271	15	-	286	30	45
Total	316	-	-	316	271	15	-	286	30	45

		31 March 2019	31 March 2018
7	**Non-current financial assets**		
	Unsecured, considered good		
	Security deposits	918	3,054
		918	**3,054**

8	**Other non-current assets**		
	Prepaid rent	285	338
	Advance recoverable in cash or in kind	841	-
		1,126	**338**

9	**Inventory**		
	(Valued at cost and net realisable value, which is lower)		
	Traded goods (Tablets)	380	8
		380	**8**

10	**Cash and bank balances**		
	Cash and cash equivalents		
	Balances with banks		
	in current accounts	13,778	12,569
	Fixed deposits with original maturity of less than 3 months	21,316	23,005
	Cheques on hand	1,388	812
	Cash on hand	2	2
		36,484	**36,388**

11	**Bank balances other than cash and cash equivalent**		
	Fixed deposit with maturity of less than 12 months from balance sheet date	411	21,627
		411	**21,627**

12	**Current financial assets**		
	Unsecured, considered good		
	(A) Security deposits	4,202	1,674
		4,202	**1,674**
	(B) Others financial assets		
	Amount with payment gateway	8,886	1,798
	Interest accrued on fixed deposits	114	335
		9,000	**2,133**

13	**Current tax assets (net)**		
	Advance income tax (net of provisions amounting Nil (31 March 2018: Nil)	1,717	1,629
		1,717	**1,629**

14	**Other current assets**		
	Advance recoverable in cash or in kind	3,037	4,385
	Balance with government authorities	658	644
	Prepaid rent	416	771
	Other receivables	-	575
		4,111	**6,375**

15 **Equity share capital**

The Company has only one class of equity share capital having a par value of INR 10 per share, referred to herein as equity shares.

	31 March 2019	31 March 2018
Authorized		
247,000 (31 March 2018: 247,000) Equity Shares of INR 10 each	2,470	2,470
	2,470	**2,470**
Issued, subscribed and paid up		
35,638 (31 March 2018: 35,638) equity shares of INR 10 each fully paid	356	356
Total	**356**	**356**

(a)

Reconciliation of equity shares outstanding at the beginning and at the end of the year	31 March 2019		31 March 2018	
	Number of shares	**Amount**	**Number of shares**	**Amount**
Outstanding at the beginning of the year	35,638	356	35,638	356
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**35,638**	**356**	**35,638**	**356**

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having par value of INR 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(c)

Shares held by holding Company/ultimate holding Company and/ or their subsidiaries/ associates	**31 March 2019**	**31 March 2018**
Holding Company		
Info Edge (India) Limited	5,871	5,871
Name of other Subsidiaries/Associate Company of the Ultimate Holding Company		
Startup Investments (Holding) Limited	13,429	13,429

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	31 March 2019		31 March 2018	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity Shares of INR10 each fully paid up				
Info Edge (India) Limited	**5,871**	16.47%	**5,871**	16.47%
Startup Investments (Holding) Limited	**13,429**	37.68%	**13,429**	37.68%
Pavan Chauhan	**9,252**	25.96%	**9,252**	25.96%
Treasury share	**4,052**	11.37%	**4,052**	11.37%
Ritesh Hemrajani	**2,509**	7.04%	**2,509**	7.04%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(f) Shares reserved for issue under options and mandatory conversion of financial instruments

For details of shares reserved for issue under the Share based payment plan of the company, please refer Note 34.

For details of shares reserved for issue on conversion of Convertible Preference Shares and Convertible Debentures, please refer below.

(g) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

16 Other equity

(A) Preference share capital

(i) The Company has preference share capital having a par value of INR 1 per share, referred to herein as preference share capital.

	31 March 2019	31 March 2018
Authorized		
2500,030,000 (31 March 2018: 250,030,000) Preference Shares of INR 1 each	250,030	250,030
Add:- Increase during the year (130,000,000 shares of INR 1 each)	130,000	-
380,030,000 (31 March 2018: 250,030,000) Preference Shares of INR 1 each	**380,030**	**250,030**
Issued, subscribed and paid up		
249,974,932 (31 March 2018: 247,974,932) 0.1% Compulsory Convertible Preference Shares (CCPS) of INR 1 each	247,747	247,747
	247,747	**247,747**

(ii) Reconciliation of preference shares outstanding at the beginning and at the end of the year	31 March 2019		31 March 2018	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	249,974,932	247,747	249,974,932	213,401
Less: Extinguishment of OCCRPS in Favour of CCPS*	-	-	-249,974,932	(213,401)
Add: CCPS issued against extinguished OCCRPS*	-	-	249,974,932	247,747
Outstanding at the end of the year	**249,974,932**	**247,747**	**249,974,932**	**247,747**

* Refer point (vi) below.

(iii) Rights, preferences and restrictions attached to shares

Preference Shares: The Company issued 0.1% Compulsory Convertible Preference Shares (CCPS) in two series viz. Series B and Series C having a par value of INR 1 per share. Each shareholder is eligible for one vote per share held, only if any proposed resolution directly affects any rights or the interest of the holder including resolution for winding up or reduction of share capital. Each CCPS is entitled to a preferential dividend of 0.1% per annum payable in Indian Rupees.

Ranking: The CCPS shall rank senior to all classes of shares currently existing or established hereafter, with respect to distributions and shall rank pari passu with the equity shares in all other respects including voting rights and adjustments for any stock splits, bonuses, sub-division, recapitalization, issuance of bonus shares, non-cash dividends/ distributions to holders of shares, reclassification, conversion, buyback, cancellation, consolidation or merger.

Dividends:

(i) Each CCPS is entitled to a preferential dividend rate of 0.1% (Zero point one per cent) per annum (the "Preferential Dividend").

The Preferential Dividend is cumulative and shall accrue from year to year, whether or not paid. All accrued dividends shall be paid in full (together with dividends accrued from prior years) prior and in preference to any dividend or distribution.

(ii) Dividends due and payable on any other shares of the Company will be subordinate to any dividend payable on the CCPS. Under no circumstances shall any amounts be paid or dividends declared on any shares other than the CCPS, until all dividends and other amounts due and owing on the CCPS shall have been paid in full.

(iii) In addition, the CCPS shall fully participate with the Ordinary Shares in all dividends declared by the Company.

(iv) Shares held by holding Company/ultimate holding Company and/ or their subsidiaries/ associates

	31 March 2019	31 March 2018
Name of other Subsidiaries/Associate Company, subsidiary/associate Company		
Startup Investments (Holding) Limited	249,974,932	249,974,932

(v) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	31 March 2019		31 March 2018	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
0.1% CCPS of INR 1 each fully paid up				
Startup Investments (Holding) Limited	249,974,932	100%	249,974,932	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(vi) Terms of convertible preference shares

i) As regards the 10,000 Series B OCCRPS (0.1% Optionally Convertible Cumulative Redeemable Preference Shares) allotted on 5 December 2013 vide Fifth Investment Agreement dated 26 November 2013, on 31 October 2017, the Company has entered into an addendum amending the terms of fifth Investment Agreement dated 26 November 2013.Fifth Investment Agreement has been amended to change nature of previously issued optionally convertible cumulative redeemable preference shares (OCCRPS) to compulsory convertible preference shares (CCPS) including other relevant consequential changes. Except aforesaid amendment all others terms and conditions as mentioned in the Fifth Investment Agreement remains unchanged. Therefore, a total of 1,334 (One thousand three hundred and thirty four) fully paid equity shares shall be compulsory allotted and issued to the holder on maturity against 10,000 (Ten thousand) Series B CCPS (0.1% Compulsory Convertible Preference Shares) allotted on 5 December 2013. Change in nature of OCCRPS to CCPS has been approved in extra ordinary general meeting held on 20 October 2017 by passing a special resolution.

ii) As regards the 249,964,932 Series C OCCRPS (0.1% Optionally Convertible Cumulative Redeemable Preference Shares) allotted on 12 June 2015 vide Sixth Investment Agreement dated 25 May 2015, on 31 October 2017, the Company has entered into an addendum and amending the terms of the Agreement. Sixth Investment Agreement has been amended to change nature of previously issued optionally convertible cumulative redeemable preference shares (OCCRPS) to compulsory convertible preference shares (CCPS) including other relevant consequential changes. Number of shares to be compulsory allotted and issued upon conversion would be determined as follows: Every 59,234 Series C CCPS will be converted into 1 ordinary share and thus resulting in an issue of 4,220 equity shares. Except aforesaid amendment all others terms and conditions as mentioned in the Sixth Investment Agreement remains unchanged. Change in nature of OCCRPS to CCPS has been approved in extra ordinary general meeting held on 20 October 2017 by passing a special resolution.

During previous year ended 31 March 2018, The Company has accounted change in nature of OCCRPS to CCPS as an extinguishment of the existing financial instrument in favour of new financial instrument issued. Accordingly, OCCRPS are derecognised and CCPS issued are recognized as they were issued on the date of original issue of OCCRPS Series B i.e. 05 December 2013 and 12 June 2015 for OCCRPS Series C. INR 11,666 thousand, being net of financial liability derecognised is recorded as a gain in Statement of Profit and Loss.

(vii) Cumulative preference dividends on CCPS not recognized is as follows:

	31 March 2019	31 March 2018
Opening balance	701	451
Dividend for the year		
0.1% CCPS of INR 1 each fully paid up (series B)	0	0
0.1% CCPS of INR 1 each fully paid up (series C)	250	250
Closing balance*	**951**	**701**

* The company will be liable to pay corporate dividend tax as applicable at the time of payment or declaration as may be applicable.

(viii) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(ix) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

	31 March 2019	31 March 2018
(B) Employee stock options outstanding account (ESOOA)*		
Balance at the beginning of the year	22,122	83,009
Add: Employee stock option expense	29,427	14,499
Less: Transferred to securities premium reserve on exercise of stock options	-	460
Less: Transferred to general reserve on forfeiture of stock options	1,014	74,926
	50,535	**22,122**

*ESOOA recognizes the fair value of options as at the grant date spread over the vesting period. (Refer Note 34)

(C) Securities premium reserve (SPR)*	31 March 2019	31 March 2018
Opening balance	791,468	709,123
Add: Transfer from ESOOA on exercise of stock options	-	460
Add: Transfer from general reserves on stock options exercised	-	70,892
Add : Securities premium transferred from financial liability on change in terms of 0.1% CCPS	-	10,993
Closing balance	**791,468**	**791,468**

*SPR record premium on issue of shares to be utilised in accordance with the Act.

(D) General reserve (GR)*	31 March 2019	31 March 2018
Opening balance	75,880	71,846
Less: Transfer to securities premium on stock options exercised	-	70,892
Add: Transfer from ESOOA on forfeiture of stock options	1,014	74,926
Closing balance	**76,894**	**75,880**

*Currently GR comprises the amount of options which has been exercised and forfeited.

	31 March 2019		31 March 2018	
(E) Treasury shares	**Number of shares**	**Amount**	**Number of shares**	**Amount**
Opening balance	4,052	(11,575)	4,082	(11,576)
Less: Issued during the year on exercise of share options	-	-	(30)	1
Closing balance	**4,052**	**(11,575)**	**4,052**	**(11,575)**

(F) Compulsorily Convertible Debentures	31 March 2019	31 March 2018
Opening	379,089	-
Add: Issue during the year	-	379,089
Closing Balance	**379,089**	**379,089**

Terms of compulsory convertible debentures

379,329, Compulsory Convertible debentures (CCD) were allotted on 11 December 2017 vide Debenture subscription agreement dated 31 October 2017, a total of 6,403 (Six thousand four hundred and three) fully paid equity shares shall be allotted and issued to the holder upon maturity i.e. on or before 10 December 2026. CCDs carries a coupon rate of 0.01% (Zero point Zero One percent) per annum computed as simple interest which will accrue from the date of allotment and will become payable upon conversion. The issue of CCD was approved in Extra-ordinary general meeting held on 20 October 2017.

(G) Surplus/(deficit) in the Statement of Profit and Loss	31 March 2019	31 March 2018
Opening balance	(1,669,219)	(1,534,527)
Add: Net loss for the current year	(257,236)	(135,586)
Less: Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	466	(894)
Closing balance	**(1,926,921)**	**(1,669,219)**
Total other equity	**(392,763)**	**(164,488)**

17	Long-term Borrowings	31 March 2019	31 March 2018
	Unsecured		
	Liability component of convertible preference shares (Refer Note 16A)	2,048	2,102
	Liability component of compulsorily convertible debentures (Refer Note 16F)	272	250
		2,320	**2,352**

18	Non-current financial liabilities		
	Employee related payable	1,480	1,046
		1,480	**1,046**

19	Employee benefit obligations	Long term		Short term	
		31 March 2019	**31 March 2018**	**31 March 2019**	**31 March 2018**
	Provision for employee benefits				
	Provision for gratuity (unfunded) (Refer Note 33)	11,818	8,690	2,095	1,539
	Provision for leave encashment (unfunded)	921	994	272	302
		12,739	**9,684**	**2,367**	**1,841**

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Other non-current liabilities	31 March 2019	31 March 2018
Revenue received in advance	87,630	41,570
	87,630	**41,570**

21 **Financial liabilities**

(A) Short-term borrowings	31 March 2019	31 March 2018
Unsecured		
Loans from related parties*	78,000	-
(I)	**78,000**	**-**

* Loan from Startup Investment Holding Limited has been raised in multiple tranches during the year with interest at 8% per annum. While each tranche had a different repayment date linked to the drawdown, on 27 February 2019, loan repayment date for all tranches was extended till 30 June 2019.

(B) Trade payables	31 March 2019	31 March 2018
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	14,308	9,365
(II)	**14,308**	**9,365**

Based on the information presently available with the management, the disclosures required under the Micro, Small and Medium Enterprises Development ("MSMED") Act, 2006 are given below:

Balance of trade payable and other current liabilities as at the end of the year	31 March 2019	31 March 2018
- Principal Amount due to Micro, Small and Medium Enterprises	-	-
- Principal amount due to others	14,308	9,365
	14,308	**9,365**

	31 March 2019	31 March 2018
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
-the principal amount	-	-
-the interest due thereon	-	-
(b) the amounts paid by the buyer during the year:		
-Principle repaid to suppliers beyond the appointed day during each accounting year	-	-
-Interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006:	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

(C) Other financial liabilities	31 March 2019	31 March 2018
Interest accrued but not due on loan	1,967	-
Payable for fixed assets	670	450
Employee related payable	54,499	44,840
(III)	**57,136**	**45,290**
Total financial liability (I+II+III)	**149,444**	**54,655**

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Other current liabilities	31 March 2019	31 March 2018
Revenue received in advance	197,407	157,285
Statutory due payable	12,628	11,348
Advance from customer	602	1,504
	210,637	**170,137**

23	Revenue from operations	31 March 2019	31 March 2018
	Sale of services	314,109	298,237
	Sale of goods	33,548	10,125
		347,657	**308,362**

24	Other income	31 March 2019	31 March 2018
	Interest income		
	- on fixed deposits	857	1,083
	- on income taxes	-	838
	Interest income on security deposits	306	592
	Gain on sale/disposal of fixed assets	298	-
	Provisions/ liabilities written back	-	12,357
	Miscellaneous income	1,131	1,294
	Revenue from advertisements	775	3,706
		3,367	**19,870**

25	Purchase of traded goods	31 March 2019	31 March 2018
	Purchase of traded goods (Tablets)	40,871	14,664
		40,871	**14,664**

26	Change in inventory of traded goods (Tablets)	31 March 2019	31 March 2018
	At the beginning of the year	8	-
	Less: at the end of the year	380	8
		(372)	(8)

27	Employee benefits expense	31 March 2019	31 March 2018
	Salaries, wages, bonus and other allowances	333,242	271,443
	Contribution to Provident Fund and ESI	11,836	9,953
	Gratuity and compensated absences (Refer Note 33)	5,555	4,615
	Employee stock option scheme compensation (Refer Note 34)	29,427	14,499
	Staff welfare	11,440	10,245
		391,500	**310,755**

28	Finance costs	31 March 2019	31 March 2018
	Interest on borrowing	2,154	12,897
	Discounting charges	10,206	2,073
	Interest on delay in payment of taxes	223	6
		12,583	**14,976**

29	Depreciation and amortization expense	31 March 2019	31 March 2018
	Depreciation (Refer Note 5A)	8,510	10,108
	Amortization (Refer Note 6)	12	15
		8,522	**10,123**

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Other expenses	31 March 2019	31 March 2018
Electricity and water	8,408	7,393
Recruitment and training	1,272	1,476
Rent (Refer Note 35)	19,746	19,937
Repairs and maintenance - others	2,585	2,771
Payment gateway transaction charges	5,623	4,304
Travel and conveyance	11,958	8,114
Postage and courier	3,367	3,361
Printed educational material	4,202	2,751
Printing & Stationery	3,102	720
Communication, broadband and internet expenses	10,592	10,579
Office expenses	4,322	4,282
Legal and professional charges*	14,080	12,511
Advertisement	7,478	5,379
Commission	13,460	10,567
Loss on sale/disposal of fixed assets	-	1,917
Server hire charges	15,782	13,418
Books and periodicals	50	45
Miscellaneous expenses	4,070	2,271
	130,097	**111,796**

*Note : The following is the break-up of Auditors remuneration (exclusive of GST)

	31 March 2019	31 March 2018
As auditor:		
Statutory audit	425	425
In other capacity:		
Tax audit	75	75
Other matters	-	100
Reimbursement of expenses	75	100
	575	**700**

31 **Income tax**

(A) Deferred tax relates to the following:

	31 March 2019	31 March 2018
Deferred tax assets		
On property, plant and equipment	6,514	5,865
On provision for employee benefits	7,788	6,479
On disallowance u/s 40A of Income Tax Act, 1961	-	331
On unabsorbed depreciation and carry forward business losses		
Current year losses	60,538	10,520
Previous year losses	381,516	358,857
Unabsorbed depreciation	26,550	25,059
On others	-	-
	482,906	407,111
Deferred tax liabilities		
On asset classified as held for sale	-	20
On convertible preference shares	-	-
On re-measurements gain/(losses) of post-employment benefit obligations	313	434
On others	-	-
	313	454
Deferred tax income	**482,593**	**406,657**
Less: Deferred tax asset not recognised	(456,043)	(381,598)
Deferred tax asset, net	**26,550**	**25,059**

(B) Recognition of deferred tax asset to the extent of deferred tax liability

Balance sheet	31 March 2019	31 March 2018
Deferred tax asset	26,863	25,513
Deferred tax liabilities	(313)	(454)
Deferred tax assets/ (liabilities), net	**26,550**	**25,059**

(C) Reconciliation of deferred tax assets/ (liabilities) (net):

	31 March 2019	31 March 2018
Opening balance as of 1 April	25,059	26,684
Tax liability recognized in Statement of Profit and Loss	(879)	879
Tax liability recognized in OCI		
On re-measurements gain/(losses) of post-employment benefit obligations	-	(313)
Tax liability recognized directly in equity		
On convertible preference shares	-	200
Tax asset recognized in Statement of Profit and Loss	2,370	(2,391)
Closing balance as at 31 March (Note E)	**26,550**	**25,059**

(D) Deferred tax assets/ (liabilities) to be recognised in Statement of Profit and Loss

	31 March 2019	31 March 2018
Tax liability	(879)	879
Tax asset	2,370	(2,391)
DTA Reversed during the year	(26,550)	-
	(25,059)	**(1,512)**

(E) The Company has brought forward tax loss and unabsorb depreciation resulting in change of Deferred tax assets as at March 31, 2019 (net off deferred tax liability), however in the absence of reasonable certainty of future taxable income, no Deferred tax assets has been recognised.

32 Loss per share

Basic loss per share amounts are calculated by dividing the loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted loss per share amounts are calculated by dividing the loss attributable to equity holders (after adjusting for interest on the CCPS) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2019	31 March 2018
Loss attributable to equity holders	(232,177)	(134,074)
Less: preference dividend after-tax (Refer Note 16(A)(vii))	250	250
Loss attributable to equity holders after preference dividend	(232,427)	(134,324)
Add: Interest on convertible preference shares	(32)	(40)
Loss attributable to equity holders adjusted for the effect of dilution	(232,459)	(134,364)
Weighted average number of equity shares for basic EPS*	43,543	35,838
Effect of dilution**:		
Share options	2,023	1,927
OCCRPS	-	2,650
Weighted average number of equity shares adjusted for the effect of dilution	**45,566**	**40,415**
Basic loss per share (INR)	(5.34)	(3.75)
Diluted loss per share (INR)	(5.34)	(3.75)

* The weighted average number of shares takes into account:

(A) the weighted average effect of changes in treasury share by 30 shares during the previous year; and

(B) shares that will be issued upon the conversion of a compulsory convertible instrument i.e.

i) 10,000 0.1% CCPS equivalent to 1,334 equity shares allotted to the parent on 5 December 2013 as per Fifth Investment Agreement, as amended on 31 October 2017, and 24,99,64,932 0.1% CCPS equivalent to 4,220 Equity Shares allotted to the parent Company on 12 June 2015 as per Sixth Investment Agreement, as amended on 31 October 2017.

ii) 379,329, Compulsory Convertible debentures (CCD) equivalent to 6,403 equity shares allotted to the parent on 11 December 2017 vide Debenture subscription agreement dated 31 October 2017.

**The Company is having following potential equity shares:

(A) Shares options granted to employees in pursuance of the Employee Stock Option Plan.

(B) 10,000 0.1% OCCRPS equivalent to 778 (31 March 2017: 1,334) equity shares allotted on 5 December 2013 as per Fifth Investment Agreement and 24,99,64,932 0.1% OCCRPS equivalent to 1872 (31 March 2017: 3,209) Equity Shares allotted to the parent Company on 12 June 2015 as per Sixth Investment Agreement.

Since conversion of above mentioned potential equity shares would decrease loss per share from continuing ordinary activities, these are anti-dilutive in nature and thus the effects of anti-dilutive potential equity shares are ignored in calculating diluted earning per share.

33 Employee benefits

(A) **Defined Contribution Plans**

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss –	31 March 2019	31 March 2018
Employers' Contribution to Provident Fund and Employee State Insurance (Refer Note 27)	11,836	9,953

(B) Defined benefit plans

a) Gratuity payable to employees

b) Compensated absences for Employees

i) **Actuarial assumptions**	**31 March 2019**	**31 March 2018**
Discount rate (per annum)	7.66%	7.80%
Rate of increase in Salary	7.00%	7.00%
Expected average remaining working lives of employees (years)	29.65	30.03
Attrition rate	1 - 25%	1 - 25%

ii) Changes in the present value of defined benefit obligation

	Employee's gratuity	
	31 March 2019	**31 March 2018**
Present value of obligation at the beginning of the year	10,230	11,465
Interest cost	798	844
Past service cost	-	-
Current service cost	2,927	2,240
Curtailments	-	-
Settlements	-	-
Benefits paid	(508)	(3,112)
Actuarial (gain)/ loss on obligations	466	(1,207)
Present value of obligation at the end of the year*	**13,913**	**10,230**

*Included in provision for employee benefits (Refer Note 19)

iii) Expense recognized in the Statement of Profit and Loss	**Employee's gratuity**	
	31 March 2019	**31 March 2018**
Current service cost	2,927	2,240
Past service cost	-	-
Interest cost	798	844
Expected return on plan assets	-	-
Actuarial (gain) / loss on obligations	466	(1,207)
Settlements	-	-
Curtailments	-	-
Total expenses recognized in the Statement Profit and Loss*	**4,191**	**1,877**

*Included in Employee benefits expense (Refer Note 27). Actuarial (gain)/loss of INR 466 thousand (31 March 2018: INR (1207) thousand) is included in other comprehensive income.

iv) Liabilities recognized in the Balance Sheet:	**Employee's gratuity**	
	31 March 2019	**31 March 2018**
Present value of unfunded obligation as at the end of the year	13,913	10,230
Unrecognized actuarial (gains)/losses	-	-
Unfunded net asset / (liability) recognized in Balance Sheet*	**13,913**	**10,230**

*Included in provision for employee benefits (Refer Note 19)

v) Amounts recognized in current year and previous four years	**31 March 2019**	**31 March 2018**	**31 March 2017**	**31 March 2016**	**31 March 2015**
Gratuity					
Defined benefit obligation	13,913	10,230	11,465	8,606	6,281
Plan assets	-	-	-	-	-
Net assets/(liability)	(13,913)	(10,230)	(11,465)	(8,606)	(6,281)

vi) Expected contribution to the fund in the next year	**31 March 2019**	**31 March 2018**
Gratuity	4,805	3,687

vii) A quantitative sensitivity analysis for significant assumption as at 31 March 2019 is as shown below:

	Employee's gratuity	
Impact on defined benefit obligation	31 March 2019	31 March 2018
Discount rate		
0.5% increase	(432)	(302)
0.5% decrease	461	323
Rate of increase in salary		
0.5% increase	453	317
0.5% decrease	(429)	(301)

vii) Maturity profile of defined benefit obligation	Employee's gratuity	
Year	31 March 2019	31 March 2018
Apr 2019- Mar 2020	2,095	1,405
Apr 2020- Mar 2021	1,742	1,223
Apr 2021- Mar 2022	1,545	878
Apr 2022- Mar 2023	1,107	705
Apr 2023- Mar 2024	894	567
Apr 2024 onwards	6,530	3,912

34 Employee Stock Option Scheme 2009 (ESOP)

The board vide its resolution dated 29 December 2009 approved ESOP 2009 for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year

	31 March 2019		31 March 2018	
Particulars	**Number**	**Weighted average expercise price (INR)**	**Number**	**Weighted average expercise price (INR)**
Options outstanding at beginning of year	1,927	8,983	3,289	578
Add:				
Options granted during the year	507	10	576	10
Less:				
Options exercised during the year	-	-	30	10
Options forfeited during the year*	411	10	1,908	10
Options outstanding at the end of year	2,023	8,557	1,927	8,983
Option exercisable at the end of year	329	10	668	10

In accordance with the above mentioned ESOP Scheme, INR 29,427 thousand (Previous Year INR 14,499 thousand) has been charged to the Statement of Profit and Loss in relation to the options granted during the year ended 31 March 2019 as Employee Stock Option Scheme Compensation (Refer Note 27).

The options outstanding at the year ending on 31 March 2019 with exercise price of INR 10 are 1,801 options (31 March 2018: 1,705 options) and with exercise price of INR 77,898 are 222 options (31 March 2018: 222 options) and a weighted average remaining contractual life of all options are 4.76 years (31 March 2018: 4.61 years).

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the Black Scholes model used for the years ended:

	31 March 2019	31 March 2018
Weighted average fair value of the options at the grant dates (INR)	54,648.76	54,374.17
Dividend yield (%)	0%	0%
Risk free interest rate (%)	7.50%	7.50%
Expected life of share options (years)	7.00	7.00
Expected volatility (%)	42.18%	42.41%
Weighted average share price (INR)	54,655.66	54,380.85

*During the year ended 31 March 2019, the Company has granted Nil (31 March 2018: Nil) options which have been forfeited during the year only. No expenses in respect of these options has been recognised in the financial statement.

35 Leases

Operating leases where Company is a lessee:

The Company has entered into lease transactions mainly for leasing of office premise for a period between 1 to 6 years. The terms of lease include terms of renewal, increase in rents in future periods, which are in line with general inflation, and terms of cancellation. The operating lease payments recognized in the Statement of Profit and Loss amount to INR 19,746 thousand (31 March 2018: INR 19,937 thousand) included in Note 30.

As on 31 March 2019 and 31 March 2018 there were no non-cancellable operating leases.

36 Related Party Disclosures

(A) Names of related parties and description of relationship as identified and certified by the Company:

Holding Company
Info Edge (India) Limited (Refer Note 15(c))
Entity under common control
Startup Investments (Holding) Limited
Oyster Learning Private Limited
Key Management Personnel (KMP)
Mr. Ritesh Hemrajani (Executive director)
Mr. Pavan Chauhan (Executive director)
Mr. Sudhir Bhargava (Non executive director) (up to 14 June 2017)
Mr. Ranjeet Singh Yadav (Non executive director) (w.e.f. 24 July 2017)
Mr. Kaushik Dutta (Independent director)
Mr. Naveen Saraff (Independent director)
Mr. Shwetank Patni(Chief Financial officer)
Mr. Aseem Juneja (Company Secretary) (w.e.f 18 Feb 2019)
Mr. Pankaj Mishra (Company Secretary) (up to 22 Feb 2019)

(B) **Details of transactions with related party in the ordinary course of business for the year ended:**

(i) **Holding Company**	**31 March 2019**	**31 March 2018**
Recruitment and training expenses	673	547
Loan received during the year	-	63,500
Loan repaid during the year	-	300,000
Interest on borrowing	-	12,936
Equity component of compulsory convertible debentures	-	189,545
Liability component of compulsory convertible debentures	-	120
Interest on liability component of compulsory convertible debentures	11	5

(ii) **Entity under common control**	**31 March 2019**	**31 March 2018**
Startup Investments (Holding) Limited *		
Preference share capital	-	34,345
Securities Premium	-	81,885
Borrowings	78,000	-
Interest on borrowing	2,186	-
Interest expense on liability component of CCPS	53	49
CCPS liability written back	-	11,617
Liability component of compulsory convertible debentures	-	120
Equity component of compulsory convertible debentures	-	189,544
Interest expense on liability component of compulsory convertible debentures	11	5
Oyster Learning Private Limited		
Legal And professional	-	177

* The transactions includes non financial transactions arising to comply with Ind AS.

(iii) **Key Management Personnel (KMP)**

Compensation of key management personnel

Short term employee benefit	**31 March 2019**	**31 March 2018**
Remuneration (including employer's contribution to EPF)*		
Mr. Ritesh Hemrajani	3,000	3,000
Mr. Pavan Chauhan	6,000	6,000
Mr. Shwetank Patni	7,040	6,017
Mr. Pankaj Mishra	317	301
Mr. Aseem Juneja	42	-

* Excludes provision for gratuity & leave encashment which is being provided based on actuarial valuation for all employees and cannot be identified to individual employee and includes reimbursements and other benefits.

Sitting Fees	**31 March 2019**	**31 March 2018**
Mr. Kaushik Dutta	220	140
Mr. Naveen Saraff	-	50
Professional Fees		
Mr. Ranjit Singh Yadav	750	-
Post-employment benefits		
Employer contribution to EPF		
Mr. Ritesh Hemrajani	22	22
Mr. Pavan Chauhan	22	22
Mr. Shwetank Patni	300	250
Mr. Pankaj Mishra	14	14
Mr. Assem Juneja	2	-

KMP's are not eligible for ESI.

(C) **Amount due to/from related party as on:**

(i) **Holding Company**	**31 March 2019**	**31 March 2018**
Borrowings**	136	125
Entity under common control		
Short term borrowing	78,000	-
Interest accrued but not due on loan	1,967	-
Borrowings**	2,184	2,226

** The transactions includes non financial transactions arising to comply with Ind AS.

(ii) **Key Management Personnel (KMP)**	**31 March 2019**	**31 March 2018**
Employee related payables		
Mr. Pavan Chauhan	1,714	1,344
Mr. Ritesh Hemrajani	802	783
Mr. Shwetank Patni	1,326	961
Mr. Pankaj Mishra	-	22
Mr. Assem Juneja	29	-

(D) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2018: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

37 Segment reporting

The Company's operations predominantly relate to providing online and offline educational services. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

An analysis of the Company's revenue from online and offline education is as follows:

	31 March 2019		31 March 2018	
	Amount (INR)	**%**	**Amount (INR)**	**%**
Online educational service (Refer A below)	347,657	100.00%	306,532	99.41%
Offline educational service (Refer B below)	-	0.00%	1,830	0.59%
	347,657	100.00%	308,362	100.00%

The Company categorizes its revenue based on delivery channel and further by geographical region, as summarized below, which as per management is most appropriate:

(A) **Online educational service**	31 March 2019		31 March 2018	
	Amount (INR)	**%**	**Amount (INR)**	**%**
India	280,964	80.82%	226,593	73.92%
Outside India	66,693	19.18%	79,939	26.08%
	347,657	100.00%	306,532	100.00%

(B) **Offline educational service**	31 March 2019		31 March 2018	
	Amount (INR)	**%**	**Amount (INR)**	**%**
Chandigarh	-	0.00%	-	0.00%
Gurugram	-	0.00%	1,830	100.00%
Jaipur	-	0.00%	-	0.00%
	-	0.00%	1,830	100.00%

There are no non-current assets located in foreign countries other than domicile country.

38 Fair values of financial assets and financial liabilities

The fair value of other current financial assets, cash and cash equivalents, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortised cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

Non-current borrowing comprises liability portion of CCPS and CCD. The impact of fair value on such portion is not material and therefore not considered for above disclosure. Similarly, carrying values of non-current security deposits are not significant and therefore the impact of fair value is not considered for above disclosure.

39 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

•Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

•Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

•Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

	31 March 2019	**31 March 2018**
Level 3		
Financial assets measured at amortised cost		
Security deposits	5,120	4,728
Financial liabilities measured at amortised cost		
Liability component of convertible preference shares	2,048	2,102
Liability component of convertible debentures	272	250

The carrying amount of cash and cash equivalents, fixed deposits, other assets, trade payables, other payables and short-term borrowings are considered to be the same as their fair values. The fair values of borrowings including liability component of convertible preference shares and convertible debentures and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

40 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk arises primarily due to borrowings at floating rate. The Company is not exposed to interest rate risk as the Company has availed inter-corporate borrowings from the Holding Company at a fixed interest rate.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company is not exposed to exchange rate risk as all the Company invoicing and realization is in its functional currency i.e. Indian Rupee and hence the Company realizes the complete fee with no impact of exchange rate movement. The Company incurs some expenses in foreign currency, primarily on account of travel. However the spend on the same is minimal and doesn't have any material impact due to foreign exchange fluctuation.

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company collects its subscription fee upfront and hence is not exposed to non-realization of receivables. In case of part payment by any subscriber, the subscriber is allowed pro-rata access to the course and balance period access is provided only on receipt of balance outstanding fees. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the landlords before taking any property on lease and hasn't had a single instance of non-refund of security deposit on vacating the leased property. The Company also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk. The Company does not foresee any credit risks on deposits with regulatory authorities.

The Company's maximum exposure to credit risk for the components of the balance sheet as at 31 March 2019 and 31 March 2018 is the carrying amounts as mentioned in Note 9 to 14.

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The key liquidity risk the Company can face is the risk of subscription fee refund. As per the Company policy, no refunds are allowed once a subscription has been taken and it is only in exceptional cases that fee is refunded with proper approvals from senior Management. The Management believes that the probability of a liquidity risk arising due to fee refund is not there.

The table below summarizes the maturity profile of the Company's financial liabilities:

	Less than 3 months	**3 to 12 months**	**1 to 5 years**	**More than 5 years**	**Total**
31 March 2019					
Short term borrowings	78,000	-	-	-	78,000
Long-term borrowings	-	-	-	2,320	2,320
Trade payables	14,308	-	-	-	14,308
Other financial liability	58,616	-	-	-	58,616
	150,924	-	-	2,320	**153,244**
31 March 2018					
Short term borrowings	-	-	-	-	-
Long-term borrowings	-	-	-	2,352	2,352
Trade payables	9,365	-	-	-	9,365
Other financial liability	46,336	-	-	-	46,336
	55,701	-	-	2,352	**58,053**

41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, convertible debentures, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability component of CCPS and CCD and current borrowing from Holding Company. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		31 March 2019	31 March 2018
Total equity	(i)	(392,407)	(164,132)
Total debt	(ii)	80,320	2,352
Overall financing	(iii) = (i) + (ii)	(312,088)	(161,780)
Gearing ratio	(ii)/(iii)	(0.26)	(0.01)

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 when compared to 31 March 2018.

42 During the previous year, 'Office of the Commissioner Central Goods & Services Tax Audit-II' ("Tax Authorities") has conducted verification of the Company's records for the financial years from 2012-13 to 2016-17. On 10 April 2018, the Company has received a demand letter wherein the Tax Authorities has determined a taxable value of INR 2,720 thousand on notice period salary recovered by the Company from its employees. On aforesaid taxable value, the Company is required to pay service tax along with interest and penalty as imposed in demand letter. During the previous year, the Company has provided for INR 340 thousand towards service tax liability, INR 168 thousand towards interest and INR 34 thousand towards penalty. On 16 April 2018, the Company has made payment of INR 340 thousand towards service tax along with INR 202 thousand towards interest and penalty. Management believes that no additional penalty would be imposed.

43 The Company has accumulated losses of Rs.1,926,921 thousand as at March 31, 2019 (previous year: Rs.1,669,219 thousand) resulting in erosion of its net worth as at March 31, 2019. Further, as at the year end, the Company's current liabilities exceed its current assets by Rs.306,143 thousand.

The Company's business activities, together with the factors likely to affect its future development and performance along with the financial position of the Company and its projected cash flows have been reviewed by the Board of Directors and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company further expects continued financial support from its Holding Company and accordingly, the financial statements of the Company have been prepared on the basis that the Company is a going concern.

44 There are no contingent liabilities and capital commitments as on 31 March 2019 (31 March 2018: Nil).

45 Tablets are covered under manufacturer's warranty (13 months from date of purchase by the Company), no additional warranty has been given by the Company to its customers. Accordingly, no provision has been made for warranty claims in respect of Tablets sold during the current year. The Company doesn't expect any significant claim on tablets post the warranty period is over.

46 On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contracts with Customers. This establishes Standard sets out a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company from 1 April 2018 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method). We have done the required assessment & there is no impact on revenue recognised during the year.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

Amit Mitra
Partner
Membership No: 094518

Place: Gurugram
Date: 22 May 2019

For and on behalf of the Board of Directors of
Applect Learning Systems Private Limited
CIN: U99999DL2001PTC110324

Pavan Chauhan
Director
DIN: 00283074

Place: New Delhi
Date: 22 May 2019

Ritesh Hemrajani
Director
DIN: 00283248

Place: New Delhi
Date: 22 May 2019

Aseem Juneja
Company Secretary
Membership No: A56822

Place: New Delhi
Date: 22 May 2019

Shwetank Patni
Chief Finance Officer

Place: New Delhi
Date: 22 May 2019

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the First Annual Report and Audited Statement of Accounts of the Company for the period starting from June 13, 2018 to March 31, 2019.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company is engaged in the business of providing all kinds and types of internet, computer and electronics data processing services. The Company was incorporated on June 13, 2018. Thus, the current financial year is from June 13, 2018 to March 31, 2019. The Company made a loss of ₹ 273 thousand during the period under review.

SHARE CAPITAL

The Company was incorporated on June 13, 2018, having Authorised share capital of ₹ 5,00,000/- (Rupees Five Lacs only) divided into 50,000 (Fifty Thousand) equity shares of ₹ 10/- (Rupees Ten) each.

The paid-up capital of the Company is ₹ 5,00,000/- (Rupees Five Lacs only) divided into 50,000 (Fifty Thousand) equity shares of ₹ 10/- (Rupees Ten) each.

DIVIDEND

No dividend has been declared for the financial year 2018-19.

TRANSFER TO GENERAL RESERVES

During the year under review, the Company has not transferred any amount to general reserve.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There has been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the period under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has no subsidiary, joint venture or associate company as on date of this report.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the period under review.

STATUTORY AUDITORS

M/s. MSKA & Associates (FRN – 105047W), Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting.

In accordance with Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board, has recommended the appointment of M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, as Statutory Auditors of Company for carrying out the audit of the financial statements of the Company for the financial years 2019-20 to 2023-24 to the shareholders for approval in the ensuing AGM.

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, have furnished a certificate of their eligibility as per Section 141 of the Companies Act, 2013 and have provided their consent for appointment as Statutory Auditors of the Company.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Murlee Manohar Jain (DIN 05101562) is liable to retire by rotation and, being eligible, offers himself for re-appointment.

Ms. Shikha Kumari was appointed as Company Secretary of the Company w.e.f. October 29, 2018.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 6(six) times during the period under review on June 14, 2018, June 21, 2018, July 06, 2018, July 23, 2018, October 29, 2018 and January 28, 2019. The maximum time gap between any two meetings was not more than 120 days. The details of Directors' attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2018-19

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Murlee Manohar Jain	Director	6	6
Mr. Chintan Thakkar	Director	6	6
Mr. Rajesh Kumar Aggarwal	Director	6	6

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company did not make any loans, guarantee or investment during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company did not enter into any material transaction with related parties. However, disclosure in prescribed form AOC-2 is annexed herewith as Annexure A to this report.

Details of all other related party transactions are present under Note no. 10 of the notes to Financial Statements.

COST AUDITORS

The provisions of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable on the Company.

EXTRACT OF ANNUAL RETURN/WEB LINK OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

The Company does not have any website. This is the first year of incorporation, therefore, first Annual Return of the Company shall be filed for the FY 2018-19.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 (1) of the Companies Act, 2013 and hence it is not required to formulate policy on CSR.

INTERNAL COMMITTEE

There exists a group level Internal Committee constituted under the sexual harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013 by Info Edge (India) Limited, holding company of the Company.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

	Chintan Thakkar	Murlee Manohar Jain
	(Director)	(Director)
Place: Noida	DIN: 00678173	DIN: 05101562
Date : May 24, 2019		

ANNEXURE A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

2. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

Details of all other related party transactions i.e. transactions of the company, with its promoters, the Directors or the management, their relatives or with the subsidiaries of the Company etc. are present under Note no. 10 to Annual Accounts of the Annual Report.

For and on behalf of Board of Directors

Chintan Thakkar
(Director)
DIN: 00678173

Murlee Manohar Jain
(Director)
DIN: 05101562

Place: Noida
Date : May 24, 2019

ANNEXURE-B

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN:- U74999DL2018PLC335245

ii. Registration Date:- June 13, 2018

iii. Name of the Company: - Diphda Internet Services Limited

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-

GF12 A, 94, Meghdoot Building,
Nehru Place, New Delhi, South Delhi,
DL 110019
Tel. No. +91 120-3082000, Fax: 0120-3082095
Email: diphda@infoedge.com
Website: - NA

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	To Carry on the business of providing all kind and types of internet, computer, electronic and related services	63112	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	100	2(46)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year (since the date of incorporation i.e. June 13, 2018)				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Promoter Shareholding-Bodies Corporate	-	50,000* (Equity Shares)	50,000 (Equity Shares)	100	-	50,000* (Equity Shares)	50,000 (Equity Shares)	100	-
Grand Total	**-**	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**

*6 (six) shares were held by six individuals as nominee of Info Edge (India) Ltd.

ii. Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year (since the date of incorporation i.e. June 13, 2018)			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	50,000 (Equity Shares)	100	0.00	50,000 (Equity Shares)	100	0.00	-

iii. Change in Promoter's Shareholding :

S. No.	Shareholder's Name	**Shareholding at the beginning of the year** (since the date of incorporation i.e. June 13, 2018)		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Info Edge (India) Ltd.	50,000 (Equity Shares)	100	-	-	-	50,000 (Equity Shares)	100

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil

v. Shareholding of Directors and Key managerial Personnel

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Chintan Thakkar	1 (one) Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	-	-	-	1 (one) Equity Share (as nominee of Info Edge (India) Ltd.)	0.00
2.	Murlee Manohar Jain	1 (one) Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	-	-	-	1 (one) Equity Share (as nominee of Info Edge (India) Ltd.)	0.00
3.	Rajesh Kumar Aggarwal	1 (one) Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	-	-	-	1 (one) Equity Share (as nominee of Info Edge (India) Ltd.)	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

For and on behalf of Board of Directors

Chintan Thakkar
(Director)
DIN: 00678173

Murlee Manohar Jain
(Director)
DIN: 05101562

Place: Noida
Date : May 24, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Diphda Internet Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Diphda Internet Services Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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, and loss, changes in equity 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 Act. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 implementation and maintenance of 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Report on Other Legal and Regulatory Requirements

1. 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 Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 Cash Flow Statement and the Statement of Changes in Equity 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 Rule 7 of the Companies (Accounts) Rules, 2014.

(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 internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”.

(g) 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 does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For MSKA & Associates

Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Mitra
Partner
Membership No.:094518

Place: Gurugram
Date: May 24, 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF DIPHDA INTERNET SERVICES LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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.

For MSKA & Associates

Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Mitra
Partner
Membership No.:094518

Place: Gurugram
Date: May 24, 2019

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF DIPHDA INTERNET SERVICES LIMITED FOR THE YEAR ENDED MARCH 31, 2019

[Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. The Company does not have any Fixed Assets. Accordingly, the provisions stated in paragraph 3(i) of the Order are not applicable to the Company.

ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.

iii. The Company has not granted loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP's) or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions stated in paragraph 3(iii) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act. Accordingly, provisions of Section 185 are not applicable to the Company. Company has complied with the provisions of section 186 of the Act, in respect of investments, guarantees and security made.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, the provisions stated in paragraph 3(v) of the Order are not applicable to the Company.

vi. The Company is not required to maintain the cost records and accounts prescribed by the Central Government of India under section 148(1) of the Companies Act, 2013. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other statutory dues applicable to it.

However, no undisputed statutory dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty and cess which have not been deposited on account of any dispute.

viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.

x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, no managerial remuneration is paid to directors. Accordingly, the provisions stated in paragraph 3(xi) of the Order are not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.

xv. 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 him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For MSKA & Associates

Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Mitra
Partner
Membership No.:094518

Place: Gurugram
Date: May 24, 2019

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DIPHDA INTERNET SERVICES LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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

We have audited the internal financial controls with reference to financial statements of Diphda Internet Services 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 with reference to financial statements 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 (ICAI) (the "Guidance Note"). 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 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls With Reference to Financial Statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, 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 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; and (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 With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, the Company has, in all material respects, an internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For MSKA & Associates

Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Mitra
Partner
Membership No.:094518

Place: Gurugram
Date: May 24, 2019

BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Notes	As at March 31, 2019 (₹ '000)
ASSETS		
Current assets		
Financial assets		
Cash and cash equivalents	3(a)	355
Total current assets		**355**
Total assets		**355**
EQUITY & LIABILITIES		
Equity		
Equity share capital	4	500
Other equity	5	(273)
Total equity		**227**
Liabilities		
Current liabilities		
Financial liabilities		
Trade payables	6	
-total outstanding dues of micro enterprises and small enterprises		-
-total outstanding dues of creditors other than micro enterprises and small enterprises		128
Total current liabilities		**128**
Total equity and liabilities		**355**
Summary of significant accounting policies	2	

The accompanying notes are an integral part of the financial statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518

For and on behalf of Board of Directors of
Diphdha Internet Services Limited
CIN: U74999DL2018PLC335245

Chintan Thakkar
Director
DIN No:-00678173

Rajesh Kumar Aggarwal
Director
DIN No:-2397913

Shikha Kumari
Company Secretary

Place: Gurugram
Date: May 24, 2019

Place: Noida
Date: May 24, 2019

STATEMENT OF PROFIT AND LOSS FOR PERIOD JUNE 13, 2018 TO MARCH 31, 2019

Particulars	Notes	Period June 13, 2018 To March 31, 2019 (₹ '000)
Income		
Revenue from operations		-
Other income		-
I Total income		**-**
Expenses		
Administration and other expenses	7	273
II Total expenses		**273**
III. Loss before tax (I-II)		**(273)**
IV. Tax expense		
Current tax		-
V. Loss for the year		**(273)**
Other comprehensive income		-
Other comprehensive income for the year, net of tax		**-**
Total comprehensive income for the year		**(273)**
Earning per share:	9	
Basic earnings per share (INR)		(6.83)
Diluted earings per share (INR)		(6.83)
Summary of significant accounting policies	2	

The accompanying notes are an integral part of the financial statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518

For and on behalf of Board of Directors of
Diphdha Internet Services Limited
CIN: U74999DL2018PLC335245

Chintan Thakkar
Director
DIN No:-00678173

Rajesh Kumar Aggarwal
Director
DIN No:-2397913

Shikha Kumari
Company Secretary

Place: Gurugram
Date: May 24, 2019

Place: Noida
Date: May 24, 2019

STATEMENT OF CASH FLOW FOR PERIOD JUNE 13, 2018 TO MARCH 31, 2019

Particulars	**Period ended March 31, 2019 (₹ '000)**
Cash flow from operating activities:	
Loss before tax	**(273)**
Operating loss before working capital changes	**(273)**
Changes in working capital :	
Decrease in Trade payables	128
Cash generated used in operations	**(145)**
Net cash outflow used in operating activities (A)	**(145)**
Cash flow from investing activities:	
Net cash inflow from investing activities (B)	**-**
Cash flow from financing activities:	
Proceeds from fresh issue of Share Capital (including Share Premium)	500
Net cash flow from financing activities (C)	**500**
Net increase in cash & cash equivalents (A+B+C)	**355**
Cash and cash equivalents at the beginning of the year	**-**
Cash and cash equivalents at the end of the year	**355**
Cash and cash equivalents comprise (Refer note 3(a))	
Cash on hand	5
Balance with banks	
on current accounts	350
Total cash and bank balances at end of the year	**355**

Notes :

1. The above Statement of Cash Flows has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended.
2. Figures in brackets indicate cash outflow.
3. As the company is incorportated during the year, no previous year numbers shown as comparitives.

The accompanying notes 1 to 17 are an integral part of the financial statements.

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518

For and on behalf of Board of Directors of
Diphdha Internet Services Limited
CIN: U74999DL2018PLC335245

Chintan Thakkar
Director
DIN No:-00678173

Rajesh Kumar Aggarwal
Director
DIN No:-2397913

Shikha Kumari
Company Secretary

Place: Gurugram
Date: May 24, 2019

Place: Noida
Date: May 24, 2019

STATEMENT OF CHANGES IN EQUITY FOR PERIOD JUNE 13, 2018 TO MARCH 31, 2019

A. Equity share capital

Particulars	Note	Amount (₹ '000)
Equity shares of ₹10 each issued, subscribed and fully paid		
Opening		-
Add: issue during the year	5 (a)	500
Closing		**500**

B. Other Equity

Particulars	Reserve & Surplus	Total
	Retained Earnings	(₹ '000)
Balance as at June 13, 2018	-	
Loss for the year	(273)	**(273)**
Balance as at March 31, 2019	**(273)**	**(273)**

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518

For and on behalf of Board of Directors of
Diphdha Internet Services Limited
CIN: U74999DL2018PLC335245

Chintan Thakkar
Director
DIN No:-00678173

Rajesh Kumar Aggarwal
Director
DIN No:-2397913

Shikha Kumari
Company Secretary

Place: Gurugram
Date: May 24, 2019

Place: Noida
Date: May 24, 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. Corporate Information

Diphda Internet Services Limited (the company) is a limited company domiciled in India and incorporated on June 13th, 2018 under the provisions of the Companies Act applicable in India. The company is a wholly owned subsidiary of Info Edge (India) Ltd and the registered office of the Company is located at GF-12A, 94 Meghdoot Building, Nehru Place, New Delhi – 110019.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Basis of Preparation of Financial Statements

(i) Compliance with Ind AS:

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rule 2016.

The Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules 2006 (as amended) and other relevant provisions of the Act.

(ii) Current vs non-current classification:

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

(iii) Basis of measurement:

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value

(iv) Use of estimates:

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected.

B. Taxes on Income

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit/(loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

C. Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

D. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cheques on hand, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash at banks and short-term deposits net of bank overdraft.

E. Earnings Per Share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

F. Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments in scope of Ind AS 109 at fair value, other than investments in equity investments in subsidiaries, associates and jointly controlled entities, which are carried at cost less diminution, if any.

(iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or

- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognized in profit or loss only when the right to receive the payments is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably, which is generally when the shareholders approve the dividend.

G. Contributed equity

Equity Shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

H. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

I. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however, are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items –

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost/ book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

J. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

K. Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Thousand as per the requirement of Schedule III, unless otherwise stated.

3 FINANCIAL ASSETS

(a) Cash and Cash equivalents

Particulars	Non-Current March 31, 2019 (₹ '000)	Current March 31, 2019 (₹ '000)
Cash and cash equivalents		
Cash on hand	-	5
Balances with bank on current account	-	350
	-	**355**

4. Share Capital

Particulars	March 31, 2019 (₹ '000)
Authorised Capital	
25,500,000 Equity Shares of ₹ 10/- each	255,000
3,000,000 0.0001% Cumulative Redeemable Preference Shares of ₹ 100 each	300,000
Issued, Subscribed And Paid-Up Capital	
50,000 Equity Shares of Rs 10/- each, fully paid up	500
	500

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	March 31, 2019 No of Shares	March 31, 2019 (₹ '000)
Equity Shares		
Outstanding at the begning of the period	-	-
Add: Issued during the period	50,000	500
Outstanding at the end of the period	**50,000**	**500**

b. Rights, preferences and restrictions attached to shares

Equity Shares: The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. Dividend if any declared is payable in Indian Rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. No class of shares have been issued as bonus shares or for consideration other than cash and no class of share have been bought back by the Company during the current period.

d. Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2019	
	No. of Shares	**% Holding**
Equity Shares of INR 10 each fully paid		
Info Edge (India) Ltd (Including shares held by nominee of Info Edge (India) Ltd	50,000	100%
	50,000	**100.00%**

5. Other Equity

Particulars	As at March 31, 2019 (₹ '000)	
Deficit in the statement of profit & loss		
Opening balance	-	
Add:Loss for the period	(273)	
Closing balance		(273)
		(273)

6.Trade Payables

Particulars	Current As at March 31, 2019 (₹ '000)
Trade Payables	
-total outstanding dues of micro enterprises and small enterprises	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	128
	128

There are no micro enterprises and small enterprises to which the Company owes dues as at March 31, 2019 . This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

7. Administration and other expenses

Particulars	Period June 13, 2018 To March 31, 2019 (₹ '000)
Rent	23
Legal and professional expenses	240
Miscellaneous Expenses	10
	273

8. Auditors Remuneration

Particulars	Period June 13, 2018 To March 31, 2019 (₹ '000)
Statutory audit fees	100
Goods & Service Tax	18
	118

9. Basic & Diluted Earnings Per Share (EPS)

Particulars	Period June 13, 2018 To March 31, 2019 (₹ '000)
(Loss) attributable to Equity Shareholders (INR)	(273)
Weighted average number of Equity Shares outstanding during the year (Nos.)	40,000
Basic & Diluted Earnings Per Equity Share of ₹ 10 each (INR)	(6.83)

10. Related Party Disclosures

Related Party Disclosures for the year ended March 31, 2019

(A) Names of related parties and description of relationship as identified and certified by the Company:

Holding Company

Info Edge (India) Limited

B) Transactions with related party **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Total
Issue of Equity Shares	500	500
Rent Expenses	23	23

11. During the year ended March 31, 2019 , the Company has made fresh issue of 50,000 equity shares of ₹ 10/- each and the same has issued to Info Edge India Limited.

12. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standards (IND AS)) Rules 2015, as amended by notification dated March 31, 2016 as there was no income during the year.

13. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standards (IND AS)) Rules 2015, as amended by notification dated March 31, 2016, are not applicable on the company since there was no employee employed by the company during the year.

14. Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

a) Income Tax expense

Particulars	**Year ended March 31, 2019 (₹ '000)**
Current tax on profit for the year	-
Total current tax expenses	**-**
Deferred Tax	-
Total (a)	**-**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	**Year ended March 31, 2019 (₹ '000)**
Profit before tax	(273)
Tax @ 25.75%	**-**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	
Unabsorbed Depreciation	-
Total (b)	-
Difference (a-b)	**-**

15. Financial Instruments And Risk Management

Fair value Hierarchy

a) Financial instruments by category **(Amount ₹ '000)**

	March 31, 2019	
	Fair value through profit or loss	**Amortised cost**
Financial Assets		
Investments	-	-
Cash and cash Equivalents	-	355
Other financial assets	-	-
Total Financial Assets	**-**	**355**
Financial Liabilities		
Trade payables	-	128
Total Financial Liabilities	**-**	**128**

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit or loss.To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table

b) Fair value hierarchy for assets and liabilities

There are no financial assets and financial liabilities which are restated at fair value

c) Valuation techniques used to determine fair value

Not applicable

d) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost **(Amount ₹ '000)**

	March 31, 2019	
	Carrying amount	**Fair value**
Financial Assets		
Investments	-	-
Cash and cash Equivalents	355	355
Other financial assets		
Interest accrued on fixed deposits	-	-
Total Financial Assets	**355**	**355**
Financial Liabilities		
Trade payables	128	128
Total Financial Liabilities	**128**	**128**

16. Financial Risk And Capital Management

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	**Exposure arising from**	**Measurement**	**Management of risk**
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – interest rate	Long-term borrowings at variable rate	Sensitivity analysis	Interest rate swaps

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors. Company treasury identifies, financial risks in close cooperation with the Company's operating units.

Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings . Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	31 March 2019 (₹ '000)
Fixed-rate instruments	
Financial assets	350
Financial liabilities	-
Total	**350**

17. Financial Risk And Capital Management

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company is primarily engaged in investments in technology companies; and borrows short term and long term funds from holding & group companies to meet the fund requirements.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements.

(ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

	Contractual cash flows				
March 31, 2019	**Total ₹ '000**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**
Non-derivative financial liabilities					
Trade and other payables	128	128	-	-	-

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not signficant.

B) Capital management

a) Risk management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, and borrowings.

b) Dividend

The Company did not pay any dividend during the year.

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

For and on behalf of Board of Directors of
Diphdha Internet Services Limited
CIN: U74999DL2018PLC335245

Amit Mitra
Partner
Membership No.: 094518

Chintan Thakkar
Director
DIN No:-00678173

Rajesh Kumar Aggarwal
Director
DIN No:-2397913

Shikha Kumari
Company Secretary

Place: Gurugram
Date: May 24, 2019

Place: Noida
Date: May 24, 2019

MAKESENSE TECHNOLOGIES LIMITED

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 9th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

FINANCIAL RESULTS & STATE OF AFFAIRS

During the year under review, the company had a loss of ₹ 99 thousand as compared to a profit of ₹ 165 thousand in the financial year of 2017-18.

SHARE CAPITAL

During the year under review, 108311 equity shares of ₹ 10 each and 108289 equity shares of ₹ 10 each were issued and allotted to Info Edge (India) Ltd., holding company of the Company and MacRitchie Investments Pte. Ltd. respectively.

DIVIDEND

No dividend has been declared for the financial year 2018-19.

TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to general reserve.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There has been no material change affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

Etechaces Marketing & Consulting Pvt. Ltd. (Etechaces/Policybazaar)

Etechaces operates through website, www.policybazaar.com which helps customers understand their need for insurance and other financial products to select products/schemes accordingly, that best suit their requirements.

During the year under review, the Company acquired 4,266 preference shares of Policybazaar from PI Opportunities Fund (PIOF) for a total consideration of ₹1,905.18 million for additional stake of 3.50%.

The Company holds 19.65% in Policybazaar on fully converted and diluted basis. However, since 49.99% of the company's capital is held by MacRitchie Investment Pte. Ltd., company's relevant economic interest in Etechaces is 9.83%.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 7th Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2020-21 subject to the ratification by the shareholders at every general meeting.

However, in accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditor has confirmed that they are not disqualified under any provisions of Section 141(3) of Companies Act, 2013 and also their engagement with the Company is within the prescribed limits under section 141(3)(g) of Companies Act, 2013.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

There has been no change in the Directors and Key Managerial Personnel during the year under review. Mr. Sanjeev Bikhchandani, Mr. Chintan Thakkar and Mr. Mohit Naresh Bhandari are the Directors and Ms. Jaya Bhatia is the Company Secretary of the Company as on the date of this report.

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013. Mr. Chintan Thakkar, Director (DIN: 00678173), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 5 (Five) times during the year on May 29, 2018, June 25, 2018, July 23, 2018, October 29, 2018 and January 28, 2019. The maximum time gap between any two meetings was not more than 120 days. The details of Directors' attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2018-19

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Sanjeev Bikhchandani	Director	5	5
Mr. Chintan Thakkar	Director	5	5
Mr. Mohit Naresh Bhandari	Nominee Director	5	1

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of the investment made by the Company is given in the note no. 3(a) of notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company did not enter into any material transaction with related parties. However, disclosure in prescribed form AOC-2 is annexed herewith as Annexure A to this report.

Details of all other related party transactions are present under Note No. 14 of notes to financial statement.

COST AUDITORS

The provisions of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable on the Company.

EXTRACT OF ANNUAL RETURN/WEB LINK OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

The Company does not have any website, however the Annual return filed for the FY 2017-18 is available at the website of the holding company at http://www.infoedge.in/pdfs/Makesense-Technologies-Limited.pdf

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 (1) of the Companies Act, 2013 and hence it is not required to formulate policy on CSR.

INTERNAL COMMITTEE

There exists a group level Internal Committee constituted under the sexual harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013 by Info Edge (India) Limited, holding company of the Company.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

	Sanjeev Bikhchandani	Chintan Thakkar
	(Director)	(Director)
Place: Noida	DIN: 00065640	DIN: 00678173
Date: May 24, 2019		

ANNEXURE A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

For and on behalf of Board of Directors

Sanjeev Bikhchandani
(Director)
DIN: 00065640

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

ANNEXURE B

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U74999DL2010PLC270018

ii. Registration Date:- September 21, 2010

iii. Name of the Company: - MakeSense Technologies Ltd.

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-
Ground Floor, GF-12A,
94, Meghdoot Building, Nehru Place,
New Delhi, 110019
Tel. No. +91 120-3082000, Fax: 0120-3082095
Email: makesense@infoedge.com
Website: --N.A.

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	IT Services	78100	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	50.01	2(46)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Promoter Shareholding – Bodies Corporate	-	500,000* (Equity Shares)	500,000 (Equity Shares)	50.01	108,311** (Equity Shares)	500,000* (Equity Shares)	608,311 (Equity Shares)	50.01	-
Foreign Body Corporate	499,900 (Equity Shares)		499,900 (Equity Shares)	49.99	608,189** (Equity Shares)	-	608,189 (Equity Shares)	49.99	-
Total	**499,900 (Equity Shares)**	**500,000 (Equity Shares)**	**999,900 (Equity Shares)**	**100**	**716,500 (Equity Shares)**	**500,000 (Equity Shares)**	**1,216,500 (Equity Shares)**	**100**	**-**

**6 (six) shares were held by one body corporate and five individuals as nominee of Info Edge (India) Ltd.*

***108311 equity shares of ₹ 10 each and 108289 equity shares of ₹ 10 each were issued and allotted to Info Edge (India) Ltd. holding company of the Company and MacRitchie Investments Pte. Ltd. respectively in demat form*

ii. Shareholding of Promoters:

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	500,000 (Equity Shares)	50.01	0.00	608311 (Equity Shares)	50.01	0.00	-

iii. **Change in Promoter's Shareholding: No Change**

iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil, except that of MacRitchie Investments Pte. Ltd.**

v. **Shareholding of Directors and Key managerial Personnel**

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Chintan Thakkar	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00	-	-	-	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

For and on behalf of Board of Directors

Sanjeev Bikhchandani
(Director)
DIN: 00065640

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAKESENSE TECHNOLOGIES LIMITED

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of MAKESENSE TECHNOLOGIES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 standalone 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
   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, as amended 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 standalone 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.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MAKESENSE TECHNOLOGIES LIMITED of even date)

i. The Company does not have any fixed Assets. Accordingly, clause 3(i) of the order is not applicable.

ii. The Company does not have any inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

iii. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2019 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration . Hence reporting under clause 3 (xi) of the Order is not applicable to the Company.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has made allotment of 216,600 Equity Shares having face value of ₹ 10/- per share.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MAKESENSE TECHNOLOGIES LIMITED of even date)

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")

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

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 Controls 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was 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 controls 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, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 of the Company.

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 that, 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 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; and (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.

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 **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Note	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)
Assets			
Non-current Assets			
Financial assets			
Investments	3(a)	3,230,316	1,325,138
Non-current tax asset (net)	4	122	117
Total non-current assets		**3,230,438**	**1,325,255**
Current Assets			
Financial assets			
(i) Cash and cash equivalents	3(c)	1,372	1
(ii) Other financial assets	3(b)	11,347	10,818
Total current assets		**12,719**	**10,819**
Total Assets		**3,243,157**	**1,336,074**
Equity & Liabilities			
Equity			
Equity share capital	5	12,165	9,999
Other equity	6	3,230,751	1,325,853
Total equity		**3,242,916**	**1,335,852**
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	7		
-total outstanding dues of micro enterprises and small enterprises		-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		241	190
Other current liabilities	8	-	32
Total current liabilities		**241**	**222**
Total equity & liabilities		**3,243,157**	**1,336,074**

The accompanying notes 1 to 23 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
ICAI Firm Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors
MakeSense Technologies Limited
CIN:U74999DL2010PLC270018

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN :00678173

Sanjeev Bikhchandani
(Director)
DIN:00065640

Jaya Bhatia
(Company Secretary)

Place: Noida
Date: May 24, 2019

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2019

Particulars	Note	Year ended March 31, 2019 (₹ '000)	Year ended March 31,2018 (₹ '000)
Income			
Other income	9	2,851	785
Total Income		**2,851**	**785**
Expenses			
Finance costs	10	7	1
Other expenses	11	2,308	562
Total Expenses		**2,315**	**563**
Profit/(Loss) before tax		**536**	**222**
Tax expense			
Current tax	19	635	57
Profit/(Loss) for the year		**(99)**	**165**
Other comprehensive income		-	-
Other comprehensive income/(loss) for the year, net of income tax		**-**	**-**
Total comprehensive income for the year		**(99)**	**165**
Earnings per share:	13		
Basic earnings per share		(0.09)	0.16
Diluted earnings per share		(0.09)	0.16

The accompanying notes 1 to 23 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
ICAI Firm Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors
MakeSense Technologies Limited
CIN:U74999DL2010PLC270018

Chintan Thakkar
(Director)
DIN :00678173

Sanjeev Bikhchandani
(Director)
DIN:00065640

Jaya Bhatia
(Company Secretary)

Place: Noida
Date: May 24, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

S.No.	Particulars	Year ended March 31, 2019 (₹ '000)	Year ended March 31,2018 (₹ '000)
A.	**Cash flow from operating activities:**		
	Net profit/(loss) before exceptional items and tax	**536**	**222**
	Adjustments for:		
	Interest received on fixed deposits	(2,851)	(785)
	Operating profit before working capital changes	**(2,315)**	**(563)**
	Adjustments for changes in working capital :		
	(Increase)/Decrease in Other current financial assets	-	(375)
	Increase/(Decrease) in trade payables	50	155
	Increase/(Decrease) in Other current liabilities	(31)	32
	Cash used in operating activities	**(2,296)**	**(751)**
	Taxes paid (Net of TDS)	(640)	(233)
	Net cash outflow from operating activities	**(2,936)**	**(984)**
B.	**Cash flow from Investing activities:**		
	Proceeds from sale of fixed deposits	151	-
	Purchase of investments	(1,905,178)	-
	Interest received on fixed deposits	2,171	785
	Net cash inflow/(outflow) from investing activities	**(1,902,856)**	**785**
C.	**Cash flow from financing activities:**		
	Proceeds form fresh issue of share capital (including share premium)	1,907,163	-
	Net cash inflow from financing activities	**1,907,163**	**-**
	Net increase/(decrease) in cash & cash equivalents	**1,371**	**(199)**
	Opening balance of cash and cash equivalents	**1**	**200**
	Closing balance of cash and cash equivalents	**1,372**	**1**
	Cash and cash equivalents comprise		
	Cash in hand	7	1
	Balance with scheduled banks		
	In current accounts	1,365	-
	In fixed deposits accounts with original maturity of less than 3 months	-	-
	Total cash and cash equivalents	**1,372**	**1**
	In Fixed deposits accounts with original maturity more than 3 months	-	-
	Total	**1,372**	**1**

Notes :

1 The above Cash Flow Statement has been prepared under the Indirect Method as set out in IND AS 7 on Cash Flow Statement notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

2 Figures in brackets indicate cash outflow.

The accompanying notes 1 to 23 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
ICAI Firm Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors
MakeSense Technologies Limited
CIN:U74999DL2010PLC270018

Chintan Thakkar
(Director)
DIN :00678173

Sanjeev Bikhchandani
(Director)
DIN:00065640

Jaya Bhatia
(Company Secretary)

Place: Noida
Date: May 24, 2019

STATEMENTS OF CHANGES IN EQUITY

a. Equity share capital

Particulars	Amount (₹ '000)
As at April 01, 2017	**9,999**
Changes in equity share capital during the year	-
As at March 31, 2018	**9,999**
Changes in equity share capital during the year	2,166
As at March 31, 2019	**12,165**

b. Other Equity

(₹ '000)

Particulars	Reserve & Surplus		Total
	Share premium account	Retained Earnings	
Balance as at April 01 2017	**1,336,651**	**(10,963)**	**1,325,688**
Profit/(Loss) for the year	-	165	**165**
Balance as at March 31,2018	**1,336,651**	**(10,798)**	**1,325,853**

(₹ '000)

Particulars	Reserve & Surplus		Total
	Share premium account	Retained Earnings	
Balance as at April 01 2018	**1,336,651**	**(10,798)**	**1,325,853**
Amount received on issue of shares	1,904,997	-	**1,904,997**
Profit/(Loss) for the year	-	(99)	**(99)**
Balance as at March 31, 2019	**3,241,648**	**(10,897)**	**3,230,751**

The accompanying notes 1 to 23 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
ICAI Firm Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors
MakeSense Technologies Limited
CIN:U74999DL2010PLC270018

Chintan Thakkar
(Director)
DIN :00678173

Sanjeev Bikhchandani
(Director)
DIN:00065640

Jaya Bhatia
(Company Secretary)

Place: Noida
Date: May 24, 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. Reporting Entity

Makesense Technologies Limited (the company) is a limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at GF-12A, 94 Meghdoot Building, Nehru Place, New Delhi – 110019.

The financial statements are approved for issue by the Company's Board of Directors on May 24, 2019.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. **Basis of Preparation of Financial Statements**

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015, as amended by notification dated March 31, 2016] and other relevant provisions of the Act.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

The financial statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off in thousands (as per the requirement of Schedule III), unless otherwise stated.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. **Taxes on Income**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will be available against which such temporary differences can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

C. **Provisions**

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

D. **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash in hand, amount at banks and other short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

E. **Earnings Per Share (EPS)**

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholder and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares

F. **Investments and other financial assets**

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments in scope of Ind AS 109 at fair value, other than investments in equity investments in subsidiaries, associates and jointly controlled entities, which are carried at cost less diminution, if any.

(iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

G. **Exceptional items**

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

H. **Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

I. **Rounding of Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Thousand as per the requirement of Schedule III, unless otherwise stated.

3. FINANCIAL ASSETS

(a) NON CURRENT INVESTMENTS - SHARES

Particulars	**As at March 31, 2019**				**As at March 31, 2018**			
	Number of Share	**Face Value per share (In ₹ **)**	**(₹ '000)**	**(₹ '000) Total**	**Number of Share**	**Face Value per share (In ₹ **)**	**(₹ '000)**	**(₹ '000) Total**
Other than trade investments (Unquoted)								
Investments in Equity instruments of Associates								
eTechAces Marketing and Consulting Private Limited 11950 nos.(March 31, 2018 11950 nos.) Equity Shares	11,950	10.00	700,200		11,950	10.00	700,200	
				700,200				700,200
Investments in Preference shares of Associates								
eTechAces Marketing and Consulting Private Limited 12006 nos.(March 31, 2018 7740 nos.) 0.1% compulsorily convertible preference shares	12,006	100.00	2,530,116		7,740	100.00	624,938	
				2,530,116				624,938
				3,230,316				**1,325,138**

** Unless otherwise stated

Aggregate amount of quoted investments & market value thereof	**-**		**-**
Aggregate amount of unquoted investments	**3,230,316**		**1,325,138**
Aggregate amount for impairment in value of investments	**-**		**-**

(b) OTHER FINANCIAL ASSETS

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)
(Unsecured, considered good unless otherwise stated)				
In fixed deposit accounts with original maturity of more than 12 months	-	-	10,611	10,762
Interest accrued on fixed deposits	-	-	736	56
	-	**-**	**11,347**	**10,818**

(c) CASH & BANK BALANCES

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)
Cash & cash equivalents				
Cash on hand	-	-	7	1
Balances with bank - current account	-	-	1,365	-
	-	**-**	**1,372**	**1**

4. NON-CURRENT TAX ASSET (NET)

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)
(Unsecured, considered good unless otherwise stated)				
Advance tax (including TDS recoverable)	922	282	-	-
Less: Provision for tax	(800)	(165)	-	-
	122	**117**	**-**	**-**

5. SHARE CAPITAL

Particulars	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)
AUTHORISED CAPITAL		
25,500,000 Equity Shares of ₹ 10/- each (Previous Year - 25,500,000 Equity Shares of Rs 10/- each)	255,000	255,000
3,000,000 0.0001% Cumulative Redeemable Preference Shares of ₹ 100/- each (Previous Year - 3,000,000 Preference Shares of Rs 100/- each)	300,000	300,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
1,216,500 Equity Shares of Rs 10/- each, fully paid up (Previous Year - 999,900 Equity Shares of Rs 10/- each)	12,165	9,999
	12,165	**9,999**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2019 No of Shares	As at March 31, 2019 (₹ '000)	As at March 31,2018 No of Shares	As at March 31,2018 (₹ '000)
Equity Shares				
At the beginning of the period	999,900	9,999	999,900	9,999
Add: Issued during the period	216,600	2,166	-	-
Outstanding at the end of the period	**1,216,500**	**12,165**	**999,900**	**9,999**

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2019		As at March 31,2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of ₹ 10 each fully paid				
Info Edge (India) Ltd (excluding 6 shares held by Nominee of shareholders)	608,305	50.00%	499,994	50.00%
MacRitchie Investments Pte. Ltd.	608,189	49.99%	499,900	49.99%
	1,216,494	**99.99%**	**999,894**	**99.99%**

6. OTHER EQUITY

Particulars	As at March 31, 2019 (₹ '000)		As at March 31,2018 (₹ '000)	
Securities Premium Account				
Opening Balance	1,336,651		1,336,651	
Add : Addition during the year	1,904,997		-	
		3,241,648		1,336,651
Statement of Profit & Loss				
Opening Balance	(10,798)		(10,963)	
Add: Profit/(Loss) for the year	(99)		165	
		(10,897)		(10,798)
		3,230,751		**1,325,853**

7. FINANCIAL LIABILITIES

TRADE PAYABLES

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)
Trade Payables				
-total outstanding dues of micro enterprises and small enterprises	-	-	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	241	190
	-	**-**	**241**	**190**

There are no micro enterprises and small enterprises to which the Company owes dues as at March 31, 2019 and March 31, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

8. OTHER CURRENT LIABILITIES

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)
TDS payable	-	-	-	32
	-	**-**	**-**	**32**

9. OTHER INCOME

Particulars	Year ended March 31, 2019 (₹ '000)	Year ended March 31,2018 (₹ '000)
Interest income on fixed deposits with banks	2,851	785
	2,851	**785**

10. FINANCE COSTS

Particulars	Year ended March 31, 2019 (₹ '000)	Year ended March 31,2018 (₹ '000)
Bank charges	7	1
	7	**1**

11. OTHER EXPENSES

Particulars	Year ended March 31, 2019 (₹ '000)	Year ended March 31,2018 (₹ '000)
Rent	28	24
Legal and Professional Expenses	2,266	534
Miscellaneous Expenses	14	4
	2,308	**562**

12. AUDITORS REMUNERATION

Particulars	Year ended March 31, 2019 (₹ '000)	Year ended March 31,2018 (₹ '000)
Audit Fees (Excluding GST)	150	150
	150	**150**

13. BASIC & DILUTED EARNINGS PER SHARE (EPS)

Particulars	Year ended March 31, 2019 (₹)	Year ended March 31,2018 (₹)
Profit / (Loss) attributable to Equity Shareholders (Rs.)	(99,370)	164,544
Weighted average number of Equity Shares outstanding during the year (Nos.)	1,159,531	999,900
Basic & Diluted Earnings Per Equity Share of ₹ 10 each (Rs.)	(0.09)	0.16

14. RELATED PARTY DISCLOSURES

14 (1) . Related Party Disclosures for the year ended March 31, 2019

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2019:

Jointly Controlled Entity of
Info Edge (India) Limited
MacRitchie Investments Pte. Ltd.

Associates
eTechAces Marketing and Consulting Private Limited

B) Details of transactions with related party for the year ended March 31, 2019 in the ordinary course of busines Amount (₹ '000)

Nature of relationship / transaction	Info Edge (India) Ltd.	MacRitchie Investments Pte. Ltd.	eTechAces Marketing and Consulting Private Limited	Total
1. Rent Expenses	28	-	-	28
2. Issue of Equity Shares	953,678	953,485	-	1,907,163
3. Investment in Prefernce shares			1,905,179	1,905,179

14 (2) . Related Party Disclosures for the year ended March 31, 2018

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2018:

Holding Company
Info Edge (India) Limited

B) Details of transactions with related party for the year ended March 31, 2018 in the ordinary course of business: Amount (₹ '000)

Nature of relationship / transaction	Info Edge (India) Ltd.	MacRitchie Investments Pte. Ltd.	eTechAces Marketing and Consulting Private Limited	Total
1. Rent Expenses	24	-	-	24

15. During the year ended March 31, 2019, Company has issued 108,289 & 108,311 equity shares of face value of Rs 10/- each to MacRitchie Investments Pte. Ltd. & Info Edge India Ltd. respectively at a premium of Rs 8,795/- per share.

16. During the year ended March 31, 2019, Company has invested in 4,266 0.1% preference shares of face value of Rs 100/- each of eTechAces Marketing and Consulting Private Limited amounting to ₹ 19,05,178.40 thousands.

17. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standards (IND AS)) Rules 2015, as amended by notification dated March 31, 2016, as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

18. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standards (IND AS)) Rules 2015, as amended by notification dated March 31, 2016, are not applicable on the company since there was no employee employed by the company during the year & previous year.

19. INCOME TAX EXPENSES

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

a) Income Tax expense

Particulars	Year ended March 31, 2019 (₹ '000)	Year ended March 31,2018 (₹ '000)
Current tax on profit for the year	635	57
Total current tax expenses	**635**	**57**
Deferred Tax	-	-
Total	**635**	**57**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Year ended March 31, 2019 (₹ '000)	Year ended March 31,2018 (₹ '000)
Profit before tax	536	222
Tax @ 26% (Previous year 25.75%)	**139**	**57**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Stamp duty on issue of shares.	496	-
Total	**635**	**57**

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value Hierarchy

a) Financial instruments by category

(Amount ₹ '000)

	March 31, 2019		March 31,2018	
	Fair value through profit or loss	**Amortised cost**	**Fair value through profit or loss**	**Amortised cost**
Financial Assets				
Investments	-	3,230,316	-	1,325,138
Cash and cash equivalents	-	1,372	-	1
Other financial assets	-	11,347	-	10,818
Total Financial Assets	-	**3,243,035**	-	**1,335,957**
Financial Liabilities				
Trade payables	-	241	-	190
Total Financial Liabilities	-	**241**	-	**190**

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit or loss.To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table

b) Fair value hierarchy for assets and liabilities

There are no financial assets and financial liabilities which are restated at fair value

c) Valuation techniques used to determine fair value

Not applicable

d) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

(Amount ₹ '000)

	March 31, 2019		March 31,2018	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial Assets				
Investments	3,230,316	3,230,316	1,325,138	1,325,138
Cash and cash equivalents	1,372	1,372	1	1
Other financial assets				
Interest accrued on fixed deposits	11,347	11,347	10,818	10,818
Total Financial Assets	**3,243,035**	**3,243,035**	**1,335,957**	**1,335,957**
Financial Liabilities				
Trade payables	241	241	190	190
Total Financial Liabilities	**241**	**241**	**190**	**190**

21. FINANCIAL RISK AND CAPITAL MANAGEMENT

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – interest rate	Long-term borrowings at variable rate	Sensitivity analysis	Interest rate swaps

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors. Company treasury identifies, financial risks in close cooperation with the Company's operating units.

Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings . Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Amount ₹ '000

	March 31, 2019	March 31, 2018
Fixed-rate instruments		
Financial assets	10,611	10,762
Financial liabilities	-	-
Total	**10,611**	**10,762**

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company is primarily engaged in investments in technology companies; and borrows short term and long term funds from holding & group companies to meet the fund requirements.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

	Contractual cash flows				
March 31, 2019	**Total ₹ '000**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**
Non-derivative financial liabilities					
Trade and other payables	241	241	-	-	-

March 31,2018	Contractual cash flows				
	Total ₹ '000	6 months or less	6-12 months	1-2 years	2-5 years
Non-derivative financial liabilities					
Trade and other payables	190	190	-	-	-

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not signficant

B) Capital management

a) Risk management

The Comapny's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, and borrowings.

b) Dividend

The Company did not pay any dividend during the year

22. Revenue from Contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contracts with Customers. This establishes Standard sets out a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company from 1 April 2018 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method). Since there is no Revenue accrued during the Current Year as well as Previous Year, there is no impact of Ind AS 115 on the Financial statement during the year.

23. Standards issued but not effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases:

The Ministry of Corporate Affairs on 30 March 2019 notified the new leasing standard, viz., Ind AS 116 Leases. Ind AS 116 is applicable for the financial year beginning on or after 1 April 2019 for all Ind AS companies. It replaces virtually all the existing leasing requirements under Ind AS 17 Leases.

The new standard will require lessees to recognize most leases on their balance sheets. Lessees will use a single accounting model for all leases, with limited exemptions. Foreign currency leases will increase P&L volatility due to a restatement of foreign currency liability.

An entity has an option to adopt Ind AS 116 using either the full retrospective method or the modified retrospective method. An entity that elects the modified retrospective method would apply Ind AS 116 retrospectively to only the current period by recognising the cumulative effect of initially applying Ind AS 116 as an adjustment to the opening balance of retained earnings (or other components of equity) at the date of initial application. Under the modified retrospective method, Ind AS 116 would be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. An entity would need to disclose how it applied the modified retrospective method.

The Company is under process to evaluate the impacts of the new standard on financial statements.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors
MakeSense Technologies Limited
CIN:U74999DL2010PLC270018

Chintan Thakkar
(Director)
DIN :00678173

Sanjeev Bikhchandani
(Director)
DIN:00065640

Jaya Bhatia
(Company Secretary)

Place: Noida
Date: May 24, 2019

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 4th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company is engaged in the business of being a holding and investment Company.

The Company made a loss of ₹ 565,634 thousand in the financial year 2018-19 as compared to a loss of ₹ 724,316 thousand in the Financial Year 2017-18.

SHARE CAPITAL

There has been no change in the Capital Structure of the Company during the year under review.

During the year under review, the Company issued and allotted 1,31,82,214- 0.0001% Compulsory Convertible Debentures (CCDs) of ₹ 100/- each aggregating to ₹ 1,31,82,21,400 to Info Edge (India) Ltd., Holding company of the Company and 1,140,442 - 0.0001% CCDs of ₹ 100/- each aggregating to ₹ 1,140,44,200 to Smartweb Internet Services Limited, a fellow subsidiary company of the Company.

The Company, after obtaining consent from equity shareholders and approval of preference shareholders in the Class Meeting held on March 27, 2019, converted the existing 24,32,346 Cumulative Redeemable Preference Shares (CRPS) into Compulsory Convertible Preference Shares (CCPS).

The Company also changed the term of conversion of 2,84,05,455 CCDs after obtaining the consent of equity and preference shareholders and approval of Debentureholders in the Class Meeting held on March 27, 2019. The aforesaid CCDs were earlier convertible into CRPS and are now convertible into CCPS.

DIVIDEND

No dividend has been declared for the financial year 2018-19.

TRANSFER TO GENERAL RESERVES

During the year under review, the Company has not transferred any amount to general reserve.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

Applect Learning Systems Pvt. Ltd. (Meritnation)

Applect owns & operates a website with the name www.meritnation.com which is delivering kindergarten to Class 12 (K-12) study material. During the year, Company has disbursed in aggregate loan of ₹ 78 million to Meritnation. The Company together with its existing holding, holds 46.61% in Meritnation on fully converted and diluted basis.

Happily Unmarried Marketing Pvt. Ltd. (HUM)

Happily unmarried generates revenues from design and sale of fun creative products and has a large addressable market. The Company together with its existing holding, holds 41.14% in HUM, on fully converted and diluted basis.

Green Leaves Consumer Services Pvt. Ltd. (Bigstylist)

Bigstylist is an on-demand marketplace for beauty professionals, which gives access to the network of certified beauty professionals in one's neighbourhood. The Company together with existing holding, holds 49.56% on fully converted and diluted basis. However, the Company has made provision for impairment of full amount.

Printo Document Services Pvt. Ltd. (Printo)

Printo is India's largest print retailer. It is a 'new age' printer that serves customers via retail stores, a business solutions team and its online website. It works with bluechips and MNCs to solve their print procurement problems, using its proprietary print management systems to deliver all varieties of print, from business cards to signage. 34,711 equity shares and 3,314,323 preference shares of Canvera Digital Technologies Pvt. Ltd. held by the Company were transferred to Printo for a total consideration of about ₹ 0.70 million during the year under review. The Company, during the year under review, acquired 23,073 Series 'B' CCPS having a face value of ₹ 10 each at a premium of ₹ 8,658.15 per share of Printo aggregating to about ₹ 200 million. The Company holds 25.08% in Printo on fully converted and diluted basis.

Canvera Digital Technologies Pvt. Ltd. (Canvera)

The website www.canvera.com is owned & operated by this company. The website is operational since 2008 and offers solutions to professional photographers. Revenues are generated primarily from sale of printed photo books. During the year under review the Company transfered its entire holding in Canvera to Printo for a consideration of ₹ 0.70 milion.

Wishbook Infoservices Pvt. Ltd. (Wishbook)

Wishbook runs a business which offers "Wishbook catalog App", allowing catalog distribution from manufacturers to distributors to wholesalers to retailers and allowing the salesperson to show catalogs & take orders.

During the year under review, the Company has acquired 41,652 0.01% Compulsorily Convertible Preference Shares of Wishbook having face value of ₹ 1 each at a premium of ₹ 239.08 each for an aggregate sum of about ₹ 10 million.

The Company holds 31.63% in Wishbook, on fully converted and diluted basis.

Etechaces Marketing and Consulting Pvt. Ltd. (Etechaces/Policybazaar)

Etechaces operates through website, www.policybazaar.com which helps customers understand their need for insurance and other financial products to select products/schemes accordingly, that best suit their requirements.

The Company holds 1.60% in Policybazaar, on fully converted and diluted basis.

Nopaperforms Solution Pvt. Ltd. (Nopaperforms)

Nopaperforms runs a business of providing a SaaS platform (via website namely www.nopaperforms.com) which has a suite of software products including lead management system, application management system, campaign management etc. The site aims to create IP out of providing an end-to-end solution to institutions and individuals, as the case may be, for managing their leads and workflows.

During the year under review, the Company has acquired 2,80,00,000 Preference Shares of ₹ 10 each in Nopaperforms Solution Pvt. Ltd. for a consideration of about ₹280 million.

The Company together with existing holding, holds 48.10% on fully converted and diluted basis.

International Educational Gateway Pvt. Ltd. (Univariety)

Univariety is engaged in an educational business of providing products and services and counselling to students, schools, colleges and educators. These enable students and parents take better informed decisions on higher education and related products and services. The products and services are provided through physical connects, an online portal named as www.univariety.com and through third party portals of partner entities.

The Company holds 31.39% in Univariety, on fully converted and diluted basis.

Agstack Technologies Pvt. Ltd. (Gramophone)

Gramophone is a technology enabled marketplace (operated through a website www.gramophone.in and its app 'Gramophone') for enabling efficient farm management. Farmers can buy quality agricultural input products like seeds, crop protection, nutrition and equipment directly from its m-commerce platform.

The Company holds 27.78% in Gramophone, on fully converted and diluted basis.

Kinobeo Software Pvt. Ltd. (Mydala)

This is a website offering discount offers and deals with a focus on the mobile application space. Revenues are generated from merchant commissions and fees from telecom operators.

The Company holds 42.18% in Mydala, on fully converted and diluted basis. However, the Company has made provision for impairment of full amount.

Mint Bird Technologies Pvt. Ltd. (Vacation Labs)

Vacation Labs is developing a software tool for tour & activity operators which apart from automating the online reservations & payment system also provides entire back office operations.

The Company holds 26.10% in Vacation Labs, on fully converted and diluted basis. However, the Company has made provision for impairment of full amount.

Rare Media Company Pvt. Ltd. (Blue Dolphin)

It is a service offering secure location tracking and workflow management of mobile employees. The service is delivered by means of the 'Blue Dolphin' application, which is pre-installed on smartphones running the Android Operating System, and the Blue Dolphin Portal, which is an access controlled web portal. During the year under review, the Company disbursed an inter-corporate loan of ₹ 25 lakh to Blue Dolphin. The Company also acquired 3,42,696 preference shares of ₹ 100 each of Bluedolph aggregating to ₹ 3,42,69,600 during the year under review.

The Company holds 43.86% in Blue Dolphin, on fully converted and diluted basis. However, the Company has made provision for impairment of full amount.

Vcare Technologies Pvt. Ltd. (DIRO Labs)

It owns and operates a phone directory application that enables the users to create group phonebooks for family, friends and work.

The Company holds 15.00% in DIRO, on fully converted and diluted basis.

Unnati Online Pvt. Ltd. (Unnati)

It provides Internet based hiring services. The Company offers platform in which option is given for household and business jobs.

The Company holds 31.64% in Unnati, on fully converted and diluted basis.

Bizcrum Infotech Pvt. Ltd. (ShoeKonnect)

ShoeKonnect, a product of Bizcrum Infotech Pvt. Ltd., is a Business2Business marketplace designed specifically to cater to the needs of the footwear industry. ShoeKonnect helps footwear enterprises to connect and communicate with each other and expand their businesses. It connects manufacturers, suppliers, traders and retailers of the footwear industry. During the year under review, Company acquired 29,99,535 Series B Compulsory Convertible Preference Shares (CCPS) and 29,98,800 Series C CCPS of Bizcrum Infotech Pvt. Ltd. for an aggregate consideration of about ₹59.98 million.

The Company holds 28.94% in ShoeKonnect, on fully converted and diluted basis.

Medcords Healthcare Solutions Pvt. Ltd. (Medcords)

Medcords is India's first holistic healthcare ecosystem on a cloud platform that makes health management easier for our users. The platform connects with trusted doctors and medical store partners. It has been developed keeping the rapidly progressing rural India in focus. Medcords is not just a product but a complete ecosystem that connects the most important stakeholders of the healthcare segment - Patients, Doctors, Pharmacies and Laboratories. The Company, during the year under review, acquired 3,906 compulsory convertible preference shares of ₹ 10 each and 10 equity shares of ₹ 10 each at ₹ 6,740 for an aggregate consideration of about ₹ 26.39 million.

The Company holds 11.37% in Medcords, on fully converted and diluted basis.

Shop Kirana E Trading Private Limited (Shopkirana)

The website www.shopkirana.com is owned & operated by this company. Shopkirana.com is launched to help connect individual retailers directly with suppliers. This platform helps retailers improve their profits, product range, availability, credits and most importantly access to more customers. During the year under review, the Company acquired 2250 shares comprising 1986, 0.01% compulsory convertible preference shares and 264 equity shares via mix of primary infusion and secondary purchase in Shopkirana for an aggregate consideration of about ₹ 133.89 million.

The Company holds 15.49 % in Shopkirana, on fully converted and diluted basis.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 2nd Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2020-21 subject to the ratification by the shareholders at every general meeting.

However, in accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditor has confirmed that they are not disqualified under any provisions of Section 141(3) of Companies Act, 2013 and also their engagement with the Company is within the prescribed limits under section 141(3)(g) of Companies Act, 2013.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

There has been no change in the Directors and Key Managerial Personnel during the period under review. Mr. Sanjeev Bikhchandani, Mr. Chintan Thakkar and Mr. Hitesh Oberoi are the Directors of the Company as on date of this report.

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Sanjeev Bikhchandani (DIN: 00065640) is liable to retire by rotation and, being eligible, offers himself for reappointment.

Ms. Kitty Agarwal, Mr. Amit Sharma and Mr. Mohit Kumar Aggarwal have been appointed as Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company respectively w.e.f. April 15, 2019.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 15 (Fifteen) times during the year on April 04, 2018, May 01, 2018, May 29, 2018, July 23, 2018, July 30, 2018, August 29, 2018, September 01, 2018, October 16, 2018, October 29, 2018, November 20, 2018, December 21, 2018, January 28, 2019, March 04, 2019, March 08, 2019 and March 26, 2019. The maximum time gap between any two meetings was not more than 120 days. The details of Director's attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2018-19

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Sanjeev Bikhchandani	Director	15	15
Mr. Chintan Thakkar	Director	15	15
Mr. Hitesh Oberoi	Director	15	15

INVESTMENT AND ALLOTMENT COMMITTEE

During the year under review, 7 (Seven) Investment and Allotment Committee meetings were held on April 05, 2018, April 16, 2018, April 18, 2018, May 03, 2018, August 07, 2018, August 31, 2018 and September 05, 2018. The details of the composition, meetings & attendance at the Investment and Allotment Committee meetings are given as under:

ATTENDANCE DETAILS OF INVESTMENT AND ALLOTMENT COMMITTEE FOR FY 2018-19

Name of the Director	Position	No of Meetings Held	No of Meetings Attended
Mr. Sanjeev Bikhchandani	Member	7	7
Mr. Chintan Thakkar	Member	7	7

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of the investment made by Company is given in the Note No. 3(a) of notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company did not enter into any material transaction with related parties. However, disclosure in prescribed form AOC-2 is annexed herewith as Annexure A to this report.

Details of all other related party transactions are present under Note No. 15 of notes to financial statement.

COST AUDITORS

The provisions of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable on the Company.

EXTRACT OF ANNUAL RETURN/WEB LINK OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

The Company does not have any website, however the Annual return filed for the FY 2017-18 is available at the website of the holding company at http://www.infoedge.in/pdfs/Startup-Investments-Holding-Limited.pdf

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 (1) of the Companies Act, 2013 and hence it is not required to formulate policy on CSR.

INTERNAL COMMITTEE

There exists a group level Internal Committee constituted under the sexual harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013 by Info Edge (India) Limited, holding company of the Company.

PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

Section 134 of the Companies Act, 2013 states that a formal evaluation needs to be made by the Board of its own performance and that of its committees and individual directors.

In accordance with the aforesaid provisions, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committee.

Some of the performance indicators based on which the evaluation takes place are- attendance in the meetings and quality of preparation/participation, ability to provide leadership, work as team player.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

Hitesh Oberoi
(Director)
DIN: 01189953

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

Annexure A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

For and on behalf of Board of Directors

Hitesh Oberoi
(Director)
DIN: 01189953

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

ANNEXURE B

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U74140DL2015PLC277487

ii. Registration Date:- March 4, 2015

iii. Name of the Company :- Startup Investments (Holding) Limited

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-

Ground Floor, GF-12A,

94, Meghdoot Building, Nehru Place,

New Delhi, 110019

Tel. No. +91 120-3082000, Fax No. 0120-3082095

Email: sihl@infoedge.com

Website: -N.A.

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:- N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	To Carry on the business of Holding and Investment Company	64200	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	100	2(46)
2	Happily Unmarried Marketing Pvt. Ltd.	U51909DL2007PTC167121	Associate	41.14	2(6)
3	Applect Learning Systems Pvt. Ltd.	U99999DL2001PTC110324	Associate	46.61	2(6)
4	Green Leaves Consumer Services Private Limited	U72100MH2015PTC266415	Associate	49.56	2(6)
5	Wishbook Infoservices Private Limited	U74994GJ2016PTC091745	Associate	31.63	2(6)
6	Nopaperforms Solutions Pvt. Ltd.	U72900DL2017PTC312499	Associate	48.10	2(6)
7	International Education Gateway Pvt. Ltd.	U74200TG2015PTC098960	Associate	31.39	2(6)
8	Agstack Technologies Private Limited	U74999MP2016PTC040803	Associate	27.78	2(6)
9	Kinobeo Software Private Limited	U72900DL2007PTC157471	Associate	42.18	2(6)
10	MintBird Technologies Private Limited	U72900DL2012PTC235129	Associate	26.10	2(6)
11	Rare Media Company Private Limited	U72900DL2012PTC234028	Associate	43.86	2(6)
12	Unnati Online Private Limited	U72900HR2015PTC054797	Associate	31.64	2(6)
13	Printo Documents Services Pvt. Ltd.	U72900MH2005PTC157623	Associate	25.08	2(6)
14	Bizcrum Infotech Pvt. Ltd.	U74120UP2015PTC069963	Associate	28.94	2(6)

All Holdings are on fully converted and diluted basis.

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Promoter Shareholding-Bodies Corporate	-	50,000* (Equity Shares)	50,000 (Equity Shares)	100	-	50,000* (Equity Shares)	50,000 (Equity Shares)	100	-

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
	-	24,32,346 (Preference Shares)	24,32,346 (Preference Shares)	100	-	24,32,346 (Preference Shares)	24,32,346 (Preference Shares)	100	-
Grand Total	-	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**
	-	**24,32,346 (Preference Shares)**	**24,32,346 (Preference Shares)**	**100**	**-**	**24,32,346 (Preference Shares)**	**24,32,346 (Preference Shares)**	**100**	**-**

*6 (six) shares were held by six individuals as nominee of Info Edge (India) Ltd.

ii. Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	50,000 (Equity Shares)	100	0.00	50,000 (Equity Shares)	100	0.00	-
		24,32,346 (Preference Shares)	100	0.00	24,32,346 (Preference Shares)	100	0.00	-

iii. Change in Promoter's Shareholding :

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Info Edge (India) Ltd.	50,000 (Equity Shares)	100	-	-	-	50,000	100
		24,32,346 (Preference Shares)	100	-	-	-	24,32,346 Preference Shares	100

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil

v. Shareholding of Directors and Key managerial Personnel

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1	Sanjeev Bikhchandani	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	-	-	-	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00
2.	Hitesh Oberoi	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	-	-	-	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
3.	Chintan Thakkar	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	-	-	-	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment In ₹

	Secured Loans excluding deposits	Unsecured Loans	Deposits/Debentures	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal amount	-	-	**2,904,370,800**	**2,904,370,800**
ii. Interest due but not paid		-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	**2,904,370,800**	**2,904,370,800**
Change in Indebtedness during the financial year				
Addition	-	-	**1,43,22,65,600**	**1,43,22,65,600**
Reduction	-	-	-	-
Net Change	-	-	**1,43,22,65,600**	**1,43,22,65,600**
Indebtedness at the end of the financial year				
(i) Principal Amount	-	-	**4,336,636,400**	**4,336,636,400**
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	**4,336,636,400**	**4,336,636,400**

*Note: *During the year under review, the Company allotted 1,31,82,214 and 1,140,442 -0.0001% Compulsory Convertible Debentures of ₹ 100 each to Info Edge (India) Ltd. and Smartweb Internet Services Limited respectively.*

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

For and on behalf of Board of Directors

Hitesh Oberoi
(Director)
DIN: 01189953

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF STARTUP INVESTMENTS (HOLDING) LIMITED

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of STARTUP INVESTMENTS (HOLDING) LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 standalone 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
   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, as amended 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 standalone 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.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of STARTUP INVESTMENTS (HOLDING) LIMITED of even date)

I. The Company does not have any Fixed Assets. Accordingly, reporting under clause 3 (i) of the Order is not applicable to the Company.

II. The Company does not have any inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

III. During the year, the company has granted loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is applicable.

IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

V. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

VI. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

VII. a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2019 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under

VIII. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

IX. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

X. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

XI. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration. Hence reporting under clause 3 (xi) of the Order is not applicable to the Company.

XII. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

XIII. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

XIV. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

XV. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of STARTUP INVESTMENTS (HOLDING) LIMITED of even date)

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")

We have audited the internal financial controls over financial reporting of **STARTUP INVESTMENTS (HOLDING) LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 Controls 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was 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 controls 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, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 of the Company.

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 that, 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 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; and (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.

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 **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN– 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Note	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
ASSETS			
Non-current assets			
Financial assets			
Investments	3(a)	3,045,941	2,822,516
Non-current tax assets (net)	4	1,639	23
Total non-current assets		**3,047,580**	**2,822,539**
Current assets			
Financial assets			
(i) Other financial assets	3(b)	95,442	7,010
(ii) Cash and cash equivalents	3(c)	210,975	8
Other current assets	5	69	-
Total current assets		**306,486**	**7,018**
Total assets		**3,354,066**	**2,829,557**
EQUITY & LIABILITIES			
Equity			
Equity share capital	6	500	500
Other equity	7	3,352,471	2,123,401
Total equity		**3,352,971**	**2,123,901**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	8(a)	-	322,058
Total non-current liabilities		**-**	**322,058**
Current liabilities			
Financial liabilities			
(i) Trade payables	8(b)		
-total outstanding dues of micro enterprises and small enterprises		-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		427	153
(ii) Other financial liabilities	8(c)	-	383,424
Other current liabilities	9	668	21
Total current liabilities		**1,095**	**383,598**
Total liabilities		**1,095**	**705,656**
Total equity and liabilities		**3,354,066**	**2,829,557**

The accompanying notes 1 to 43 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors
Startup Investment (Holding) Limited
CIN:U74140DL2015PLC277487

Chintan Thakkar
(Director)
DIN No:-00678173

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

Kitty Agarwal
Chief Executive Officer

Amit Sharma
Chief Financial Officer

Mohit Kumar
Company Secretary

Place: Noida
Date: May 24, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Note	Year ended March 31, 2019 (₹ 000)	Year ended March 31, 2018 (₹ 000)
Income			
Other income	10	19,320	(367,491)
Total Income		**19,320**	**(367,491)**
Expenses			
Finance costs	11	46,956	30,064
Other expenses	12	607	556
Total Expenses		**47,563**	**30,620**
Profit/(Loss) before exceptional items and tax		**(28,243)**	**(398,111)**
Exceptional items	35	537,391	326,205
Profit/(Loss) before tax		**(565,634)**	**(724,316)**
Tax expense			
Current tax	39	-	-
Profit/(Loss) for the year		**(565,634)**	**(724,316)**
Other comprehensive income		-	-
Other comprehensive income/(loss) for the year, net of income tax		**-**	**-**
Total comprehensive income/(loss) for the year		**(565,634)**	**(724,316)**
Earnings per share:	14		
Basic earnings per share (face value INR 10)		(11,313)	(14,486)
Diluted earnings per share (face value INR 10)		(11,313)	(14,486)

The accompanying notes 1 to 43 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
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For and on behalf of Board of Directors
Startup Investment (Holding) Limited
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Kitty Agarwal
Chief Executive Officer

Amit Sharma
Chief Financial Officer

Mohit Kumar
Company Secretary

Place: Noida
Date: May 24, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

S.No.	Particulars	Year ended March 31, 2019 Amount (₹ 000)	Year ended March 31, 2018 Amount (₹ 000)
A.	**Cash flow from operating activities:**		
	Profit / (Loss) before exceptional items and tax	**(28,243)**	**(398,111)**
	Adjustments for:		
	Other Income (Interest income on fixed deposits)	(2,612)	(207)
	Net gain/(loss) on financial assets mandatorily measured at fair value through profit or loss	(14,480)	367,730
	Interest cost on financial liabilities	40,381	30,064
	Operating profit before working capital changes	**(4,954)**	**(524)**
	Adjustments for changes in working capital :		
	(Increase)/Decrease in Other Current Financial Assets	(78,675)	(1,967)
	(Increase)/Decrease in Other Current Assets	(69)	-
	Increase/(Decrease) in Trade payables	274	101
	Increase/(Decrease) in Other financial liabilities	(383,424)	(40,000)
	Increase/(Decrease) in Other current liabilities	646	13
	Cash used in operating activities	**(466,202)**	**(42,377)**
	Taxes Paid (net)	(1,616)	(9)
	Net cash outflow from operating activities	**(467,818)**	**(42,387)**
B.	**Cash flow from investing activities:**		
	Investment in group companies / fellow subsidiaries	(747,039)	(1,163,880)
	Sale of investment in group companies / fellow subsidiaries	703	-
	Maturity of/(Investment in) fixed deposits (net)	(9,757)	(3,167)
	Other Income (Interest income on fixed deposits)	2,612	207
	Net cash outflow from investing activities	**(753,481)**	**(1,166,840)**
C.	**Cash flow from financing activities:**		
	Proceeds from fresh issue of Share Capital	-	-
	Proceeds from long term borrowings	1,432,266	1,209,227
	Net cash inflow from financing activities	**1,432,266**	**1,209,227**
	Net increase/decrease in cash & cash equivalents	**210,967**	**1**
	Opening balance of cash and cash equivalents	**8**	**8**
	Closing balance of cash and cash equivalents	**210,975**	**8**
	Cash and cash equivalents comprise		
	Cash in hand	8	8
	Balance with scheduled banks		
	in current accounts	210,967	-
	in fixed deposits accounts with original maturity of less than 3 months	-	-
	Total cash and cash equivalents	**210,975**	**8**
	Total	**210,975**	**8**

Notes:

1 Reconciliation of liabilities arising from financing activities

Particulars	As at March 31, 2018 (₹ 000)	Cash Flows	Non cash change Finance cost	As at March 31, 2019 (₹ 000)
Long term borrowings (including current maturities)	3,186,555	1,432,266	40,381	4,659,202
	3,186,555	**1,432,266**	**40,381**	**4,659,202**

2 The above Cash Flow Statement has been prepared under the Indirect Method as set out in IND AS 7 on Cash Flow Statement notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 .

3 Figures in brackets indicate cash outflow.

4 The accompanying notes 1 to 43 are in integral part of the Financial Statements.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors
Startup Investment (Holding) Limited
CIN:U74140DL2015PLC277487

Chintan Thakkar
(Director)
DIN No:-00678173

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

Kitty Agarwal
Chief Executive Officer

Amit Sharma
Chief Financial Officer

Mohit Kumar
Company Secretary

Place: Noida
Date: May 24, 2019

STATEMENTS OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	Amount (₹ 000)
As at April 01, 2017	**500**
Changes in equity share capital during the year	-
As at March 31, 2018	**500**
Changes in equity share capital during the year	-
As at March 31, 2019	**500**

b. Other Equity Amount (₹ 000)

Particulars	Equity component of compound financial instruments	Reserves & Surplus	Total
		Retained Earnings	
Balance as at April 01, 2017	**1,760,425**	**(16,780)**	**1,743,645**
Loss for the year	-	(724,316)	**(724,316)**
Other Comprehensive Income for the year	-	-	**-**
Equity Component of Debt Instrument transfer during the year	1,104,072	-	**1,104,072**
Balance as at March 31, 2018	**2,864,497**	**(741,096)**	**2,123,401**

Amount (₹ 000)

Particulars	Equity component of compound financial instruments	Reserves & Surplus	Total
		Retained Earnings	
Balance as at April 01, 2018	**2,864,497**	**(741,096)**	**2,123,401**
Loss for the year	-	(565,634)	**(565,634)**
Other Comprehensive Income for the year	-	-	**-**
Equity Component of Debt Instrument transfer during the year	1,794,704	-	**1,794,704**
Balance as at March 31, 2019	**4,659,201**	**(1,306,730)**	**3,352,471**

The accompanying notes 1 to 43 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors
Startup Investment (Holding) Limited
CIN:U74140DL2015PLC277487

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN No:-00678173

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

Kitty Agarwal
Chief Executive Officer

Amit Sharma
Chief Financial Officer

Mohit Kumar
Company Secretary

Place: Noida
Date: May 24, 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. Reporting Entity

Startup Investments Holding Limited (the company) is a limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The company is a wholly owned subsidiary of Info Edge (India) Ltd.

The financial statements are approved for issue by the Company's Board of Directors on May 24, 2019.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015, as amended by notification dated March 31, 2016] and other relevant provisions of the Act.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

C. Provisions

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

D. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash in hand, amount at banks and other short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

E. Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholder and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares

F. Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements, less diminution, if any.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments in scope of Ind AS 109 at fair value, other than investments in equity investments in subsidiaries, associates and jointly controlled entities, which are carried at cost less diminution, if any.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

G. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

H. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

I. Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Thousand as per the requirement of Schedule III, unless otherwise stated.

3. Financial assets

(a) Non current investments - shares

Particulars	**As at March 31, 2019**				**As at March 31, 2018**			
	Number of Share	**Face Value per share (In ₹*)**	**Amount (₹ 000)**	**Amount (₹ 000)**	**Number of Share**	**Face Value per share (In ₹*)**	**Amount (₹ 000)**	**Amount (₹ 000)**
Other than trade investments (Unquoted) (valued at Fair value though P&L)								
Investments in equity instruments of subsidiary and fellow subsidiary companies								
Applect Learning Systems Private Limited 13,429 nos (March 31, 2018 - 13,429 nos) Equity Share of ₹ 10/- fully paid up	13,429	10	570,998		13,429	10	570,998	
Add/(Less) : Diminution in value of investment [Refer note 35(b)]			(94,398)				-	
Smartweb Internet Services Limited 1,000 nos. (March 31,2018 - 1,000 nos) Equity Share of ₹ 10/- fully paid up	1,000	10	10		1,000	10	10	
Canvera Digital Technologies Private Limited Nil nos (March 31,2018 - 34,711 nos) Equity Share of ₹ 1/- fully paid up	-	-	-		34,711	1	14,963	
Add/(Less) : Diminution in value of investment			-				(14,963)	
				476,610				571,008

Particulars	As at March 31, 2019				As at March 31, 2018			
	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)
Investments in equity instruments of jointly controlled company								
Happily Unmarried Marketing Private Limited 275 nos (March 31,2018 - 275 nos) Equity Share of ₹ 10/- fully paid up	275	10	3,506		275	10	3,506	
Medcords Healthcare Solutions Pvt Ltd (Refer note 18) 10 nos (March 31,2018 - Nil) Equity shares of ₹ 10/- fully paid up	10	10	67		-	-	-	
Shop Kirana E Trading Private Limited (Refer note 31) 264 nos (March 31,2018 - Nil) Equity shares of ₹ 10/- fully paid up	264	10	13,259	16,832	-	-	-	3,506
Investments in equity instruments of associate company								
eTechAces Marketing and Consulting Private Limited (Refer note 24) 5 nos (March 31, 2018 - 5 nos) Equity Share of ₹ 10/- fully paid up	5	10	1,298		5	10	1,298	
				1,298				1,298
Investments in preference shares of subsidiary and fellow subsidiary companies								
Applect Learning Systems Private Limited 24,99,74,932 nos (March 31,2018 - 24,99,74,932 nos) 0.1% optionally convertible cumulative redeemable preference share of ₹ 1/- fully paid up	249,974,932	1	350,840		249,974,932	1	350,840	
Add/(Less) : Profit/(Loss) on measurement at FVTPL			(22,586)				(22,586)	
Add/(Less) : Diminution in value of investment [Refer note 35(b)]			(54,267)				-	
Canvera Digital Technologies Private Limited Nil nos (March 31,2018 - 33,14,323 nos) 0.1% optionally convertible cumulative redeemable preference shares of ₹ 1/- fully paid up	-	-	-		3,314,323	1	682,859	
Add/(Less) : Profit/(Loss) on measurement at FVTPL			-				(266,508)	
Add/(Less) : Diminution in value of investment (Refer note 35(b))			-				(312,807)	
				273,987				431,798
Investments in preference shares of jointly controlled companies								
Happily Unmarried Marketing Private Limited (Refer note 23) 12,426 nos (March 31, 2018 - 12,426 nos) 0.1% optionally convertible cumulative redeemable preference shares of ₹ 10/- fully paid up	12,426	10	260,232		12,426	10	260,232	
Add/(Less) : Profit/(Loss) on measurement at FVTPL			216,480				201,999	

Particulars	As at March 31, 2019				As at March 31, 2018			
	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)
Kinobeo Software Private Limited 1,07,801 nos (March 31, 2018 - 1,07,801 nos) 0.1% optionally convertible cumulative redeemable preference shares of ₹ 10/- fully paid up	107,801	10	270,338		107,801	10	270,338	
Add/(Less) : Profit/(Loss) on measurement at FVTPL			(128,520)				(128,520)	
Add/(Less) : Diminution in value of investment [Refer note 35(a)]			(141,818)				(141,818)	
Mint Bird Technologies Private Limited 60,00,000 nos (March 31, 2018 - 60,00,000 nos) Optionally convertible cumulative redeemable preference shares of ₹ 10/- fully paid up	6,000,000	10	60,000		6,000,000	10	60,000	
Add/(Less) : Profit/(Loss) on measurement at FVTPL			41,400				41,400	
Add/(Less) : Diminution in value of investment [Refer note 35(a)]			(101,400)				-	
Unnati Online Private Limited 39,998,395 nos (March 31, 2018 - 3,99,98,395) Preference Share of ₹ 1/- fully paid up	39,998,395	1	39,998		39,998,395	1	39,998	
Add/(Less) : Profit/(Loss) on measurement at FVTPL			34,879				34,879	
Vcare Technologies Private Limited 400,000 nos (March 31, 2018 - 400,000 nos) 0.01% optionally convertible cumulative redeemable preference shares of ₹ 100/- fully paid up	400,000	100	40,000		400,000	100	40,000	
Add/(Less) : Profit/(Loss) on measurement at FVTPL			41,608				41,608	
Rare Media Company Private Limited (Refer note 22) 10,86,504 nos (March 31, 2018 - 7,43,808 nos) 0.01% optionally convertible cumulative redeemable preference shares of ₹ 100/- fully paid up	1,086,504	100	108,650		743,808	100	74,381	
Add/(Less) : Profit/(Loss) on measurement at FVTPL			44,480				44,480	
Add/(Less) : Diminution in value of investment [Refer note 35(a)]			(153,130)				-	
Wishbook Infoservices Private Limited (Refer note 26) 2,23,944 nos (March 31, 2018 - 1,82,292 nos) Compulsorily convertible preference shares of ₹ 1/- fully paid up	223,944	1	45,000		182,292	1	35,000	
NoPaperForms Solutions Private Limited (Refer note 20) 3,36,63,826 nos (March 31, 2018 - 56,63,826 nos) 0.01% Compulsorily convertible preference shares of ₹ 10/- fully paid up	33,663,826	10	336,638		5,663,826	10	56,638	

Particulars	As at March 31, 2019				As at March 31, 2018			
	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)
International Educational Gateway Private Limited (Refer note 27) 8,855 nos (March 31, 2018 - 8,855 nos) 0.01% Series 'A' Compulsorily convertible preference shares of ₹ 100/- fully paid up	8,855	100	125,003		8,855	100	125,003	
Agstack Technologies Private Limited (Gramophone) (Refer note 28) 63,82,530 nos (March 31, 2018 - 63,82,530 nos) 0.01% Compulsorily convertible preference shares of ₹ 10/- fully paid up	6,382,530	10	63,825		6,382,530	10	63,825	
Bizcrum Infotech Pvt. Ltd. (ShoeKonnect) (Refer note 17) 59,98,335 nos (March 31, 2018 - Nil) Compulsorily convertible preference shares of ₹ 10/- fully paid up	5,998,335	10	59,983		-	-	-	
Medcords Healthcare Solutions Pvt Ltd (Refer note 19) 3,906 nos (March 31, 2018 - Nil) Compulsorily convertible preference shares of ₹ 100/- fully paid up	3,906	100	26,326		-	-	-	
Shop Kirana E Trading Private Limited (Refer note 32) 1,986 nos (March 31, 2018 - Nil) - 0.01% Compulsorily convertible preference shares of ₹ 10/- fully paid up	1,986	10	120,634		-	-	-	
Printo Document Services Private Limited (Refer note 21) 23,073 nos (March 31, 2018 - Nil) Preference Share of ₹ 10/- fully paid up	23,073	10	200,000		-	-	-	
				1,610,606				1,119,443
Investment in the prefernce shares of associate company								
eTechAces Marketing and Consulting Private Limited (Refer note 25)	1,949	100	505,799		1,949	100	505,799	
1,949 nos (March 31, 2018 - 1,949 nos) Preference Share of ₹ 100/- fully paid up				505,799				505,799
Investments in debentures of subsidiary and fellow subsidiary companies								
Applect Learning Systems Private Limited (Refer note 30) 1,89,664 nos (March 31, 2018 - 1,89,664 nos) Compulsory convertible debentures of ₹ 1000/- each	189,664	1,000	189,664		189,664	1,000	189,664	
Add/(Less) : Profit/(Loss) on measurement at FVTPL			-				-	
Add/(Less) : Diminution in value of investment [Refer note 35(b)]			(31,355)				-	

Particulars	As at March 31, 2019				As at March 31, 2018			
	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)	Number of Share	Face Value per share (In ₹*)	Amount (₹ 000)	Amount (₹ 000)
NewInc Internet Services Limited (Refer note 33) 25,000 nos (March 31, 2018 - Nil) 0.0001% Compulsory convertible debentures of ₹ 100/- each	25,000	100	2,500		-	-	-	
				160,809				189,664
Investments in debentures of jointly controlled company								
Green Leaves Consumer Services Private Limited (Refer note 29) 17,40,000 nos (March 31, 2018 - 17,40,000 nos) Compulsory convertible debentures of ₹ 100/- each	1,740,000	100	174,000		1,740,000	100	174,000	
Add/(Less) : Profit/(Loss) on measurement at FVTPL			6,480				6,480	
Add/(Less) : Diminution in value of investment [Refer note 35(a)]			(180,480)				(180,480)	
				-				-
				3,045,941				**2,822,516**

* Unless otherwise stated

	As at March 31, 2019		As at March 31, 2018
Aggregate amount of quoted investments & market value thereof	-		-
Aggregate amount of unquoted investments	3,045,941		2,822,516
Aggregate amount for impairment in value of investments	756,848		650,068

(b) Other financial assets

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Interest accrued on fixed deposits	-	-	756	19
Loans/ advance to subsidiary companies	-	-	-	-
Inter-corporate deposit	-	-	79,967	2,029
Balance in fixed deposit accounts with original maturity more than 12 months	-	-	14,719	4,962
	-	**-**	**95,442**	**7,010**

(c) Cash & cash equivalents

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Cash on hand	-	-	8	8
Balances with bank - current account	-	-	210,967	-
	-	**-**	**210,975**	**8**

4. Non-current tax assets (net)

Particulars (Unsecured, considered good unless otherwise stated)	Non-Current		Current	
	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Advance tax (including TDS receivable)	1,639	23	-	-
	1,639	**23**	-	**-**

5. Other current assets

Particulars (Unsecured, considered good unless otherwise stated)	Non-Current As at March 31, 2019 (₹ 000)	Non-Current As at March 31, 2018 (₹ 000)	Current As at March 31, 2019 (₹ 000)	Current As at March 31, 2018 (₹ 000)
Advance to suppliers	-	-	69	-
	-	**-**	**69**	**-**

6. Share capital

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
AUTHORISED CAPITAL		
50,000 Equity Shares of ₹ 10/- each (Previous Year - 50,000 Equity Shares of ₹ 10/- each)	500	500
24,95,000 0.0001% Cumulative Redeemable Preference Shares of ₹ 100/- each (Previous Year - 24,95,000 Preference Shares of ₹ 100/- each)	249,500	249,500
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
50,000 Equity Shares of ₹ 10/- each, fully paid up (Previous Year - 50,000 Equity Shares of ₹ 10/- each fully paid)	500	500
2,432,346 0.0001% Cumulative Redeemable Preference Shares of ₹ 100 each, fully paid up , (Previous year - 2,432,346) maturity not exceeding 20 years from the date of issue	243,235	243,235
	243,735	**243,735**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2019 No of Shares	As at March 31, 2019 (₹ 000)	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ 000)
Equity Shares				
At the beginning of the Year	50,000	500	50,000	500
Add: Issued during the Year	-	-	-	-
Outstanding at the end of the Year	**50,000**	**500**	**50,000**	**500**

Particulars	As at March 31, 2019 No of Shares	As at March 31, 2019 (₹ 000)	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ 000)
Preference Shares				
At the beginning of the year	2,432,346	243,235	2,432,346	243,235
Add: Issued during the Year	-	-	-	-
Outstanding at the end of the period	**2,432,346**	**243,235**	**2,432,346**	**243,235**

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 20189		As at March 31, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of ₹ 10 each fully paid				
Info Edge (India) Ltd	49,994	99.99%	49,994	99.99%
	49,994	**99.99%**	**49,994**	**99.99%**

7. Other equity

Particulars		As at March 31, 2019 (₹ 000)		As at March 31, 2018 (₹ 000)
Retained earnings				
Opening Balance	(741,096)		(16,780)	
Add: Transfer from Statement of Profit and Loss under Companies (Transfer of Profit to Reserves Rules), 1975	(565,634)		(724,316)	
Add: Loss for the year		(1,306,730)		(741,096)
Equity Component of financial liability - Debentures		4,405,829		2,643,592
Equity Component of financial liability - Preference shares		253,372		220,905
		3,352,471		**2,123,401**

8. Financial liabilities

(a) Borrowings

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Debentures issued to holding company				
Info Edge India Ltd	2,904,371	1,695,144	-	-
(0.0001% compulsory convertible debentures into cumulative redeemable preference shares 2,90,43,708 nos (March 31, 2018 - 1,69,51,439 nos) of face value of ₹ 100/- each, maturity not exceeding 20 years from the date of issue				
Add: Addition during the year				
(0.0001% compulsory convertible debentures into cumulative redeemable preference shares Nil (March 31, 2018 - 1,14,54,016 nos) of face value of ₹ 100/- each, maturity not exceeding 20 years from the date of issue	-	1,145,402	-	-
(0.0001% compulsory convertible debentures into compulsorily convertible preference shares 1,31,82,210 nos (March 31, 2018 - 6,38,253) of face value of ₹ 100/- each, maturity not exceeding 20 years from the date of issue (Refer note 34)	1,318,221	63,825	-	-
Less : Equity component of debt instruments	(4,291,785)	(2,643,592)	-	-
Add: Interest Expense on financial liability	69,193	32,429	-	-
Smartweb Internet Services Limited (Refer note 34)	114,044	-	-	-
(0.0001% compulsory convertible debentures into compulsorily convertible preference shares 11,40,442 nos (March 31, 2018 - Nil) of face value of ₹ 100/- each, maturity not exceeding 20 years from the date of issue				
Less : Equity component of debt instruments	(114,044)	-	-	-
Liability component of debentures	**-**	**293,208**	**-**	**-**

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Preference shares issued to holding company				
Info Edge India Ltd				
24,32,346 nos 0.0001% Cumulative Redeemable Preference Shares of ₹ 100 each, fully paid up, (March 31, 2018 - 24,32,346 nos) maturity not exceeding 20 years from the date of issue	243,235	243,235	-	-
Less: Equity Component of Preference shares	(253,372)	(220,905)	-	-
Add: Interest Expense on financial liability	10,137	6,520	-	-
Liability component of preference shares	**-**	**28,850**	**-**	**-**
Total borrowings	**-**	**322,058**	**-**	**-**

(b) Trade payables

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Trade payables*				
-total outstanding dues of micro enterprises and small enterprises	-	-	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	427	153
	-	**-**	**427**	**153**

*There are no micro enterprises and small enterprises to which the Company owes dues as at March 31, 2019 and March 31, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(c) Other financial liabilities

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Payable to Holding Company	-	-	-	269,380
Payable to Fellow Subsidiaries	-	-	-	114,044
	-	-	-	**383,424**

9. Other current liabilities

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
TDS payable	-	-	668	21
	-	**-**	**668**	**21**

10. Other income

Particulars	Year ended March 31, 2019 (₹ 000)	Year ended March 31, 2018 (₹ 000)
Interest income on fixed deposits with banks	2,612	207
Interest income on inter corporate deposit	2,228	32
Net gain/(loss) on financial assets mandatorily measured at FVTPL	14,480	(367,730)
	19,320	**(367,491)**

11. Finance costs

Particulars	Year ended March 31, 2019 (₹ 000)	Year ended March 31, 2018 (₹ 000)
Interest expense on financial liabilities at amortized cost	40,381	30,064
Interest expense on IDC	6,575	-
	46,956	**30,064**

12. Administration and other expenses

Particulars	Year ended March 31, 2019 (₹ 000)	Year ended March 31, 2018 (₹ 000)
Auditors remuneration	118	118
Legal and professional charges	405	243
Miscellaneous expenses	56	171
Rent	28	24
	607	**556**

13. Auditors remuneration

Particulars	Year ended March 31, 2019 (₹ 000)	Year ended March 31, 2018 (₹ 000)
Audit fees	100	100
Goods & services tax	18	18
	118	**118**

14. Basic & diluted earnings per share (EPS)

Particulars	Year ended March 31, 2019 (₹)	Year ended March 31, 2018 (₹)
Profit / (loss) attributable to equity shareholders	(565,635,110)	(724,316,426)
Weighted average number of equity shares outstanding during the year (nos.)	50,000	50,000
Basic & diluted earnings per equity share of ₹ 10 each	(11,313)	(14,486)

15(1). Related party disclosures for the year ended March 31, 2019

a) List of related parties

Holding company
Info Edge (India) Limited

Key management personnel (KMP) & relatives
Mr. Sanjeev Bikhchandani
Mr. Hitesh Oberoi
Mr. Chintan Thakkar

Fellow subsidiary company
Smartweb Internet Services Limited
Canvera Digital Technologies Private Limited (till 30th July 2018)
NewInc Internet Services Limited

Associate Company
eTechAces Marketing and Consulting Private Limited

b) Details of transactions with related party for the year ended March 31, 2019 in the ordinary course of business:

Amount (₹ 000)

S. no.	Nature of relationship / transaction	Holding Company	Fellow Subsidiary Company	Jointly Controlled Entity	Total
1	Rent Expense	28	-	-	28
2	Issue of Debentures to Info Edge India Limited	1,318,221	-	-	1,318,221
3	Loan taken from Info Edge India Limited	40,000	-	-	40,000
4	Interest on loan taken from Info Edge India Limited	6,575	-	-	6,575
5	Repayment of loan taken from Info Edge India Limited	46,575	-	-	46,575
6	Issue of Debentures to Smartweb Internet Services Limited	-	114,044	-	114,044
7	Investment in NewInc Internet Services Limited	-	2,500	-	2,500
8	Loan given to NewInc Internet Services Limited	-	1,000	-	1,000
9	Interest on loan given to NewInc Internet Services Limited	-	7	-	7
10	Repayment of loan given to NewInc Internet Services Limited	-	1,006	-	1,006
11	Loan given to Applect Learning Systems Private Limited	-	78,000	-	78,000
12	Interest on loan given to Applect Learning Systems Private Limited	-	2,186	-	2,186
13	Investment in Wishbook Private Limited	-	-	10,000	10,000
14	Investment in Nopaperforms Solutions Private Limited	-	-	280,000	280,000
15	Investment in Medcords Healthcare Solutions Pvt Ltd	-	-	26,393	26,393
16	Investment in Shop Kirana E Trading Private Limited	-	-	133,893	133,893
17	Investment in Rare Media Company Private Limited	-	-	34,269	34,269
18	Investment in Bizcrum Infotech Pvt. Ltd. (ShoeKonnect)	-	-	59,983	59,983
19	Investment in Printo Document Services Private Limited	-	-	200,000	200,000
20	Sale of investment in Canvera Digital Technologies Private Limited	-	703	-	703
21	Loan given to Bizcrum Infotech Pvt. Ltd. (ShoeKonnect)	-	-	3,500	3,500
22	Interest on loan given to Bizcrum Infotech Pvt. Ltd. (ShoeKonnect)	-	-	22	22
23	Repayment of loan given to Bizcrum Infotech Pvt. Ltd. (ShoeKonnect)	-	-	5,549	5,549
24	Loan given to Rare Media Company Private Limited	-	-	2,500	2,500
25	Interest on loan given to Rare Media Company Private Limited	-	-	13	13
26	Repayment of loan given to Rare Media Company Private Limited	-	-	2,511	2,511

c) Amount due to/from related parties as at March 31, 2019

Amount (₹ 000)

Nature of relationship / transaction	Holding Company	Fellow Subsidiary Company	Jointly Controlled Entity	Total
Debit balances				
Outstanding advances	-	-	-	-
Credit balances				
Outstanding payable	-	-	-	-

15(2). Related party disclosures for the year ended March 31, 2018

a) List of related parties

Holding company

Info Edge (India) Limited

Key management personnel (KMP) & relatives

Mr. Sanjeev Bikhchandani

Mr. Hitesh Oberoi

Mr. Chintan Thakkar

Fellow subsidiary company

Smartweb Internet Services Limited

Canvera Digital Technologies Private Limited

b) Details of transactions with related party for the year ended March 31, 2018 in the ordinary course of business: **Amount (₹ 000)**

S. no.	Nature of relationship / transaction	Holding Company	Fellow Subsidiary Company	Jointly Controlled Entity	Total
1	Rent Expense	24	-	-	24
2	Issue of Debentures to Info Edge India Limited	1,209,227	-	-	1,209,227
3	Investment in Preference Shares of Happily Unmarried Marketing Private Limited	-	-	49,987	49,987
4	Investment in Preference Shares of Wishbook Private Limited	-	-	35,000	35,000
5	Investment in Preference Shares of Info Edge (India) Limited	280,466	-	-	280,466
6	Investment in Preference Shares of Canvera Digital Technologies Private Limited	-	86,667	-	86,667
7	Investment in Debentures of Green Leaves Consumer Services Private Limited	-	-	50,000	50,000
8	Investment in Preference Shares of Nopaperforms Solutions Private Limited	-	-	56,638	56,638
9	Investment in Preference Shares of Applect Learning Systems Private Limited	-	189,664	-	189,664
10	Repayment of loan from Smartweb Internet Service Limited	-	40,000	-	40,000
11	Investment in Preference Shares of Agstack Technologies Private Limited	-	-	63,825	63,825
12	Investment in Preference Shares of International Educational Gateway Private Limited	-	-	125,003	125,003

c) Amount due to/from related parties as at March 31, 2018 **Amount (₹ 000)**

Nature of relationship / transaction	Holding Company	Fellow Subsidiary Company	Jointly Controlled Entity	Total
Debit balances				
Outstanding advances	-	-	-	-
Credit balances				
Outstanding payable	269,379	114,044	-	383,423

16(a). During the year the Company has invested in Nil (Previous year - 7,77,419 nos) optionally convertible cumulative redeemable preference shares of face value of ₹1 per share in Canvera Digital Technologies Private Limited amounting to ₹ Nil (Previous year - ₹ 86,666.53 thousands).

16(b). During the year, the Company (the Seller) has entered into a Share Purchase Agreement with Canvera Digital Technologies Private Limited & Printo Document Services Private Limited dated July 30th, 2018 for sale of 34,711 equity shares of face value of ₹ 1/- & 33,14,323 preference shares of face value of ₹ 1/- of Canvera Digital Technologies Private Limited to Printo Document Services Private Limited. Price have been mutually agreed between purchaser and seller at fair market value of ₹ 0.21/- per equity & preference share amounting to ₹ 7.29 thousands & 696.01 thousands respectively.

17. During the year ended March 31st, 2019, the Company has invested in 59,98,335 nos optionally Compulsorily convertible preference shares of face value of ₹ 10 per share in Bizcrum Infotech Pvt. Ltd. (ShoeKonnect) aggregating to ₹ 59,983.35 thousands.

18. During the year ended March 31st, 2019, the Company has invested in 10 nos equity shares of face value of ₹ 10 per share at premium of ₹ 6,730 in Medcords Healthcare Solutions Pvt Ltd amounting to ₹ 67.40 thousands.

19. During the year ended March 31st, 2019, the Company has invested in 3,906 nos Compulsorily convertible preference shares of face value of ₹ 100 per share at premium of ₹ 6,640 in Medcords Healthcare Solutions Pvt Ltd amounting to ₹ 26,326.44 thousands.

20. During the year ended March 31st, 2019, the Company has invested in 2,80,00,000 nos. (Previous year - 56,63,826 nos) 0.01% Series B Compulsorily convertible preference shares of face value ₹ 10 per share in NoPaperForms Solutions Private Limited amounting to ₹ 2,80,000 thousands (Previous year - ₹ 56,638.26 thousands).

21. During the year ended March 31st, 2019, the Company has invested in 23,073 nos preference shares of face value of ₹ 10 per share at premium of ₹ 8,658.15 in Printo Document Services Private Limited amounting to ₹ 200,000.23 thousands.

22. During the year ended March 31st, 2019, the Company has invested in 342,696 nos. (Previous year - Nil) optionally convertible cumulative redeemable preference shares of face value ₹ 100 per share in Rare Media Company Private Limited amounting to ₹ 34,269 (Previous year - ₹ Nil).

23. During the year the Company has invested in Nil (Previous year - 1,868 nos) optionally convertible cumulative redeemable preference shares of face value of ₹ 10 per share in Happily Unmarried Marketing Private Limited aggregating to ₹ Nil (Previous year - 49,986.62 thousands).

24. During the year the Company has invested in Nil (Previous year - 5 nos) equity shares of face value ₹ 10 per share in eTechAces Marketing and Consulting Private Limited amounting to ₹ Nil (Previous year - ₹ 1,297.59 thousands).

25. During the year the Company has invested in Nil (Previous year - 1,949 nos) Compulsorily convertible preference share of face value ₹ 100 per share in eTechAces Marketing and Consulting Private Limited amounting to ₹ Nil (Previous year - ₹ 5,05,798.65 thousands).

26. During the year the company has invested in 41,652 nos (Previous year - 1,82,292 nos) Compulsorily convertible preference shares of face value of ₹ 1 at premium of ₹ 239.08 per share in Wishbook Infoservices Private Limited amounting to ₹ 9,999.88 thousands (Previous year - ₹ 35,000.06 thousands).

27. During the year the Company has invested in Nil (Previous year - 8,855 nos) Compulsorily convertible preference shares of face value ₹ 100 per share in International Educational Gateway Private Limited amounting to ₹ Nil (Previous year - ₹ 1,25,002.85 thousands).

28. During the year the Company has invested in Nil (Previous year - 63,82,530 nos) Compulsorily convertible preference shares of face value ₹ 10 per share in Agstack Technologies Private Limited (Gramophone) amounting to ₹ Nil (Previous year - ₹ 63,825.30 thousands).

29. During the year the Company has invested in Nil (Previous year - 5,00,000 nos) Compulsory convertible debentures of face value of ₹ 100 per debenture in Green Leaves Consumer Services Private Limited amounting to ₹ Nil (Previous year - ₹ 50,000 thousands).

30. During the year the Company has invested in Nil (Previous year - 1,89,664 nos) Compulsory convertible debentures of face value of ₹ 1000 per debenture in Applect Learning Systems Private Limited amounting to ₹ Nil (Previous year - ₹ 1,89,664 thousands).

31. During the year the Company has invested in 264 nos equity shares of face value of ₹ 10 per share at premium of ₹ 50,212.64 per share in Shop Kirana E Trading Private Limited amounting to ₹ 13,258.78 thousands.

32. During the year the Company has invested in 1986 nos 0.01% Compulsorily convertible preference shares of face value of ₹ 10 per shares at premium of ₹ 60,731.96 per share in Shop Kirana E Trading Private Limited amounting to ₹ 120,633.54 thousands.

33. During the year the Company has invested in 25,000 nos 0.0001% Compulsory convertible debentures of ₹ 100 per debenture in NewInc Internet Services Limited amounting to ₹ 2,500 thousands.

34. During the year ended March 31st, 2019, the Company has issued 1,31,82,210 nos (Previous year - 6,38,253 nos) to holding company and 11,40,440 nos to Smartweb Internet Services Limited 0.0001% Compulsory Convertible Debentures into 0.0001% Compulsorily Convertible Preference Shares of ₹ 100 each amounting ₹ 1,318,221 thousands (Previous year - ₹ 63,825.30 thousands) & ₹ 114,044 thousands respectively. As per IND AS 109, the said borrowing amount has been transferred to equity component of debentures; and appropriately classified under 'Note 7 - Other equity' & Note 8(a) - Borrowings' respectively.

35(a). During the year ended March 31st, 2019, diminution in the carrying value of investments in following investee companies namely (a) Rare Media Company Private Limited amounting to ₹ 153,130 thousands (b) Mint Bird Technologies Private Limited amounting to ₹ 101,400 thousands is made. During the previous year ended March 31st 2018,diminution in the carrying value of investments in the following investee companies namely (a) Kinobeo Software Private Limited ₹ 1,41,818 thousands (b) Green Leaves Consumer Services Private Limited ₹ 180,480 thousands was made.

35(b) During the year ended March 31, 2019, diminution in the carrying value of investments in it's subsidiary company namely (a) Canvera Digital Technologies Private Limited amounting to ₹ 102,840 thousands net of amount received (represented by investment in preference shares of ₹ 102,840 thousands) (b) Applect Learning Systems Private Limited amounting to ₹ 180,020 thousands (represented by investment in equity shares of ₹ 94,398 thousands, preference shares of ₹ 54,267 thousands and debentures of ₹ 31,355 thousands (Previous year - ₹ 3,907 thousands) is made.

36. During the year ended March 31, 2019, the Company has changed the nature of securities from cumulative redeemable preference shares (whether issued as cumulative redeemable preference shares or convertible from compulsory convertible debentures to cumulative redeemable preference shares) into compulsorily convertible preference shares w.e.f. March 27, 2019. All other terms and conditions remain same.

37. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standard(IND AS)) Rules, 2015 as the Company doesnot have any operations during the year.

38. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standard(IND AS)) Rules, 2015 are not applicable on the company since there was no employee employed by the company during the year.

39. Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

a) Income Tax expense

Particulars	**Year ended March 31, 2019 (₹ 000)**	**Year ended March 31, 2018 (₹ 000)**
Current tax on profit for the year	-	-
Total current tax expenses	**-**	**-**
Deferred Tax	-	-
Total (a)	**-**	**-**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	**Year ended March 31, 2019 (₹ 000)**	**Year ended March 31, 2018 (₹ 000)**
Loss before tax	(565,634)	(724,316)
Tax @ 26% (Previous Year 29.87%)	**(147,065)**	**(186,511)**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
-Interest Cost on Financial Liabilities	12,209	7,741
-Net gain on Fair value of instruments	(3,765)	94,690
-Exceptional Items	139,722	83,998
-Others	(1,101)	82
Total (b)	-	-

40. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

FAIR VALUE HIERARCHY

a) Financial instruments by category

(₹ 000)

Particulars	**March 31, 2019**		**March 31, 2018**	
	Fair value through profit or loss	**Amortised cost**	**Fair value through profit or loss**	**Amortised cost**
Financial Assets				
Investments	2,178,317	867,624	1,833,149	989,367
Cash and cash Equivalents	-	210,975	-	8
Other financial assets	-	95,442	-	7,010
Total Financial Assets	**2,178,317**	**1,174,041**	**1,833,149**	**996,385**
Borrowings	-	-	-	322,058
Trade payables	-	427	-	153
Other financial liabilities	-	-	-	383,424
Total Financial Liabilities	**-**	**427**	**-**	**705,635**

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit or loss.To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table

b) Fair value hierarchy for assets and liabilities

Financial assets measured at fair value at March 31, 2019 **(₹ 000)**

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	-	-	2,178,317	2,178,317

Financial assets measured at fair value at March 31, 2018 **(₹ 000)**

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	-	-	1,833,149	1,833,149

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 hierarchy includes the fair value of financial instruments that are not traded in an active market is determined using valuation obtained from the respective mutual fund houses.

Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for compound instruments

There are no transfers between levels 1 and 2 during the year.The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

c) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or mutual fund houses quotes for similar instruments.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

d) Financial assets and liabilities measured at amortised cost

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature. The fair values for security deposits, Investment in preference shares & investment in debentures and borrowings are calculated based on cash flows discounted using a current lending rate, however the change in current rate does not have any significiant impact on fair values as at the current year end. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counter party credit risk. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Fair value of financial assets and liabilities measured at amortised cost

(₹ 000)

Particulars	March 31, 2019		March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Investments	867,624	867,624	708,901	708,901
Cash and cash Equivalents	210,975	210,975	8	8
Other financial assets				
-Interest accrued on fixed deposits	95,442	95,442	1,876	1,876
Total Financial Assets	**1,174,041**	**1,174,041**	**710,785**	**710,785**
Financial Liabilities				
Borrowings	-	-	186,839	186,839
Trade payables	427	427	52	52
Other financial liabilities	-	-	423,423	423,423
Total Financial Liabilities	**427**	**427**	**610,314**	**610,314**

The carrying amounts of trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. . They are classified as level 3

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

e) Fair Value Measurement using significant unobservable inputs (level 3) **(₹ 000)**

Particulars	Unlisted equity securities
As at March 31, 2017	1,643,669
Acquisitions	557,209
Unrealised gain/loss recognised in profit/loss	(367,729)
As at March 31, 2018	1,833,149
Acquisitions	64,179
Unrealised gain/loss recognised in profit/loss	280,989
As at March 31, 2019	2,178,317

41. FINANCIAL RISK AND CAPITAL MANAGEMENT

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – interest rate	Long-term borrowings at variable rate	Sensitivity analysis	Interest rate swaps

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company is primarily engaged in investments in technology companies; and borrows short term and long term funds from holding & group companies to meet the fund requirements.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

	Contractual cash flows				Amount (₹ 000)
March 31, 2019	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Borrowings	-	-	-	-	-
Trade and other payables	427	427	-	-	-
Other financial liabilities	-	-	-	-	-

	Contractual cash flows				Amount (₹ 000)
March 31, 2018	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Borrowings	322,058	-	-	-	322,058
Trade and other payables	153	153	-	-	-
Other financial liabilities	383,424	383,424	-	-	-

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

(c) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Amount in ₹ 000

	March 31, 2019	March 31, 2018
Fixed-rate instruments		
Financial assets	94,686	6,991
Financial liabilities	-	322,058
Total	**94,686**	**188,634**

B) Capital management

a) Risk management

The Comapny's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, preference and debenture capital.

b) Dividend

No dividend was paid out during the year

42. Revenue from Contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contracts with Customers. This establishes Standard sets out a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company from 1 April 2018 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method). Since there is no Revenue accrued during the Current Year as well as Previous Year, there is no impact of Ind AS 115 on the Financial statement during the year.

43. Standards issued but not effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases:

The Ministry of Corporate Affairs on 30 March 2019 notified the new leasing standard, viz., Ind AS 116 Leases. Ind AS 116 is applicable for the financial year beginning on or after 1 April 2019 for all Ind AS companies. It replaces virtually all the existing leasing requirements under Ind AS 17 Leases.

The new standard will require lessees to recognize most leases on their balance sheets. Lessees will use a single accounting model for all leases, with limited exemptions. Foreign currency leases will increase P&L volatility due to a restatement of foreign currency liability.

An entity has an option to adopt Ind AS 116 using either the full retrospective method or the modified retrospective method. An entity that elects the modified retrospective method would apply Ind AS 116 retrospectively to only the current period by recognising the cumulative effect of initially applying Ind AS 116 as an adjustment to the opening balance of retained earnings (or other components of equity) at the date of initial application. Under the modified retrospective method, Ind AS 116 would be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. An entity would need to disclose how it applied the modified retrospective method.

The Company is under process to evaluate the impacts of the new standard on financial statements.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors
Startup Investment (Holding) Limited
CIN:U74140DL2015PLC277487

Chintan Thakkar
(Director)
DIN No:-00678173

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

Kitty Agarwal
Chief Executive Officer

Amit Sharma
Chief Financial Officer

Mohit Kumar
Company Secretary

Place: Noida
Date: May 24, 2019

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 20th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company made a profit of ₹ 1,09,623 thousand in the financial year 2018-19 as compared to loss of ₹ 89,373 thousand in the Financial Year 2017-18.

SHARE CAPITAL

Since the Company had surplus funds than its requirements to continue its business activities, the Board of Directors in its meeting held on January 28, 2019 had approved to reduce its share capital by way of extinguishment and cancellation of 3,40,00,000, 0.0001% Cumulative Redeemable Preference Shares (CRPS) having aggregate paid up value of ₹ 3,40,00,00,000 and payment of ₹ 3,40,00,00,000 to Info Edge (India) Limited, the holder of the CRPS, holding 3,43,24,000 CRPS as on January 28, 2019. The equity and preference shareholders in the Extra Ordinary General Meetings held on January 29, 2019 approved the aforementioned reduction and thereafter, an application seeking reduction in the share capital was filed with the Hon'ble National Company Law Tribunal, New Delhi at New Delhi Bench (the NCLT) on February 11, 2019.

The aforementioned petition is pending with the Hon'ble NCLT for final hearing and pronouncement of order. Upon approval of reduction of CRPS, the Company will have issued, subscribed and paid up 10,000 equity shares of ₹ 10 each and 3,24,000 preference shares of ₹ 100 each.

DIVIDEND

No dividend has been declared for the financial year 2018-19.

TRANSFER TO GENERAL RESERVES

During the year under review, the Company has not transferred any amount to general reserve.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There has been no material change affecting the financial position of the Company which has occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no other significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control, commensurate with the size, scale and complexity of its operations.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ ASSOCIATE COMPANIES

Zomato Media Pvt. Ltd.

The company holds 0.11 % in Zomato Media Pvt. Ltd. on fully converted & diluted basis which owns and operates the website www.zomato.com. It generates revenue from advertisements of restaurants and lead sales.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

STATUTORY AUDITORS

M/s. MSKA & Associates (FRN- 105047W), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 18th Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 subject to the ratification by the shareholders at every general meeting.

However, in accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditor has confirmed that they are not disqualified under any provisions of Section 141(3) of Companies Act, 2013 and also their engagement with the Company is within the prescribed limits under section 141(3)(g) of Companies Act, 2013.

INTERNAL AUDITOR

Mr. Mohit Kumar Agarwal, a qualified Chartered Accountant, acted as the Internal Auditor of the Company during the year under review.

SECRETARIAL AUDITORS

Pursuant to provisions of Section 204 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s RMG & Associates, Company Secretaries as the Secretarial Auditors of the Company to undertake Secretarial Audit of the Company for the FY 2018-19. The Secretarial Audit Report is attached herewith as Annexure A.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS AND SECRETARIAL AUDITORS IN THEIR RESPECTIVE REPORTS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Chintan Thakkar, Director (DIN: 00678173) resigned from the office of Director w.e.f. from April 27, 2018.

Mr. Sanjeev Bikhchandani, Mr. Hitesh Oberoi, Ms. Sharmeen Khalid and Mr. Saurabh Srivastava are the Directors of the Company as on the date of this report. Mr. Murlee Manohar Jain is the Company Secretary and Mr. Chintan Thakkar is the Chief Financial Officer of the Company as on the date of this report.

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Hitesh Oberoi, Director (DIN: 01189953), retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 5 (Five) times during the year on May 29, 2018, July 23, 2018, October 29, 2018, January 28, 2019 and March 20, 2019. The maximum time gap between any two meetings was not more than 120 days. The details of Directors' attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2018-19

Name of the Director	Position	No of Board Meetings held during the year.	No of Meetings Attended during the year
Mr. Sanjeev Bikhchandani	Director	5	5
Mr. Hitesh Oberoi	Director	5	5
Mr. Saurabh Srivastava	Director	5	5
Ms. Sharmeen Khalid	Director	5	5

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Director has submitted his disclosure to the Board that he fulfils all the requirements as stipulated in Section 149(6) of the Companies Act, 2013.

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company did not make any Loans, guarantee or investments during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company did not enter into any material transaction with related parties. However, disclosure in prescribed form AOC-2 is annexed herewith as Annexure B to this report.

Details of all other related party transactions are present under Note No. 17 of notes to financial statement.

COST AUDITORS

The provisions of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable on the Company.

EXTRACT OF ANNUAL RETURN/WEB LINK OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure C and is attached to this Report.

The Company does not have any website, however the annual return filed for the FY 2017-18 is available at the website of the holding company at http://www.infoedge.in/pdfs/Naukri-Internet-Services-Limited.pdf

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

Section 134 of the Companies Act, 2013 states that a formal evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Further, schedule IV to the Companies Act, 2013 states that performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

In accordance with the aforesaid provisions, the Board has carried out the annual performance evaluation of its own performance, the Directors individually.

Some of the performance indicators based on which the evaluation takes place are- attendance in the meetings and quality of preparation/participation, ability to provide leadership, work as team player.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 (1) of the Companies Act, 2013 and hence it is not required to formulate policy on CSR.

INTERNAL COMMITTEE

There exists a group level internal Committee constituted under the sexual harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013 by Info Edge (India) Limited, holding company of the Company.

SECRETARIAL STANDARDS

The Board of Directors confirms that that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirm that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

Sanjeev Bikhchandani	Hitesh Oberoi
(Director)	(Director)
DIN: 00065640	DIN: 01189953

Place: Noida
Date: May 24, 2019

ANNEXURE A

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members

Naukri Internet Services Limited

CIN: U74899DL1999PLC102748

GF-12 A, 94, Meghdoot Building,

Nehru Place, New Delhi – 110019

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Naukri Internet Services Limited** (hereinafter referred as 'the Company'), having its Registered Office at **GF-12 A, 94, Meghdoot Building, Nehru Place, New Delhi-110019**. The process was undertaken at the corporate office of the Company at B-8, Sector 132, Noida-201304, Uttar Pradesh. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2019**, complied with the statutory provisions listed hereunder and also that the Company has Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

I The Companies Act, 2013 ('the Act') and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The shares of the Company being in physical form during the period under review, the Company was not required to comply with the Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable. Further, there were no compliances required relating to Foreign Direct Investment, Oversees Direct Investment, and External Commercial Borrowings during the period under review.

V. The Company being an unlisted Company was not required to comply with any of the regulations and/ or guidelines as prescribed by the Securities and Exchange Board of India;

VI. The Company has no identified principal business activity and accordingly no other laws are specifically applicable to the company.

As per the information provided to us, there are no employees on the payroll of the company, therefore, the various Labour Laws and related enactments are not applicable to the Company for the period under review.

We have also examined compliances with the applicable clauses of Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and it was noted that the Company has complied with the same to the extent possible. However, the stricter applicability of the Secretarial Standards is to be observed by the Company. The Company being an unlisted entity, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

We further report that during the period under review, the Company had generally complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above subject to Observations elsewhere mentioned in the report.

We further report that

- The Board of Directors of the Company is constituted with a combination of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Notics to schedule the Board Meetings were given to all directors, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meetings of the Board signed by the Chairman, all the decisions of the Board were passed with requisite majority.
- As per the records, the Company has generally filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period under review the company, pursuant to Section 66(2) of Companies Act, 2013 read with Rule 3(1)(i) of The National

Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, made an application to the Tribunal for Reduction of 0.0001% Cumulative Redeemable Preference Shares (CRPS) capital of company and vide an order pronounced on February 22, 2019 the next date of hearing for the said application is reserved to be held on June 06, 2019.

For RMG & Associates
Company Secretaries

CS Manish Gupta
Partner
FCS : 5123; C.P. No.: 4095

Place : New Delhi
Date: 24/05/2019

Note: This report is to be read with 'Annexure I' attached herewith and forms an integral part of this report.

ANNEXURE - I

The Members

Naukri Internet Services Limited

Our Secretarial Audit Report for the financial year ended 31st March, 2019 of even date is to be read along with this letter:

Management's Responsibility

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For RMG & Associates
Company Secretaries

CS Manish Gupta
Partner
FCS : 5123; C.P. No.: 4095

Place : New Delhi
Date: 24/05/2019

ANNEXURE B

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

2. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

For and on behalf of Board of Directors

Sanjeev Bikhchandani
(Director)
DIN: 00065640

Hitesh Oberoi
(Director)
DIN: 01189953

Place: Noida
Date: May 24, 2019

ANNEXURE C

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U74899DL1999PLC102748

ii. Registration Date:- December 09, 1999

iii. Name of the Company: - Naukri Internet Services Ltd.

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-
Ground Floor, GF-12A,
94, Meghdoot Building, Nehru Place,
New Delhi-110019
Tel. No. +91 120-3082000, Fax: 0120-3082095
Email: nisl@infoedge.com
Website: -N.A.

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	IT Services	63112	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	100	2(46)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Indian Promoters – Bodies Corporate	-	10,000* (Equity Shares)	10,000 (Equity Shares)	100	-	10,000* (Equity Shares)	10,000 (Equity Shares)	100	-
	-	34,324,000 (Preference Shares)	34,324,000 (Preference Shares)	100	-	34,324,000 (Preference Shares)	34,324,000 (Preference Shares)	100	-
Total	**-**	**10,000* (Equity Shares)**	**10,000 (Equity Shares)**	**100**	**-**	**10,000* (Equity Shares)**	**10,000 (Equity Shares)**	**100**	**-**
	-	**34,324,000 (Preference Shares)**	**34,324,000 (Preference Shares)**	**100**	**-**	**34,324,000 (Preference Shares)**	**34,324,000 (Preference Shares)**	**100**	**-**

**6 (six) shares were held by six individuals as nominee of Info Edge (India) Ltd.*

ii. **Shareholding of Promoters:**

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	10,000* (Equity Shares)	100	0.00	10,000* (Equity Shares)	100	0.00	-
		34,324,000** (Preference Shares)	100	0.00	34,324,000** (Preference Shares)	100	0.00	-

*No. of shares refers to equity shares of ₹ 10 each.

**No. of shares refers to 0.0001% Cumulative Redeemable Preference Shares (CRPS) of ₹ 100 each.

iii. **Change in Promoter's Shareholding :**

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Info Edge (India) Ltd.	10,000 (Equity Shares)	100	-	-	-	10,000 (Equity Shares)	100
		34,324,000 Preference Shares	100	-	-	-	34,324,000 Preference Shares	100

iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil**

v. **Shareholding of Directors and Key Managerial Personnel**

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Sanjeev Bikhchandani	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00	-	-	-	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00
2.	Chintan Thakkar	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00	-	-	-	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00
3	Murlee Manohar Jain	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00	-	-	-	1 (one) Equity Share (as nominee of Info Edge (India) Ltd)	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: **Nil**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

For and on behalf of Board of Directors

Sanjeev Bikhchandani (Director) DIN: 00065640

Hitesh Oberoi (Director) DIN: 01189953

Place: Noida

Date: May 24, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Naukri Internet Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Naukri Internet Services Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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, and Profit, changes in equity 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 Act. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 implementation and maintenance of 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Report on Other Legal and Regulatory Requirements

1. 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 Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 Cash Flow Statement and the Statement of Changes in Equity 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 Rule 7 of the Companies (Accounts) Rules, 2014.

(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 internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

(g) 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 does not have any pending litigations which would impact its financial position.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For MSKA & Associates

Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Mitra
Partner
Membership No.:094518

Place: Gurugram
Date: May 24, 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF NAUKRI INTERNET SERVICES LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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.

For MSKA & Associates

Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Mitra
Partner
Membership No.:094518

Place: Gurugram
Date: May 24, 2019

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF NAUKRI INTERNET SERVICES LIMITED FOR THE YEAR ENDED MARCH 31, 2019

[Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. The Company does not have any Fixed Assets. Accordingly, the provisions stated in paragraph 3(i) of the Order are not applicable to the Company.

ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.

iii. The Company has not granted loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP's) or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions stated in paragraph 3(iii) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act. Accordingly, provisions of Section 185 are not applicable to the Company. Company has complied with the provisions of section 186 of the Act, in respect of investments, guarantees and security made.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, the provisions stated in paragraph 3(v) of the Order are not applicable to the Company.

vi. The Company is not required to maintain the cost records and accounts prescribed by the Central Government of India under section 148(1) of the Companies Act, 2013. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other statutory dues applicable to it.

However, no undisputed statutory dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty and cess which have not been deposited on account of any dispute.

viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.

x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, no managerial remuneration is paid to directors. Accordingly, the provisions stated in paragraph 3(xi) of the Order are not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.

xv. 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 him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For MSKA & Associates

Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Mitra
Partner
Membership No.:094518

Place: Gurugram
Date: May 24, 2019

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NAUKRI INTERNET SERVICES LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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

We have audited the internal financial controls with reference to financial statements of Naukri Internet Services 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 with reference to financial statements 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 (ICAI) (the "Guidance Note"). 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 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls With Reference to Financial Statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, 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 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; and (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 With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, the Company has, in all material respects, an internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For MSKA & Associates

Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Mitra
Partner
Membership No.:094518

Place: Gurugram
Date: May 24, 2019

Balance Sheet as at March 31,2019

Particulars	Notes	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
ASSETS			
Non-current assets			
Financial assets			
Non current investments	3(a)	80,527	73,272
Other non current assets	4	-	25
Total non-current assets		**80,527**	**73,297**
Current assets			
Financial assets			
Cash and cash equivalents	3(b)	1,296,474	3,711
Bank balances other than cash and cash equivalent	3(c)	130	-
Other financial assets	3(d)	2,153,730	31
Other current assets	5	-	5
Assets classified as held for sale	6	-	3,284,070
Total current assets		**3,450,334**	**3,287,817**
Total assets		**3,530,861**	**3,361,114**
EQUITY & LIABILITIES			
Equity			
Equity share capital	7	100	100
Other equity	8	3,023,188	2,913,565
Total equity		**3,023,288**	**2,913,665**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	9(a)	503,945	447,226
Other long term liabilities	10	3,459	-
Total non-current liabilities		**507,404**	**447,226**
Current liabilities			
Financial liabilities			
Trade payables	9(b)		
-total outstanding dues of micro enterprises and small enterprises		-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		152	193
Other current liabilities	11	17	30
Total current liabilities		**169**	**223**
Total liabilities		**507,573**	**447,449**
Total equity and liabilities		**3,530,861**	**3,361,114**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518

Place: Gurugram
Date: May 24,2019

For and on behalf of Board of Directors of
Naukri Internet Services Limited
CIN: U74899DL1999PLC102748

Sanjeev Bikhchandani
Director
DIN: 00065640

Hitesh Oberoi
Director
DIN: 01189953

Murlee Manohar Jain
Company Secretary

Chintan Thakkar
Chief Financial Officer

Place: Noida
Date: May 24,2019

Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Notes	Year ended March 31, 2019 (₹ 000)	Year ended March 31, 2018 (₹ 000)
Income			
Revenue from operations	12	-	75
Other income	13	1,90,602	269
Total Income		**1,90,602**	**344**
Expenditure			
Finance costs	14	56,719	50,336
Other expenses	15	426	394
Total expense		**57,145**	**50,730**
Profit/ (Loss) before exceptional items and tax		**1,33,457**	**(50,386)**
Exceptional items [Refer note 18(b) &(c)]		(7,255)	38,987
Profit /(Loss) before tax		**1,40,712**	**(89,373)**
Tax expense			
Current tax expense	22	31,089	-
Profit/ (Loss) for the year		**1,09,623**	**(89,373)**
Other comprehensive income/ (loss)			
Other comprehensive income/ (loss),net of tax		-	-
Total comprehensive income of the year		**1,09,623**	**(89,373)**
Earning per share:			
Basic earnings per share	16	10,962	(8,937)
Diluted earnings per share	16	10,962	(8,937)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518

Place: Gurugram
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Company Secretary

Chintan Thakkar
Chief Financial Officer

Place: Noida
Date: May 24,2019

Statement of Cash Flow for the year ended March 31, 2019

Particulars	Year ended March 31, 2019 (₹ 000)	Year ended March 31, 2018 (₹ 000)
Cash flow from operating activities:		
Profit/ Loss before exceptional items and tax	**1,33,457**	**(50,386)**
Adjustments for:		
Finance cost	56,719	50,336
Interest income on fixed deposits	(51,510)	(269)
Dividend income from mutual funds	(83,363)	
Profit on sale of investment	(55,729)	
Operating loss before working capital changes	**(426)**	**(319)**
Changes in working capital		
(Increase)/ Decrease in other current assets	5	(5)
Increase/(Decrease) in trade payables	(40)	90
Increase/(Decrease) in other financial liabilities	(13)	26
Cash generated used in operations	**(474)**	**(208)**
Income tax paid	(27,605)	(63)
Net cash outflow used in operating activities (A)	**(28,079)**	**(271)**
Cash flow from investing activities:		
Proceeds from sale of investment in jointly controlled entity	32,84,070	-
Interest income on fixed deposits	10,733	386
Purchase of mutual funds	(54,29,400)	-
Proceeds from sale of mutual funds	54,29,400	-
Dividend Income on mutual funds	83,363	-
Profit on sale of mutual funds	55,729	-
Invesment in fixed deposits	(21,12,923)	
Net cash inflow from investing activities (B)	**13,20,972**	**386**
Cash flow from financing activities:		
Net cash flow from financing activities (C)	**-**	**-**
Net increase in cash & cash equivalents (A+B+C)	**12,92,893**	**115**
Cash and cash equivalents at the beginning of the year	**3,711**	**3,596**
Cash and cash equivalents at the closing of the year	**12,96,604**	**3,711**
Cash and cash equivalents comprise Refer Note [3(b) and (c)]		
Cash on hand#	1	0
Balance with banks		
on current account	12,96,603	3,711
Total cash and bank balance at the end of the year	**12,96,604**	**3,711**

0 represents amount is below the rounding off norms adopted by the Company

Notes :

1.The above Statement of Cash Flows has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended.

2. Figures in brackets indicate cash outflow.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518

Place: Gurugram
Date: May 24,2019

For and on behalf of Board of Directors of
Naukri Internet Services Limited
CIN: U74899DL1999PLC102748

Sanjeev Bikhchandani
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Murlee Manohar Jain
Company Secretary

Chintan Thakkar
Chief Financial Officer

Place: Noida
Date: May 24,2019

Statements of changes in equity for the year ended March 31, 2019

a. Equity share capital

Particulars	No. of shares	Amount (₹ '000)
Equity shares of INR 10 each issued, subscribed and fully paid up		
Opening	**10,000**	**100**
Add: Issue during the year	-	-
Closing	**10,000**	**100**

b. Other equity

Particulars	Reserves & surplus		Total (₹ '000)
	Equity component of compounded financial instruments (₹ '000)	Retained Earnings (₹ '000)	
Balance as at April 1, 2017	31,17,286	(1,14,348)	**30,02,938**
Loss for the year	-	(89,373)	**(89,373)**
Balance as at March 31, 2018	**31,17,286**	**(2,03,721)**	**29,13,565**

Particulars	Reserves & surplus		Total (₹ '000)
	Equity component of compounded financial instruments (₹ '000)	Retained earnings (₹ '000)	
Balance as at April 1, 2018	31,17,286	(2,03,721)	**29,13,565**
Profit for the year	-	1,09,623	**1,09,623**
Balance as at March 31, 2019	**31,17,286**	**(94,098)**	**30,23,188**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518

Place: Gurugram
Date: May 24,2019

For and on behalf of Board of Directors of
Naukri Internet Services Limited
CIN: U74899DL1999PLC102748

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Murlee Manohar Jain
Company Secretary

Chintan Thakkar
Chief Financial Officer

Place: Noida
Date: May 24,2019

Notes forming part of financial statements for the year ended March 31,2019

1 **Corporate Information**

Naukri Internet Services Limited (the company) is a limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its registered and principal office of business is located at GF-12A, 94, Meghdoot Building, Nehru Place, New Delhi-110019. The company is a wholly owned subsidiary of Info Edge (India) Ltd.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 24, 2019.

2 **Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. **Basis of Preparation of Financial Statements**

(i) Compliance with Ind AS:

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rule 2016.

The Financial statements for the year ended March 31, 2017 were the first set of financial statements prepared in accordance with accounting standards notified under the section 133 of the Act, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Current vs non-current classification:

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(iii) Basis of measurement:

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- Certain financial assets and liabilities
- Asset classified as held for sale (Refer note J)

(iv) Use of estimates:

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected.

B. **Foreign Currency Transactions**

(i) Functional and presentation currency

Items included in the financial statements of company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

C. **Revenue Recognition**

Revenue is recognised when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below.

Revenue is measured at the fair value of consideration received or receivable. Amount disclosed as revenue are net of goods and service tax (GST), trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

D. **Other Income**

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

E. **Taxes**

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit/(loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

F. **Provisions and contingent liabilities**

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

G. **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks, cheques on hand, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash at banks and short-term deposits net of bank overdraft.

H. **Earnings Per Share (EPS)**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

I. **Financial Instruments**

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments in scope of Ind AS 109 at fair value, other than investments in equity investments in subsidiaries, associates and jointly controlled entities, which are carried at cost less diminution, if any.

(iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Financial Liabilities

Financial liabilities are classified, at initial recognition, as loans and borrowings, payables, as appropriate.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short term maturity of these instruments.

(vi) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognized in profit or loss only when the right to receive the payments is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably, which is generally when the shareholders approve the dividend.

J. **Assets classified as held for sale**

The company classifies non-current assets (or disposal group) as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),

- An active programmed to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

  Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the Balance Sheet.

K. **Compound financial instrument**

Compulsory Convertible Instruments

Compulsory Convertible Preference Shares are separated into liability and equity components based on the terms of the contract. At the inception of the Compulsory Convertible Instruments, the following two elements wil be seperated:

- a liability component arising from the interest payments; and
- an equity component representing the delivery of fixed number of equity shares in future.

On issuance of the Compulsory Convertible Instrument, the fair value of the liability portion is determined using a market interest rate for an equivalent non-compulsory convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument since it meets Ind AS 32, Financial Instruments: Presentation, criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the equity component is not subsequently re-measured.

Optionally Convertible Instruments

Optionally Convertible Preference Shares are separated into liability and equity components based on the terms of the contract. At the inception of the Optionally Convertible Instruments, the following two elements wil be seperated:

- a liability component arising from the interest payments and redemption of principal amount; and
- an equity component representing option with the holder for receiving fixed number of equity shares in future.

On issuance of the optionally convertible preference shares, the fair value of the liability portion of an optionally convertible preference shares is determined using a market interest rate for an equivalent non-convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument since it meets Ind AS 32, Financial Instruments: Presentation, criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not subsequently re-measured.

Transaction costs are apportioned between the liability and equity components of the instruments based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

L. **Contributed equity**

Equity Shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

M. **Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

N. **Rounding of Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand as per the requirement of Schedule III, unless otherwise stated.

3. Financial assets

(a) Non current investments

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Investments in Equity instruments (fully paid)		
Unquoted in fellow subsidiaries		
Shares in Allcheckdeals India Private Limited		
1 (Previous year 1) Equity Share of ₹ 10/- #	0	0
Shares in Makesense Technologies Private Limited		
1 (Previous year 1) Equity Share of ₹ 10/- #	0	0
Unquoted in jointly controlled entity		
Shares in Zomato Media Private Limited [Refer Note 18(a) and (b)]	73,272	33,96,329
Add: Appreciation/(Diminution) in value of investment [728 Equity shares (Previous year 33,357)]	7,255	(38,987)
Less: Reclassification to Asset held for Sale [Nil Equity shares (Previous year 33,357)]	-	(32,84,070)
	80,527	**73,272**

0 represents amount is below the rounding off norms adopted by the Company

Aggregate amount of unquoted investments	73,272	73,272
Aggregate amount for impairment in value of investments	-	38,987

(b) Cash and cash equivalents

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Cash on hand #	1	0
Balance with bank		
-on current account	373	-
-in fixed deposit accounts with original maturity of less than 3 months	12,96,100	3,711
	12,96,474	3,711

0 represents amount is below the rounding off norms adopted by the Company

(c) Bank balances other than Cash and cash equivalent

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Fixed deposit accounts with original maturity more than 3 months but less than 12 months	130	-
	130	**-**

(d) Other financial assets

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Interest accrued on fixed deposits	40,807	31
Fixed deposit accounts with original maturity more than 12 months	21,12,923	-
	21,53,730	**31**

4. Other non current assets

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Advance tax (including TDS Recoverable)	-	350
Less: Provision for income tax	-	(325)
	-	**25**

5. Other current assets

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Prepaid expenses	-	5
	-	**5**

6. Assets classified as held for sale

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Equity shares in Zomato Media Private Limited [Refer Note 18(a) and (b)]	-	**32,84,070**
NIL (Previous year 32,629) Equity Share of ₹ 1/-		
	-	**32,84,070**

7. Equity share capital

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Authorized equity share capital		
50,000 Equity Shares of ₹ 10/- each		
(Previous Year - 50,000 Equity Shares of ₹ 10/- each)	**500**	**500**
35,000,000 Preference Shares of ₹ 100/- each		
(Previous Year - 35,000,000 Shares of ₹ 100/- each)	**35,00,000**	**35,00,000**
Issued, subscribed & paid-up		
10,000 Equity Shares of ₹ 10/- each, fully paid up		
(Previous Year - 10,000 Equity Shares of ₹ 10/- each)	100	100
34,324,000 0.0001% Cumulative Redeemable Preference Shares (CRPS) of ₹ 100/- each	34,32,400	34,32,400
(Previous Year- 34,324,000 0.0001% Cumulative Redeemable Preference Shares (CRPS) of ₹ 100/- each)		
	34,32,500	**34,32,500**

a. Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2019 No of Shares	As at March 31, 2019 (₹ 000)	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ 000)
Equity shares				
Outstanding at the beginning of the year	10,000	100	10,000	100
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**10,000**	**100**	**10,000**	**100**

Reconciliation of preference shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2019 No of Shares	As at March 31, 2019 (₹ 000)	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ 000)
Preference shares				
Outstanding at the beginning of the year	3,43,24,000	34,32,400	3,43,24,000	34,32,400
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**3,43,24,000**	**34,32,400**	**3,43,24,000**	**34,32,400**

b. Rights, preferences and restrictions attached to shares

Equity share capital

The company has only one class of equity shares having a par value of Rs 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees.

Preference share capital

Rights attached to preference shares

The Company issued 0.0001% Cumulative Redeemable Preference Shares (CRPS) having a par value of Rs 100 per share. Each holder of CRPS shall be entitled to receive notice of and vote on all the matters that are submitted to the vote of the CRPS holder of the Company and shall carry voting rights as per provision of Section 47(2) of the Act.Each CRPS is entitled to a preferential dividend rate of 0.0001% (Zero point zero zero zero one per cent) per annum (the "Preferential Dividend"). The Preferential Dividend is cumulative and shall accrue from year to year, whether or not paid. All accrued dividends shall be paid in full (together with dividends accrued from prior years) prior and in preference to any dividend or distribution.

Terms of convertible preference shares

The holder of preference shares and Board/Company have the option to redeem such preference shares at any time prior to their maturity provided one month notice is served.

Tenure of CRPS

Not exceeding 20 years.

c. **Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Particulars	March 31, 2019		March 31, 2018	
	No of Shares	**% Holding**	**No of Shares**	**% Holding**
Info Edge (India) Limited	9,994	99.94%	9,994	99.94%
	9,994	**99.94%**	**9,994**	**99.94%**

d. No class of shares have been issued as bonus shares or for consideration other than cash and no class of share have been bought back by the Company during the current period.

8. Other equity

Particulars	As at March 31, 2019 (₹ 000)		As at March 31, 2018 (₹ 000)	
Surplus (deficit) in the statement of profit and loss				
Opening Balance	(2,03,721)		(1,14,348)	
Profit /(loss) for the year	1,09,623	(94,098)	(89,373)	(2,03,721)
Equity component of compounded financial instruments		31,17,286		31,17,286
		30,23,188		**29,13,565**

9. Financial Liabilities

(a) Borrowings

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Unsecured				
34,324,000 nos 0.0001% Cumulative Redeemable Preference Shares*	34,32,400	34,32,400	-	-
(Previous Year - 34,324,000 nos. Preference Shares of ₹ 100/- each)				
Less : Equity component of preference shares	(31,17,286)	(31,17,286)	-	-
Add : Interest expense on Present value	1,88,831	1,32,112	-	-
	5,03,945	**4,47,226**	**-**	**-**

* Category of shares	Issue date	Maturity not exceeding	Amount (₹ '000)
0.0001% Cumulative Redeemable Preference Shares	11/02/15	10/02/35	400
0.0001% Cumulative Redeemable Preference Shares	04/03/15	03/03/35	18,62,000
0.0001% Cumulative Redeemable Preference Shares	08/06/15	07/06/35	15,65,500
0.0001% Cumulative Redeemable Preference Shares	03/09/15	02/09/35	4,500
			34,32,400

Terms of repayment:

At the time of any repayment of capital by the Company, holders of CRPS shall be entitled, to rank as regards repayment of capital in priority to the equity shares but shall not be entitled to any further participation in profits or assets or surplus fund.

(b) Trade payables

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Trade payable*				
-total outstanding dues of micro enterprises and small enterprises	-	-	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	152	193
	-	**-**	**152**	**193**

*Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

10. Other long term liabilities

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Provision for income tax	31,414	-
Less: Advance tax (including TDS Recoverable)	(27,955)	-
	3,459	**-**

11. Other current liabilities

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Statutory dues payable (Tax deducted at source)	17	30
	17	**30**

12. Revenue from operations

Particulars	For the year ended March 31, 2019 (₹ 000)	For the year ended March 31, 2018 (₹ 000)
Sale of services (License Fees)	-	75
	-	**75**

13. Other income

Particulars	For the year ended March 31, 2019 (₹ 000)	For the year ended March 31, 2018 (₹ 000)
Interest income on fixed deposits	51,510	269
Dividend received on mutual fund	83,363	-
Profit on sale of investment	55,729	-
	1,90,602	**269**

14. Finance costs

Particulars	For the year ended March 31, 2019 (₹ 000)	For the year ended March 31, 2018 (₹ 000)
Interest cost on financial liabilities at amortized cost	56,719	50,336
	56,719	**50,336**

15. Other expenses

Particulars	For the year ended March 31, 2019 (₹ 000)	For the year ended March 31, 2018 (₹ 000)
Rent	28	24
Legal and professional charges*	396	369
Miscellaneous expenses	2	1
	426	**394**

*Note : The following is the break-up of Auditors remuneration (exclusive of Goods and service tax)

As auditor:

Particulars	For the year ended March 31, 2019 (₹ 000)	For the year ended March 31, 2018 (₹ 000)
Statutory audit fees	100	100

16. Earnings per share

Particulars	For the year ended March 31, 2019 (₹ 000)	For the year ended March 31, 2018 (₹ 000)
Profit/(Loss) attributable to Equity shareholders	1,09,623	(89,373)
Basic		
Weighted average number of equity shares outstanding during the year (nos.)	10,000	10,000
Basic earnings per equity share of INR 10 each (₹)	10,962	(8,937)
Diluted		
Weighted average number of equity shares outstanding during the year (nos.)	10,000	10,000
Add : Weighted average number of potential equity shares on account of compulsorily convertible preference shares	-	-
Diluted earnings per equity share of INR 10 each (₹)	10,962	(8,937)

17(1) Related Party Disclosures for the year ended March 31, 2019

A) Name of related parties and description of relationship

Name of relationship	**Name of the Company**
Holding Company	Info Edge (India) Limited
Jointly controlled entity	Zomato Media Private Limited

B) Transactions with related parties:

Nature of relationship / transaction	**Holding Company** (₹ 000)	**Jointly Controlled Entity** (₹ 000)	**Total** (₹ 000)
Rental charges	28	-	28

C) Details of balances with related parties **(₹ '000)**

Nature of relationship / transaction	**Holding Company** (₹ 000)	**Jointly Controlled Entity** (₹ 000)	**Total** (₹ 000)
Debit Balances			
Outstanding Advances	-	-	-
Maximum Amount outstanding during the year	-	-	-
Credit Balances			
Outstanding Payable	-	-	-
Maximum Amount outstanding during the year	-	-	-

17 (2) Related Party Disclosures for the year ended March 31, 2018

A) Name of related parties and description of relationship

Name of relationship	**Name of the Company**
Holding Company	Info Edge (India) Limited
Jointly controlled entity	Zomato Media Private Limited

B) Transactions with related parties:

Nature of relationship / transaction	**Holding Company** (₹ 000)	**Jointly Controlled Entity** (₹ 000)	**Total** (₹ 000)
1. License Fees	75	-	75
2. Rent Expense	24	-	24
3. 16,395 Class B 0.0001% compulsorily convertible cumulative preference shares converted into equity shares	-	16,02,009	16,02,009
4. 13,663 Class C 0.0001% compulsorily convertible cumulative preference shares converted into equity shares	-	15,54,019	15,54,019

C) Details of balances with related parties **(₹ '000)**

Nature of relationship / transaction	**Holding Company** (₹ 000)	**Fellow Subsidiary** (₹ 000)	**Total** (₹ 000)
Debit Balances			
Outstanding Advances	-	-	-
Maximum Amount outstanding during the year	-	-	-
Credit Balances			
Outstanding Payable	-	-	-
Maximum Amount outstanding during the year	-	-	-

18. Conversion of preference shares into equity shares and its disposal

(a) In pursuant to the agreement dated November 14, 2014 and March 17, 2015, Company has exercised its right to convert Class B, Class C and Class E 0.0001% compulsorily convertible cumulative preference shares during the previous year. Company has converted 16,395 Class B and 13,663 Class C 0.0001% compulsorily convertible cumulative preference shares of ₹ 10/- each of Zomato Media Private Limited into equal number of equity shares of ₹ 1/- per share. Also they have converted 201,358,542 Class E 0.0001% compulsorily convertible cumulative preference shares of ₹ 10/- each into equity shares of ₹ 1/- per share as per the conversion ratio defined in the agreement.

(b) During the previous year, the Company (the Seller) has entered into a Share Purchase Agreement between Alipay Singapore Holding Pte. Ltd (the Purchaser), Info Edge (India) Limited, and Zomato Media Private Limited dated February 1, 2018 for sale of 32,629 equity shares of Re. 1/- of Zomato Media Private Limited. Price have been mutually agreed between purchaser and seller at fair market value. Subsequent to year end, the transaction is completed and causing loss of ₹ 38,136 thousands on shares subsequently sold and ₹ 851 thousands on shares in hand aggregating to ₹ 38,987 thousands arrived at calculating difference between carrying value and sale price fetched pursuant to this transaction. Hence, carrying value of 32,629 equity shares of Zomato Media Private Limited which has been subsequently sold is shown as "Assets classified as held for sale" as on March 31, 2018. During the year ended March 31,2019 the said shares has been sold and remaining 728 equity shares have been shown as non current investment.

(c) Remaning 728 shares at the year end have been valued as per the companies accounting policy. The market value of the shares has increased in the current year hence company has valued the shares on cost and the diminution booked in the previous year amounting to ₹ 7255 thousands has been transferred to profit and loss as exceptional items.

19. Segment reporting

No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 as the Company does not have any operations during the financial year.

20. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standards (IND AS)) Rules 2015, as amended by notification dated March 31, 2016, are not applicable on the company since there was no employee employed by the company during the year & previous year.

21. During the year ended March 31, 2019 the Board of Company vide its meeting held on January 28,2019 passed a resolution for approving reduction of Cumulative Redeemable Preference Share capital of the Company which was subsequently approved by shareholders in its Extraordinary General meeting dated January 29.2019. On February 08, 2019 the Company has filed an application with National Company Law Tribunal for reducing its 34,000,000 of ₹ 100 each fully paid up 0.0001% Cumulative redeemable preference share (CRPS) under Section 66 of Companies Act, 2013.

22. Income tax expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognized directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates in relation to the Company's tax position.

a) Income Tax expense

Particulars	**Year ended March 31, 2019 (₹ 000)**	**Year ended March 31, 2018 (₹ 000)**
Current tax for the year	31,089	-
Income tax expense	**31,089**	**-**

b) Reconciliation of tax expense and the accounting Profit/(loss) multiplied by tax rate:

Particulars	**Year ended March 31, 2019 (₹ 000)**	**Year ended March 31, 2018 (₹ 000)**
Profit/(Loss) before tax and exceptional items	1,33,457	(50,386)
Tax @ 29.12% (Previous Year 25.75%)	**38,863**	**(12,974)**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Brought forward losses adjusted	(15)	-
Interest cost on financial liabilities at amortized cost	16,516	12,961
Dividend Income on Mutual Fund	(24,275)	13
Total	**31,089**	**-**

23. Financial instruments and Risk management

Fair value hierarchy

a) Financial instruments by category

	March 31, 2019 (₹ 000)		March 31, 2018 (₹ 000)	
	Fair value through profit or loss	Amortized cost	Fair value through profit or loss	Amortized cost
Financial Assets				
Cash and cash equivalents	-	12,96,474	-	3,711
Other financial assets	-	21,53,730	-	31
Total Financial Assets	**-**	**34,50,204**	**-**	**3,742**
Financial Liabilities				
Borrowings	-	5,03,945	-	4,47,226
Trade payables		152		193
Total Financial Liabilities	**-**	**5,04,097**	**-**	**4,47,419**

Fair value of financial assets and liabilities measured at amortized cost

	March 31, 2019 (₹ 000)		March 31, 2018 (₹ 000)	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Cash and cash equivalents	12,96,474	12,96,474	3,711	3,711
Other financial assets	2,153,730	2,153,730	31	31
Total Financial Assets	**3,450,204**	**3,450,204**	**3,742**	**3,742**
Financial Liabilities				
Borrowings	5,03,945	5,03,945	4,47,226	4,47,226
Trade payables	152	152	193	193
Total Financial Liabilities	**5,04,097**	**5,04,097**	**4,47,419**	**4,47,419**

The carrying amounts of other financial assets and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see 2(ii) and 2(iv).

24. Financial risk and Capital management

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors. Company treasury identifies, financial risks in close cooperation with the Company's operating units.

Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company is primarily engaged in investments in technology companies; and borrows short term and long term funds from holding company to meet the fund requirements.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

	Contractual cash flows				Amount (₹ 000)
March 31,2019	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Borrowings	5,03,945	-	-	-	5,03,945
Trade and other payables	152	152	-	-	-

	Contractual cash flows				Amount (₹ 000)
March 31,2018	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Borrowings	4,47,226	-	-	-	4,47,226
Trade and other payables	193	193	-	-	-

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings and finance lease obligations. Borrowings issued at fixed rates and finance lease obligations exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

Amount in ₹ 000

Fixed-rate instruments	**31 March 2019**	**31 March 2018**
Financial assets	-	-
Financial liabilities	5,03,945	4,47,226
Total	**5,03,945**	**4,47,226**

B) Capital management

a) Risk management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, internal generation and borrowings for buying vehicles.

b) Dividend

There was no dividend declared during the current and previous financial year.

25. Revenue from Contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contracts with Customers. This establishes Standard sets out a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company from 1 April 2018 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method). Since there is no Revenue accrued during the Current Year as well as Previous Year, there is no impact of Ind AS 115 on the Financial statement during the year.

26. Standards issued but not effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases:

The Ministry of Corporate Affairs on 30 March 2019 notified the new leasing standard, viz., Ind AS 116 Leases. Ind AS 116 is applicable for the financial year beginning on or after 1 April 2019 for all Ind AS companies. It replaces virtually all the existing leasing requirements under Ind AS 17 Leases.

The new standard will require lessees to recognize most leases on their balance sheets. Lessees will use a single accounting model for all leases, with limited exemptions. Foreign currency leases will increase P&L volatility due to a restatement of foreign currency liability.

An entity has an option to adopt Ind AS 116 using either the full retrospective method or the modified retrospective method. An entity that elects the modified retrospective method would apply Ind AS 116 retrospectively to only the current period by recognising the cumulative effect of initially applying Ind AS 116 as an adjustment to the opening balance of retained earnings (or other components of equity) at the date of initial application. Under the modified retrospective method, Ind AS 116 would be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. An entity would need to disclose how it applied the modified retrospective method.

The Company is under process to evaluate the impacts of the new standard on financial statements.

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518

Place: Gurugram
Date: May 24,2019

For and on behalf of Board of Directors of
Naukri Internet Services Limited
CIN: U74899DL1999PLC102748

Sanjeev Bikhchandani	**Hitesh Oberoi**
Director	Director
DIN: 00065640	DIN: 01189953
Murlee Manohar Jain	**Chintan Thakkar**
Company Secretary	Chief Financial Officer

Place: Noida
Date: May 24,2019

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 11th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company is engaged in providing brokerage services in the real estate sector in India.

During the year under review, the Company achieved net revenue of ₹ 4,166 thousand as against ₹ 4,203 thousand during the previous financial year. The Company made a profit of ₹ 174 thousand in FY 2019 as compared to a loss of ₹ 872 thousand in FY 2018.

SHARE CAPITAL

There has been no change in the Capital Structure of the Company during the year under review.

During the year under review, the Company issued and allotted 3,00,000 - 0.0001% Compulsory Convertible Debentures (CCDs) of ₹ 100/- each aggregating to ₹ 30 million to Info Edge (India) Ltd., holding company of the Company.

The Company changed the term of conversion of 8,08,550 CCDs after obtaining the consent of equity shareholders and approval of Debentureholders in the Class Meeting held on March 27, 2019. The aforesaid CCDs were earlier convertible into CRPS and now, are convertible into CCPS.

DIVIDEND

No dividend has been declared for the financial year 2018-19.

TRANSFER TO GENERAL RESERVES

During the year under review, the Company has not transferred any amount to general reserve.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control, commensurate with the size, scale and complexity of its operations.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has two wholly owned subsidiaries, namely –

1. **Interactive Visual Solutions Private Limited**

   It owns a proprietary software which enables a high-quality virtual video /3D image of a proposed or existing real estate development to be viewed online by customers.

   Interactive Visual Solutions Private Limited had total loss of ₹ 335 thousand as compared to loss of ₹ 445 thousand in FY 2018.

2. **NewInc Internet Services Private Limited**

   It is engaged in the business of providing all kinds and types of internet, computer and electronics data processing services.

   NewInc Internet Services Private Limited had a total loss of ₹ 9,110 thousand as compared to a loss of ₹ 8,005 thousand in FY 2018.

Associate Companies

1. **Ideaclicks Infolabs Private Limited (Ideaclicks)**

   Ideaclicks Infolabs Private Limited owns and operates a website www.zippserv.com. Zippserv is an online platform which provides risk assessment for safeguarding real estate investments, including legal and civil engineering due-diligence, fraud and forgery detection and technology to ascertain encroachments & city planning violations.

   During the year under review, the Company acquired 29,96,026 preference shares having face value of ₹ 10 each of Ideaclicks aggregating to ₹ 29.96 million. The Company holds 45.31 % in Ideaclicks on fully converted and diluted basis.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 9th Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 subject to the ratification by the shareholders at every general meeting.

However, in accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditor has confirmed that they are not disqualified under any provisions of Section 141(3) of Companies Act, 2013 and also their engagement with the Company is within the prescribed limits under section 141(3)(g) of Companies Act, 2013.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

There has been no change in the Directors and Key Managerial Personnel of the Company during the year under review. Mr. Sanjeev Bikhchandani, Mr. Hitesh Oberoi and Mr. Chintan Thakkar are the Directors of the Company as on the date of this report.

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Sanjeev Bikhchandani, Director (DIN: 00065640) retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 7 (Seven) times during the year on May 29, 2018, June 29, 2018, July 06, 2018, July 23, 2018, October 29, 2018, January 28, 2019 and March 26, 2019. The maximum time gap between any two meetings was not more than 120 days. The details of Director's attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2018-19

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Sanjeev Bikhchandani	Director	7	7
Mr. Hitesh Oberoi	Director	7	7
Mr. Chintan Thakkar	Director	7	7

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of the investment made by the Company is given in the note no. 4(a) of notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company did not enter into any material transaction with related parties. However, disclosure in prescribed form AOC-2 is annexed herewith as Annexure A to this report.

Details of all other related party transactions are present under Note No. 20 of notes to financial statement.

COST AUDITORS

The provisions of maintenance of cost records as specified by the Central Government under sub-division (1) of section 148 of the Companies Act, 2013 are not applicable on the Company.

EXTRACT OF ANNUAL RETURN/WEB LINK OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

The Company does not have any website, however the Annual return filed for the FY 2017-18 is available at the website of the holding company at are http://www.infoedge.in/pdfs/Allcheckdeals-India-Private-Limited.pdf

INTERNAL COMMITTEE

There exists a group level Internal committe constituted under the sexual harassment of women at workplace (Prevention, prohibition and Redressed) Act, 2013 by Info Edge (India) Limited, holding company of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 (1) of the Companies Act, 2013 and hence it is not required to formulate policy on CSR.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

Hitesh Oberoi	Chintan Thakkar
(Director)	(Director)
DIN: 01189953	DIN: 00678173

Place: Noida
Date: May 24, 2019

Annexure A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

2. **Details of material contracts or arrangement or transactions at arm's length basis**

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

For and on behalf of Board of Directors

Hitesh Oberoi
(Director)
DIN: 01189953

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

ANNEXURE B

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U72400DL2008PTC181632

ii. Registration Date:- August 1, 2008

iii. Name of the Company: - Allcheckdeals India Pvt. Ltd.

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-

Ground Floor, GF-12A,

94, Meghdoot Building, Nehru Place,

New Delhi, 110019

Tel. No. +91 120-3082000, Fax: 0120-3082095

Email: acdipl@Infoedge.com

Website: http://www.allcheckdeals.com/

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	IT Services	63121	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	100	2(46)
2.	Interactive Visual Solutions Pvt. Ltd.	U72200PN2009PTC134950	Subsidiary	100	2(87)(ii)
3.	NewInc Internet Services Pvt. Ltd.	U74999DL2016PTC309795	Subsidiary	100	2(87)(ii)
4.	Ideaclicks Infolabs Private Limited	U74900KA2015PTC078536	Associate	45.31	2(6)

All Holdings are on fully converted and diluted basis.

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Promoter Shareholding	-	9,847,500*(equity shares)	9,847,500 (equity shares)	100	-	9,847,500* (equity shares)	9,847,500 (equity shares)	100	-
Grand Total	**-**	**9,847,500*(equity shares)**	**9,847,500 (equity shares)**	**100**	**-**	**9,847,500* (equity shares)**	**9,847,500 (equity shares)**	**100**	**-**

* 1 (One) Share of the Company is held by Naukri Internet Services Ltd. as a nominee of Info Edge (India) Ltd.

ii. Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	9,847,500 (equity shares)	100	0.00	9,847,500 (equity shares)	100	0.00	-

iii. Change in Promoter's Shareholding: No change

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs): NIL

v. Shareholding of Directors and Key managerial Personnel: NIL

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment **in ₹**

	Secured Loans excluding deposits	Unsecured Loans	Deposits/ Debentures	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal amount	-	-	8,08,55,000	8,08,55,000
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	8,08,55,000	8,08,55,000
Change in Indebtedness during the financial year		-		
Addition	-	-	3,00,00,000*	3,00,00,000
Reduction	-	-	-	-
Net Change	-	-	3,00,00,000	3,00,00,000
Indebtedness at the end of the financial year				
(i) Principal Amount	-	-	11,08,55,000	11,08,55,000
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	11,08,55,000	11,08,55,000

*Note: *During the year under review, the Company allotted 3,00,000-0.0001% Compulsory Convertible Debentures of ₹ 100 each to Info Edge (India) Ltd.*

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

There was no payment of remuneration to any directors/Key Managerial Personnel.

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

For and on behalf of Board of Directors

Hitesh Oberoi
(Director)
DIN: 01189953

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ALLCHECKDEALS INDIA PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of ALLCHECKDEALS INDIA PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 standalone 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) 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, as amended 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 standalone 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.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ALLCHECKDEALS INDIA PRIVATE LIMITED of even date)

i. In respect of the Company's fixed assets:

  (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

  (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

  (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii. The Company does not have any inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

iii. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

  According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable, wherever applicable.

  b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2019 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration. Hence reporting under clause 3 (xi) of the Order is not applicable to the Company.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN– 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ALLCHECKDEALS INDIA PRIVATE LIMITED of even date)

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")

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

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 Controls 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was 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 controls 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, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 of the Company.

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 that, 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 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; and (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.

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 **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN– 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

Balance Sheet as at March 31, 2019

Particulars	Notes	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Assets			
Non-current assets			
Property, plant and equipment	3	1	1
Financial assets			
Investments	4(a)	126,373	95,878
Non-current tax assets (net)	5	51,470	51,984
Deferred tax assets (net)	6	21,881	21,384
Total non-current assets		**199,725**	**169,247**
Current assets			
Financial assets			
i. Trade receivables	4(c)	7,367	6,980
ii. Cash and cash equivalents	4(d)	10	2,617
iii. Other financial assets	4(b)	7,172	7,023
Other current assets	7	1,269	57
Assets classified as held for sale	8	8,879	8,879
Total current assets		**24,697**	**25,556**
Total assets		**224,422**	**194,803**
Equity & Liabilities			
Equity			
Equity share capital	9	98,475	98,475
Other equity	10	84,140	44,408
Total equity		**182,615**	**142,883**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	11(a)	-	8,492
Total non-current liabilities		**-**	**8,492**
Current liabilities			
Financial liabilities			
Trade payables	11(b)		
-total outstanding dues of micro enterprises and small enterprises		-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		36,457	36,688
Provisions	12	470	512
Other current liabilities	13	4,880	6,228
Current tax liability (Net)			
Total current liabilities		**41,807**	**43,428**
Total liabilities		**41,807**	**51,920**
Total equity and liabilities		**224,422**	**194,803**

The accompanying notes 1 to 37 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of the Board of Directors
Allcheckdeals India Private Limited
CIN: U72400DL2008PTC181632

Hitesh Oberoi
Director
DIN: 01189953

Chintan Thakkar
Director
DIN: 00678173

Tanisha Sharma
Company Secretary

Place : Noida
Date : May 24, 2019

Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Notes	Year ended March 31, 2019 (₹ '000)	Year ended March 31, 2018 (₹ '000)
Income			
Revenue from operations	14	4,166	4,203
Other income	15	2,200	1,177
I Total income		**6,366**	**5,380**
Expenditure			
Employee benefits expense	16	1,957	2,596
Finance costs	17	1,065	919
Depreciation and amortisation expense*	18	-	-
Administration and other expenses	19	2,924	2,737
II Total expense		**5,946**	**6,252**
III. Profit / (Loss) before tax (I-II)		**420**	**(872)**
IV. Income tax expense	33		
(1) Current tax		743	-
(2) Deferred tax		(497)	-
Total tax expense		**246**	**-**
V. Profit / (Loss) for the year (III-IV)		**174**	**(872)**
Total comprehensive income/loss for the year		**174**	**(872)**
Earnings per share:	24		
Basic earnings per share		0.02	(0.09)
Diluted earnings per share		0.01	(0.09)

* Amount is below rounding off norm adopted by the Company.

The accompanying notes 1 to 37 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

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Place : Noida
Date : May 24, 2019

Statement of cash flow for the year ended March 31, 2019

S.No.	Particulars	Year ended March 31, 2019 (₹ '000)	Year ended March 31, 2018 (₹ '000)
A.	**Cash flow from operating activities:**		
	Profit / (Loss) before tax	**420**	**(872)**
	Adjustments for:		
	Depreciation*	0	0
	Interest income from financial assets measured at amortised cost		
	- on fixed deposits with banks	(405)	(269)
	- on other financial assets	(535)	(637)
	Finance cost	1,065	919
	Gain on measurement at FVTPL	-	(266)
	Profit on sale of fixed assets (net)	(8)	(6)
	Liabilities written back to the extent no longer required	(1,252)	-
	Provision for doubtful debts	2327	313
	Operating profit/loss before working capital changes	**1,612**	**(817)**
	Adjustments for changes in working capital :		
	- (Increase) / Decrease in Trade receivables	(2,714)	(3,905)
	- (Increase) / Decrease in Current - Other financial assets	300	(4,053)
	- (Increase) / Decrease in Other current assets	14	9
	- Increase / (Decrease) in Trade payables	(399)	921
	- Increase / (Decrease) in Provisions	152	(62)
	- Increase / (Decrease) in Other current liabilities	(1,347)	(295)
	Cash generated from/(used in) operating activities	**(2,382)**	**(8,202)**
	- Taxes paid	(229)	(339)
	Net cash generated from/(used in) operating activities	**(2,611)**	**(8,541)**
	Proceeds from sale of fixed assets	8	6
	(Deposits) from maturity of fixed deposits (net)	(558)	-
	Interest received	514	906
	Investment / Increase in value of debentures of subsidiary companies	(29,960)	(454)
B.	**Net cash generated from/(used in) investing activities**	**(29,996)**	**458**
	Cash flow from financing activities:		
	Proceeds from debentures	30,000	10,000
C.	**Net cash generated from financing activities**	**30,000**	**10,000**
	Net decrease in cash & cash equivalents	**(2,607)**	**1,917**
	Opening balance of cash and cash equivalents	**2,617**	**700**
	Closing balance of cash and cash equivalents	**10**	**2,617**
	Cash and cash equivalents comprise of:		
	Cash in hand	10	10
	Balance with Scheduled Banks		
	-in current accounts	-	2,607
	Total cash and cash equivalents	**10**	**2,617**

* Amount is below rounding off norm adopted by the Company.

Notes :

1 **Reconciliation of liabilities arising from financing activities** (₹ '000)

Particulars	As at 31st March 2018	Cash Flows	Non cash changes Finance cost	As at 31st March 2019
Long term borrowings (including accrued finance costs)	81,924	30,000	1,065	112,989
	81,924	30,000	1,065	112,989

2 The above Statement of Cash Flow has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended.

3 Figures in brackets indicate cash outflow.

The accompanying notes 1 to 37 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of the Board of Directors
Allcheckdeals India Private Limited
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Tanisha Sharma
Company Secretary

Place : Noida
Date : May 24, 2019

Statement of Changes in Equity

a. Equity share capital

Particulars	Notes	Amount (₹ '000)
As at April 01, 2017		**98,475**
Changes in equity share capital	9	-
As at March 31, 2018		**98,475**
Changes in equity share capital	9	-
As at March 31, 2019		**98,475**

b. Other equity

Particulars	Reserves & Surplus		Total
	Equity component of debentures	Retained Earnings	(₹ '000)
Balance as at April 01, 2017	**64,350**	**(28,152)**	**36,198**
Profit/(loss) for the year		(872)	(872)
Issue of debentures	9,082		9,082
Balance as at March 31, 2018	**73,432**	**(29,024)**	**44,408**
Profit/(loss) for the year		174	174
Issue of debentures	30,000		30,000
Conversion from cumulative redeemable preference shares to compulsorily convertible preference shares	9,558		9,558
Balance as at March 31, 2019	**112,990**	**(28,849)**	**84,140**

The accompanying notes 1 to 37 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
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Tanisha Sharma
Company Secretary

Place : Noida
Date : May 24, 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. Reporting entity

Allcheckdeals India Private Limited (the Company) is a private limited company domiciled in India, having registered office in New Delhi, and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at GF-12A, 94 Meghdoot Building, Nehru Place, New Delhi – 110019. The Company is engaged in the business of providing services in relation to property bookings placed with builders / real estate developers. The company is a wholly owned subsidiary of Info Edge (India) Limited, a public limited company.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. **Basis of preparation of financial statements**

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value / amortised cost; and
- Defined benefit plans-plan assets measured at fair value.

B. **Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by Management expert which are equal to, except in case of Plant and Machinery, Furniture and Fixtures and Vehicles where useful life is lower than life prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Assets	Estimated useful life (Years)
Plant & Machinery	10
Computers	3
Office Equipment	5

The asset's useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income.

Assets costing less than or equal to ₹ 5,000 are fully depreciated pro-rata from date of acquisition.

C. **Non-current assets classified as held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

D. **Impairment of non-financial assets**

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet for possible reversal of an impairment loss recognized for an asset, in prior accounting periods.

E. **Foreign currency transactions**

(i) Functional and presentation currency

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency' i.e. Indian rupees). The standalone financial statements are presented in Indian rupee (INR), which is Allcheckdeals India Private Limited's functional and presentation currency.

(ii) Transactions and balances

Initial recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent recognition

As at the reporting date, foreign currency monetary items are translated using the closing rate and non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange gains and losses arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the year or in previous financial statements are recognised in profit or loss in the year in which they arise.

F. **Revenue recognition**

Commission income on property bookings placed with builders/developers is accrued once the related services have been rendered by the Company.

The income is shown net of service tax and is not recognized in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognized on reasonable certainty of collection.

G. **Employee benefits**

(i) Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other Long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

a) defined contribution plans - provident fund

b) defined benefit plans - gratuity plans

a) Defined contribution plans

The Company has defined contribution plan for the post-employment benefits namely Provident Fund which is administered through the Regional Provident Fund Commissioner and the contributions towards such fund are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

b) Defined benefit plans

The Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year. The Gratuity Fund is recognised by the income tax authorities and is administered through Life Insurance Corporation of India under its Group Gratuity Scheme.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, return on plan assets and any change in the effect of asset ceiling excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

(iv) Bonus Plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

H. **Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax is calculated on the basis of the tax rates and the tax laws enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions or make reversals of provisions made in earlier years, where appropriate, on the basis of amounts expected to be paid to / received from the tax authorities.

Deferred tax is recognized for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and taxbases of investments in subsidiaries, associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will be available against which such temporary differences can be utilised.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets and liabilities and the deferred tax balances relate to the same taxable authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

I. **Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

J. **Leases**

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under an operating leases (net of any incentives received from the lessor) are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the period of lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

K. **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash on hand, amount at banks and other short-term deposits with an original maturity of three months or less that are readily convertible to known amount of cash and, which are subject to an insignificant risk of changes in value.

L. **Earnings per share (EPS)**

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholder and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares

M. **Investments and other financial assets**

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments in scope of Ind AS 109 at fair value, other than investments in equity investments in subsidiaries, associates and jointly controlled entities, which are carried at cost less diminution, if any.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

N. **Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

O. **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Thousands as per the requirement of Schedule III, unless otherwise stated

P. **Exceptional items**

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

Q. **Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

The areas involving critical estimates or judgments are:

a) Estimation of current tax expenses and payable - Note 33

b) Estimated fair value of unlisted entities - Note 34

c) Estimation of defined benefit obligation - Note 21

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

3. Property, plant & equipment (₹ '000)

Particulars	Computers	Plant and equipment	Office equipment	Total
Year ended March 31, 2018				
Gross carrying amount				
Deemed cost as at April 1, 2017	576	6	2	584
Closing gross carrying amount	**576**	**6**	**2**	**584**
Accumulated depreciation				
Opening accumulated depreciation	575	6	2	584
Closing accumulated depreciation	**575**	**6**	**2**	**584**
Net carrying amount	**1**	**-**	**-**	**1**
Year ended March 31, 2019				
Gross carrying amount				
Opening gross carrying amount	576	6	2	584
Closing gross carrying amount	**576**	**6**	**2**	**584**
Accumulated depreciation				
Opening accumulated depreciation	575	6	2	584
Depreciation charged during the year*	0	0	0	0
Closing accumulated depreciation	575	6	2	584
Net carrying amount	**1**	**-**	**-**	**1**

* Amount is below rounding off norm adopted by the Company.

4. Financial assets

(a) Non current investments

Particulars	As at March 31, 2019				As at March 31, 2018			
	Number of Share	Face Value per share (In ₹)	Amount (₹ '000)	Amount (₹ '000)	Number of Share	Face Value per share (In ₹)	Amount (₹ '000)	Amount (₹ '000)
Investments in equity instruments of subsidiary companies (fully paid up)								
Unquoted								
Interactive Visual Solutions Private Limited -10,000 nos (Previous year- 10,000 nos) equity shares of Rs 10 each issued at Share premium of Rs 2,817.75/- per share (Previous year- Rs 2,817.75 per share)	10,000	10	28,276		10,000	10	28,276	
Add : Equity component of debt instruments			12,468	40,744	-	-	12,468	40,744
Newinc Internet Services Private Limited -2 nos (Previous year- 2nos) equity shares of face value Rs 10 each	2	10	0.02		2	10	0.02	
Add : Equity component of debt instruments			22,523	22,523			22,523	22,523
Investments in equity instrument of joint venture (fully paid up)								
Ideaclicks Infolabs Private Limited Share premium of ₹ 7704.29/- per share.	175	10	1,350	1,350	175	10	1,350	1,350
Investments in preference shares of joint venture (fully paid up)								
Ideaclicks Infolabs Private Limited (Refer note 30) Series A - 0.01% optionally convertible cumulative redeemable preference shares	5,296,345	10	56,920		2,300,319	10	26,960	
Add/(Less) : Gain on measurement at FVTPL			266	57,186	-	-	266	27,226
Investments in debentures of subsidiary companies (fully paid up)								
Unquoted								
Interactive Visual Solutions Private Limited -0.0001% compulsory convertible debentures of face value of ₹ 100/- each, into compusorily convertiable prefernce shares (Previous Year Convertiable into cumulative redeemable preference shares)	137,281	100	13,728		137,281	100	13,728	
Add : Interest income on Financial assets			354		-	-	174	
Less : Equity component of debt instruments			(12,468)	1,614			(12,468)	1,434
Newinc Internet Services Private Limited -0.0001% compulsory convertible debentures of face value of ₹ 100/- each, into compulsorily convertiable preference shares (Previous Year Convertiable into cumulative redeemable preference shares)	248,000	100	24,800		248,000	100	24,800	
Add : Interest income on Financial assets			679		-	-	324	
Less : Equity component of debt instruments			(22,523)	2,956			(22,523)	2,601
Total Non current investments				**126,373**				**95,878**

Aggregate amount of quoted investments & market value thereof	**-**		**-**
Aggregate amount of unquoted investments	**126,373**		**95,878**
Aggregate amount for impairment in value of investments	**-**		**-**

(b) Other financial assets

Particulars (Unsecured, considered good)	Non-current As at March 31, 2019 (₹ '000)	Non-current As at March 31, 2018 (₹ '000)	Current As at March 31, 2019 (₹ '000)	Current As at March 31, 2018 (₹ '000)
Security Deposits	-	-	1,330	1,630
Balance in fixed deposit accounts with original maturity more than 12 months	-	-	5,764	5,206
Interest accrued on Fixed Deposits	-	-	78	187
	-	**-**	**7,172**	**7,023**

(c) Trade receivables

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Unsecured considered good	13,111	10,836
Unsecured considered doubtful	42,875	42,436
	55,986	53,272
Allowance for doubtful debts		
Trade Receivables which have significant increase in credit risk	(5,744)	(3,856)
Trade Receivables-credit impaired	(42,875)	(42,436)
Total receivables	**7,367**	**6,980**
Current	7,367	6,980
Non - Current	-	-

(d) Cash and cash equivalents

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Balance with banks - current account	-	2,607
Cash on hand	10	10
	10	**2,617**

5. Non-current tax assets (net)

Particulars (Unsecured, considered good)	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Advance tax	76,610	76,381
Less: Provision for tax	(25,141)	(24,398)
Advance tax - Fringe benefits	6	6
Less: Provision for tax - Fringe benefits	(5)	(5)
	51,470	**51,984**

6. Deferred tax assets (net)

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Deferred tax asset		
Opening balance	21,384	21,384
Adjustment for the current year:		
- Credited / (charged) through profit and loss	497	-
	21,881	**21,384**

Significant components of deferred tax assets are shown in the following table:

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Deferred tax asset		
Routed through profit or loss		
Provision for doubtful debts	15,484	14,875
Provision for leave encashment	39	37
Property, plant & equipment	201	225
Brought forward losses/ Tax credits	6,072	6,072
Disallowance under 40(ia)(a)	85	175
Total deferred tax assets (net)	**21,881**	**21,384**

7. Other non-current & current assets

Particulars	Non-current		Current	
(Unsecured, considered good)	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Advance recoverable in cash or in kind or for value to be received	-	-	1,269	57
Balance with				
Goods & Service Tax Authorties			77	75
Less: Transfer to other liability	-	-	(77)	(75)
Service Tax Authorties	-	-	469	469
Less: Provision for doubtful recovery			(469)	(469)
	-	**-**	**1,269**	**57**

8. Assets classified as held for sale

Particulars	Current	
	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Building	8,879	8,879
	8,879	**8,879**

Note: During the year ended March 31, 2016, one of the Builder - M/s Amrapali Group has partly settled their outstanding of ₹ 8879 thousands via transfer of ownership of 3 nos of residential flats in the name of the Company. These assets are listed online (real estate ecommerce platform) for sale. Building classified as held for sale during the previous reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of reclassification. The fair value of the building was determined using the comparison approach. This is a level 2 measurement as per the fair value hierarchy set up in fair value measurement disclosure. The key input under this approach are price per square feet of comparable residential units in the area of similar location and size.

9. Equity share capital

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Authorised capital		
12,000,000 Equity Shares of ₹10/- each (Previous year - 12,000,000 Equity Shares of ₹ 10/- each)	**120,000**	**120,000**
Issued, subscribed and paid-up capital		
9,847,500 Equity shares of ₹ 10/- each fully paid up	98,475	98,475
(Previous year - 9,847,500 Equity shares of ₹ 10/- each)		
[9,847,499 equity shares (Previous year - 9,847,499 shares) of ₹ 10/- each are held by Info Edge (India) Limited, the holding company and one share held by nominee shareholder of Info Edge (India) Limited (Previous year - 1 share)]		
	98,475	**98,475**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2019 (No of Shares)	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (No of Shares)	As at March 31, 2018 (₹ '000)
Equity Shares				
At the beginning of the year	9,847,500	98,475	9,847,500	98,475
Outstanding at the end of the year	**9,847,500**	**98,475**	**9,847,500**	**98,475**

b. Terms / Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2019 (₹ '000)		As at March 31, 2018 (₹ '000)	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹ 10 each fully paid				
Info Edge (India) Limited	9,847,499	99.99%	9,847,499	99.99%
1 Share held by Naukri Internet Services Limited [Nominee of Info Edge (India) Limited]				
	9,847,499	**99.99%**	**9,847,499**	**99.99%**

10. Other equity

Particulars	As at March 31, 2019 (₹ '000)		As at March 31, 2018 (₹ '000)	
Retained earnings	(29,024)		(28,152)	
Add: Profit / (Loss) for the year	174	(28,850)	(872)	(29,024)
Equity component of debentures		112,990		73,432
		84,140		**44,408**

11 (a) Borrowings

Particulars	Non-current		Current	
	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Debentures issued to holding company				
Info Edge India Ltd	45,500	45,500	-	-
0.0001% compulsory convertible debentures into compulsorily convertible preference shares 455,000 nos (Previous year Convertiable into cumulative redeemable preference shares 455,000 nos)				
Add: Addition during the year(Refer note 31)	30,000	-	-	-
(0.0001% compulsory convertible debentures into compulsory convertible preference shares 300,000 nos, Previous year NIL nos)				
Add : Interest cost on financial liabilities at amortised cost	1,280	672	-	-
Less : Equity component of debt instruments	(76,780)	(41,323)	-	-
Liability component of debentures	-	4,849	-	-
Debentures issued to fellow subsidiary company				
Smartweb Internet Services Limited	35,355	25,355	-	-
0.0001% compulsory convertible debentures into compulsorily convertible preference shares 353,550 nos (Previous Year Convertiable into cumulative redeemable preference shares 253,550 nos)				
Add: Addition during the year	-	10,000		
0.0001% compulsory convertible debentures into compulsorily convertible preference shares Nil nos (Previous Year Convertiable into cumulative redeemable preference shares 1,00,000 nos)				
Add : Interest cost on financial liabilities at amortised cost	854	397	-	-
Less : Equity component of debt instruments	(36,209)	(32,109)	-	-
	-	3,643		
Total current borrowings	**-**	**8,492**	**-**	**-**

11(b) Trade payables

Particulars	Current	
	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Trade payables		
-total outstanding dues of micro enterprises and small enterprises	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	36,457	36,688
	36,457	**36,688**

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2019

12. Provisions

Particulars	Current	
	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Employee benefits		
Leave obligation (Refer note 21)	22	12
Accrued bonus & incentives	448	500
	470	**512**

13. Other liabilities

Particulars	Non-current		Current	
	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Advance from customers	-	-	3,612	4,146
Others				
- Tax deducted at source payable	-	-	17	78
- Other statutory dues	-	-	4	10
- Goods & Service tax payable			1	746
- Service tax payable	-	-	1,323	1,323
Less : Balance with goods & service tax; and service tax authorities	-	-	(77)	(75)
	-	-	1,246	1,248
	-	**-**	**4,880**	**6,228**

14. Revenue from operations

Particulars	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31, 2018 (₹ '000)
Sale of services	4,166	4,203
	4,166	**4,203**

15. Other income

Particulars	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31, 2018 (₹ '000)
Interest income from financial assets measured at amortised cost		
- on fixed deposits with banks	405	269
- on other financial assets	535	636
Net gain on financial assets mandatorily measured at FVTPL	-	266
Liabilities written back to the extent no longer required	1,252	-
Profit on sale of fixed assets (net)	8	6
	2,200	**1,177**

16. Employee benefits expense

Particulars	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31, 2018 (₹ '000)
Salaries, wages and bonus	1,851	2,411
Contributions to provident and other funds (Refer Note 21)	44	63
Staff welfare and benefits	27	94
Other employee expenses	35	28
	1,957	**2,596**

17. Finance costs

Particulars	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31, 2018 (₹ '000)
Interest cost on financial liabilities at amortised cost	1,065	919
	1,065	**919**

18. Depreciation and amortisation

Particulars	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31, 2018 (₹ '000)
Depreciation of Property, plant and equipment *	0	0
	-	-

* Amount is below rounding off norm adopted by the Company.

19. Administration and other expenses

Particulars	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31, 2018 (₹ '000)
Audit Fees	177	150
Rent (Refer Note 22)	26	24
Legal and professional charges	270	130
Bad debts (Provision for doubtful debts ₹2,328 (Previous Year ₹313))	2,343	1,824
Rates & taxes	21	21
Insurance	11	9
Travel & conveyance	76	56
Miscellaneous expenses	-	523
	2,924	**2,737**

20 (1) . Related Party Disclosures for the year ended March 31, 2019

A) List of related parties

1) Holding Company

Info Edge (India) Limited (IEIL)

2) Subsidiary companies

Interactive Visual Solutions Private Limited (IVSPL)

Newinc Internet Services Private Limited (NISPL)

B) Details of transactions with related party for the year ended March 31, 2019 in the ordinary course of business: **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Fellow Subsidary	Total
1. Rent Expense IEIL	26	-	26
2. Issue of Debentures IEIL	30,000	-	30,000

20 (2) . Related Party Disclosures for the year ended March 31, 2018:

A) List of related parties

1) Holding Company

Info Edge (India) Limited (IEIL)

2) Subsidiary companies

Interactive Visual Solutions Private Limited (IVSPL)

Newinc Internet Services Private Limited (NISPL)

B) Details of transactions with related party for the year ended March 31, 2018 in the ordinary course of business: **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Fellow Subsidiary	Total
1. Rent Expense IEIL	24		24
2. Investment in Debentures Smartweb		10,000	10,000
3. Repayment of loan Smartweb		10,000	10,000

Terms & conditions

The loans to wholly owned subsidiaries are generally repayable on demand, at interest rate based on zero coupon bond rates which generally ranges from 6% to 7% and loan given to other subsidiaries/associates are generally for 1 year and repayable at the end of tenure at interest rate of 8% p.a.

Transactions related to investment in wholly owned subsidiaries made in debenture/preference share were made at face value.

All other transactions were made on normal commercial terms and conditions.

All outstanding balances are unsecured and are repayable in cash

21. Employee Benefits

The Company has classified the various benefits provided to employees as under:

A. Defined Contribution Plans

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

During the year, the Company has recognised the following amounts towards defined contribution plan in the Statement of Profit and Loss-

Particulars	Year ended March 31, 2019 (₹ '000)	Year ended March 31, 2018 (₹ '000)
Employers' Contribution to Provident Fund	44	63

Included in 'Contribution to provident and other funds' under Employee Benefits Expense (Refer Note 16)

B. Other Long term benefits

Leave obligations

The leave obligations cover the Company's liability for earned leave.

The amount of the provision for ₹ 22 thousands (Previous year - ₹ 12 thousands) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment with in the next twelve months.

Particulars	March 31, 2019	March 31, 2018
Current leave obligations expected to be settled with in the next twelve months	11	24

Assumption used by the Actuary

Particulars	Leave Encashment / Compensated Absences	
	2018-19	2017-18
Discount Rate (per annum)	7.55%	7.65%
Rate of increase in Compensation levels	10% for First 5 years,	10% for First 5 years,
	& 8% thereafter	& 8% thereafter

The estimates of future salary increases considered in the actuarial valuation takes into account factors like inflation, seniority, promotions and other relevant factors.

C. Defined Benefit Plans

Contribution to Gratuity Funds – Life Insurance Corporation of India, Group Gratuity Scheme

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to the recognised funds in India.

Assumption used by the Actuary

Particulars	Gratuity	
	2018-19	**2017-18**
Discount Rate (per annum)	7.55%	7.65%
Rate of increase in Compensation levels	10% for First 5 years,	10% for First 5 years,
	& 8% thereafter	& 8% thereafter

The amounts recongised the balance sheet & movements in the net defined benefit obligation over the year are as follows :

Changes in the Present Value of Obligation	**2018-19 (₹ '000)**	**2017-18 (₹ '000)**
Present Value of Obligation at the beginning of the year	**233**	**227**
Interest Cost	18	16
Current Service Cost	16	60
Remeasurment due to		
-Actuarial loss/(gain) arising from change in financial assumptions	3	10
-Actuarial loss/(gain) arising on account of experience changes	(103)	(80)
Present Value of Obligation at the end of the year	**167**	**233**

Changes in the Fair value of Plan Assets	**2018-19 (₹ '000)**	**2017-18 (₹ '000)**
Fair Value of Plan Assets at the beginning of the year	**247**	**230**
Interest on Plan Assets	19	16
Remeasurement due to		
Actual Return on plan assets less interest on plan assets	-	1
Assets acquired/settled*	-	-
Fair Value of Plan Assets at the end of the year	**266**	**247**

* on account of inter group transfer

Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	**2018-19 (₹ '000)**	**2017-18 (₹ '000)**
Present Value of funded obligation at the end of the year	**167**	**233**
Fair Value of Plan Assets as at the end of the period	(266)	(247)
Amount not recognised due to asset limit	-	-
Net defined benefit liability / (asset) #	**(99)**	**(14)**
Current	-	-
Non-Current	(99)	(14)

Expense recognised in the Statement of Profit and Loss #	**2018-19 (₹ '000)**	**2017-18 (₹ '000)**
Current Service Cost	16	60
Past Service Cost	Nil	Nil
Interest Cost	(1)	(0)
(Gains)/Loss on Settlement	Nil	Nil
Total	**15**	**60**

not recognised as income / asset since these are lying in an income tax approved irrevocable trust fund

D. Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

				Impact on defined benefit obligation				
	Change in assumption			**Increase in assumption**			**Decrease in assumption**	
	March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018
Discount Rate	0.50%	0.50%	Decrease by	-4.30%	-4.53%	Increase by	4.60%	4.91%
Salary growth rate	0.50%	0.50%	Increase by	4.60%	4.84%	Decrease by	-4.20%	-4.50%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used un preparing the sensitivity analysis did not change compared to the prior year.

(E) Major Category of Plan Asset as a % of total Plan Assets

Category of Assets (% Allocation)	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
	%	%	(₹ '000)	(₹ '000)
Insurer managed funds	100%	100%	266	247
Total	**100%**	**100%**	**266**	**247**

(F) Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The gratuity fund is administered through Life Insurance Corporation of India (insurer) under its group gratuity scheme. Accordingly almost the entire plan asset investments is maintained by the insurer. These are subject to interest rate risk which is managed by the insurer.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets maintained by the insurer.

The gratuity fund is administered through Life Insurance Corporation(LIC) of India under its Group Gratuity Scheme.

22. Operating Leases where The Company is a lessee:

The Company had entered into lease transaction mainly for leasing of office premise for a period of 11 months. The terms of lease include terms of renewal, and terms of cancellation. The operating lease payments recognized in the Statement of Profit and Loss amount to ₹ 28 Thousand (Previous year ₹ 24 Thousand) included in Note 19 – Administration and Other Expenses.

23. Auditor's Remuneration (excluding Goods & Service Tax)

Particulars	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31, 2018 (₹ '000)
- Audit Fees	150	150
Total	**150**	**150**

24. Basic and Diluted Earnings per share (EPS):

Particulars	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31, 2018 (₹ '000)
Profit attributable to Equity Shareholders (₹ '000)	174	(872)
Basic		
Weighted average number of Equity Shares outstanding during the year (Nos.)	9,847,500	9,847,500
Basic EPS of ₹ 10 each (₹)	0.02	(0.09)
Diluted		
Weighted average number of Equity Shares outstanding during the year (Nos.)	12,147,067	9,847,500
Diluted EPS of ₹ 10 each (₹)	0.01	(0.09)

25. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standards) Rules, 2015 as amended, as the Company is operating in single business/ geographical segment of earning commission income on property bookings.

26. The aggregate managerial remuneration under section 197 of the Companies Act, 2013 to the Directors including Managing Director is NIL (March 31, 2018 - Nil).

27. During the year ended March 31, 2015, the Company had acquired Interactive Visual Solutions Private Limited (IVSPL) by way of purchase of its entire share capital from its erstwhile shareholders for a consideration of ₹ 28,276 thousands. Out of the pending consideration payable ₹ 4000 thousands was paid during the year ended March 31, 2018 in accordance with terms of the acquisition agreement. Further, as part of this acquisition, the Company had advanced a loan to IVSPL to enable retirement of loans given by the erstwhile shareholders amounting to ₹ 10,724 thousands carrying interest rate of 8.41% p.a and the total of such advance including interest was refunded by IVSPL during the year via issuance of debentures ₹ 13,728 thousands to the Company.

28. Contingent Liability

Claims against the Company not acknowledged as debts ₹ 957 thousands (Previous Year ₹ 957 thousands) lying at various forums.The future cash flows on account of above cannot be determined unless the judgement is received from appropriate forum.

29. The Company's business activities, together with the factors likely to affect its future development and performance along with the financial position of the Company and its projected cash flows have been reviewed by the Board of Directors and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company is also assured of financial and operational support by its parent company. Basis all of the above, the Company has continued to adopt the going concern basis of accounting in preparing the financial statements.

30. During the period ended March 31st, 2019, the company has invested in 29,96,026 nos. (Previous year - Nil) Compulsorily convertible preference shares of face value of ₹ 10 per share of Ideaclicks Infolabs Private Limited amounting ₹ 29,960.26 thousands (Previous year - ₹ Nil).

31. During the period ended March 31st, 2019, the holding company has invested into 3,00,000 nos (Previous year - Nil) Compulsory Convertible Debentures into Compulsorily Convertible Preference Shares of ₹ 100 each of the Company amounting ₹ 30,000 thousands (Previous year - ₹ Nil). As per IND AS 109, the said borrowing amount has been transferred to equity component of debentures; and appropriately classified under 'Note 10 - Other equity' & Note 11(a) - Borrowings' respectively.

32. During the year ended March 31st, 2019, the Company has changed the nature of conversion of its securities Compulsorily convertiable debenture from cumulative redeemable preference shares into compulsorily convertible preference shares w.e.f. March 27, 2019. All other terms and conditions remain same.

33 : Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

a) Income Tax expense

Particulars	Year ended March 31, 2019 (₹ '000)	Year ended March 31, 2018 (₹ '000)
Current Tax		
Current tax on profit for the year	743	-
Total current tax expenses	**743**	**-**
Deferred tax	(497)	-
Total	**246**	**-**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Year ended March 31, 2019 (₹ '000)	Year ended March 31, 2018 (₹ '000)
Taxable Income	420	(224)
Tax at the Indian tax rates of 26% (March 31, 2018 - 25.75%)	**109**	**(67)**
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income		
Interest Income on financial assets	(140)	(164)
Interest Expense on financial liabilities	277	237
Gain on fair valuation of instruments	-	(68)
Other items	-	62
Profit on sale of fixed asset	-	(9)
Total	**246**	**-**

Financial instruments and risk management

34: Fair value Hierarchy

a) Financial instruments by category

(₹ '000)

	March 31, 2019		March 31, 2018	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Investments	57,186	69,187	27,226	68,652
Trade and other receivables	-	7,367	-	6,980
Cash and cash Equivalents	-	10	-	2,617
Other financial assets	-	7,172	-	7,023
Total Financial Assets	**57,186**	**83,736**	**27,226**	**85,272**
Financial Liabilities				
Borrowings	-	-	-	8,492
Trade payables	-	36,457	-	36,688
		-		
Total Financial Liabilities	**-**	**36,457**	**-**	**45,180**

*Excluding investments in subsidiaries, joint control entities and associates measured at cost in accordance with Ind AS-27

Fair value hierarchy

The following section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit or loss.To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

b) Fair value hierarchy for assets and liabilities

Financial assets measured at fair value at March 31, 2019 (₹ '000)

	Level 1	Level 2	Level 3	Total
Financial Assets				
Preference Shares			57,186	57,186

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 hierarchy includes the fair value of financial instruments that are not traded in an active market.

Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for compound instruments

There are no transfers between levels 1 and 2 during the year.The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

c) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or mutual fund houses quotes (NAV) for such instruments. This is included in Level 1

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis for which third party valuer is appointed. This is included in Level 3.

d) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature. The fair values for security deposits , Investment in preference shares & investment in debentures and borrowings are calculated based on cash flows discounted using a current lending rate, however the change in current rate does not have any significificant impact on fair values as at the current year end. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counter party credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(e) Fair value measurements using significant unobservable inputs (level 3)

(₹ '000)

Particulars	Unlisted equity securities
As at March 31, 2018	27,226
Acquisitions	29,960
Unrealised gain/loss recognised in profit/loss	-
As at March 31, 2019	57,186

(f) Valuation inputs and relationships to fair value (₹ '000)

Particulars	Fair value as at		Significant unobservable inputs*	Probability-weighted range		Sensitivity
	March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018	
Convertible preference shares	57,186	27,226	Weighted Average Cost of Capital (WACC)	15% to 35%	15% to 35%	Increased WACC (+20 basis points (bps)) and keeping other key inputs constatnt would change FV by INR (1652) thousand (Previous Year INR (1652) thousand) ; Decreased WACC (-20 bps) and keeping other key inputs constatnt would change FV by INR (3127) thousand (Previous Year INR (3172) thousand).
			EBITDA Margin in Perpetuity	-170% to 60%	-170% to 60%	Increased EBITDA Margin in Perpetuity (+50 basis points (bps)) and keeping other key inputs constatnt would change FV by INR (15) thousand (Previous Year INR (15 thousand); Decreased EBITDA Margin in Perpetuity (-50 bps) and keeping other key inputs constatnt would change FV by INR (2659) (Previous Year INR (2659) thousand).
			Earnings growth rate	40% to 80%	40% to 80%	Increased Earnings growth rate (+50 basis points (bps)) and keeping other key inputs constatnt would change FV by INR (20) thousand (Previous Year INR 20 thousand); Decreased Earnings growth rate (-50 bps) and keeping other key inputs constatnt would change FV by INR (15) thousand (Previous Year INR (15) thousand).

* There were no significant inter-relationships between unobservable inputs that materially affect their values

(g) valuation processess

The Company uses third party valuers to perform the valuations of the unquoted equity shares, preference shares and debentures required for financial reporting purposes for Level 3 purposes other than investment in compulsorily redeemable preference shares and debentures (Debt instruments) which are done by Finance department of the company.

The main Level 3 inputs for these unlisted securities are derived and evaluated as below.

• Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

• Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies to the extent available.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (c) and (f) above.

35. Financial risk and Capital management

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities.

a). Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence & goodwill. Outstanding customer receivables are regularly monitored.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties. In addition, a large number of minor receivables are combined into homogenous categories and assessed for impairment collectively. The calculation is based on exchange losses historical data. The Company evaluates the concentration of risk with respect to trade receivables as low.

Reconciliation of loss allowance provision:

	Trade receivables (₹ '000)
Loss allowance as on April 1, 2017	**45,979**
changes in loss allowance	313
Loss allowance as on March 31, 2018	**46,292**
changes in loss allowance	2,327
Loss allowance as on March 31, 2019	**48,619**

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

b). Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company borrows short term and long term fund from holding company to bridge the short fall in fund requirements whenever required. The Company is endeavouring to collect aged accounts receivables and repay borrowings from holding company.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The amount disclosed in the below table represent the contractual cash flows.

(₹ '000)

	Contractual cash flows					
March 31, 2019	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Trade payables	36,457	36,457	-	-	-	-
Borrowings	-	-	-	-	-	-

(₹ '000)

	Contractual cash flows					
March 31, 2018	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Trade payables	36,688	36,688	-	-	-	-
Borrowings	8,492	-	-	-	-	8,492

A) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's borrowings and deposits/loans are all at fixed rate and are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure of the Company's financials assets/liabilities at the end of the reporting period are as follows:

(₹ '000)

	March 31, 2019	March 31, 2018
Fixed-rate instruments		
Financial assets	5,764	5,206
Financial liabilities	-	8,492
Total	**5,764**	**13,698**

B) Capital management

Risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of debt and equity balances. The capital of the Company consists of equity capital and borrowings for working capital needs which is provided by the holding company. The gaining ratio of the Company are as follows:

(₹ '000)

Particulars	March 31, 2019	March 31, 2018
Net Debt	-	5,875
Total equity	182,615	142,883
Net Debt to equity ratio	0.0%	4.1%

There are no loan covenents in respect of these borrowings

36. Customer Contract Balances

The Company has adopted Ind AS 115 on Revenue from Contracts with Customers, using the modified retrospective approach. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and comparative information is not restated in the statement of profit and loss. The adoption of the standard did not have any material impact on the recognition and measurement of revenue and related items in the financial statements/results.

(₹ '000)

Particulars	March 31, 2019	March 31, 2018
Trade Receivable	7,367	6,980
Contract Liabilities	3,612	4,146

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days and are condtioned to be recovered purley on passage of time. Hence contract assets have been considered to be Nil.

Contract Liabilities includes advance received from Customer

Other disclosure as sepecified under IndAS 115 are not rqeuired to be made as a matter of practical expedient, since the performance obligation is part of contract that has an original expected duration of one year or less.

Contract liabilities are primarily the Advance from customers against which amount has been received from customer but services are yet to be rendered on the reporting date either in full or in parts. Contract liabilities are recognized in full on the date of invoicing itself.

Set out below is the amount of revenue recognised from: (₹ '000)

Particulars	For the year ended March 31,2019	For the year ended March 31,2018
Amount included in contract liabilities at the beginning of the year	534	-

The company has as a matter of practical expedient recognised the incremental costs of obtaining a contract as an expense when incurred, since the amortisation period of the asset that the entity otherwise would have recognised is generally one year or less.

37. Standards issued but not effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases:

The Ministry of Corporate Affairs on 30 March 2019 notified the new leasing standard, viz., Ind AS 116 Leases. Ind AS 116 is applicable for the financial year beginning on or after 1 April 2019 for all Ind AS companies. It replaces virtually all the existing leasing requirements under Ind AS 17 Leases.

The new standard will require lessees to recognize most leases on their balance sheets. Lessees will use a single accounting model for all leases, with limited exemptions. Foreign currency leases will increase P&L volatility due to a restatement of foreign currency liability.

An entity has an option to adopt Ind AS 116 using either the full retrospective method or the modified retrospective method. An entity that elects the modified retrospective method would apply Ind AS 116 retrospectively to only the current period by recognising the cumulative effect of initially applying Ind AS 116 as an adjustment to the opening balance of retained earnings (or other components of equity) at the date of initial application. Under the modified retrospective method, Ind AS 116 would be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. An entity would need to disclose how it applied the modified retrospective method. The Company is under process to evaluate the impacts of the new standard on financial statements.

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of the Board of Directors
Allcheckdeals India Private Limited
CIN: U72400DL2008PTC181632

Hitesh Oberoi
Director
DIN: 01189953

Chintan Thakkar
Director
DIN: 00678173

Tanisha Sharma
Company Secretary

Place : Noida
Date : May 24, 2019

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 10th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company owns a proprietary software which enables a high-quality virtual video/3D image of a proposed or existing real estate development to be viewed online by customers.

The Company made a loss of ₹ 335 thousand in the financial year 2018-19 as compared to a loss of ₹ 445 thousand in the financial year 2017-18.

SHARE CAPITAL

There has been no change in the Capital Structure of the Company during the year under review.

During the year under review, the Company issued and allotted 1,000 - 0.0001% Compulsory Convertible Debentures (CCDs) of ₹ 100/- each aggregating to ₹ 1,00,000 to Info Edge (India) Ltd., holding company of the Company.

The Company changed the terms of conversion of 1,48,285 CCDs after obtaining the consent of equity shareholders and approval of Debentureholders in the Class Meeting held on March 27, 2019. The aforesaid CCDs were earlier convertible into CRPS and now, are convertible into CCPS.

DIVIDEND

No dividend has been declared for the financial year 2018-19.

TRANSFER TO GENERAL RESERVES

During the year under review, the Company has not transferred any amount to general reserve.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has no subsidiary, joint venture or associate company as on date of this report.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 8th Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 subject to the ratification by the shareholders at every general meeting.

However, in accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditor has confirmed that they are not disqualified under any provisions of Section 141(3) of Companies Act, 2013 and also their engagement with the Company is within the prescribed limits under section 141(3)(g) of Companies Act, 2013.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

There was no change in the directors and Key Managerial Personnel during the year under review. Mr. Murlee Manohar Jain and Mr. Chintan Thakkar are the directors of the Company as on the date of this report.

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Chintan Thakkar (DIN: 00678173) is liable to retire by rotation and, being eligible, offers himself for reappointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 7 (Seven) times during the year on May 29, 2018, July 23, 2018, August 01, 2018, August 22, 2018, October 29, 2018, January 28, 2019 and March 26, 2019. The maximum time gap between any two meetings was not more than 120 days. The details of Director's attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2018-19

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Murlee Manohar Jain	Director	7	7
Mr. Chintan Thakkar	Director	7	7

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company did not make any Loans, guarantee or investment during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company did not enter into any material transaction with related parties. However, disclosure in prescribed form AOC-2 is annexed herewith as Annexure A to this report.

Details of all other related party transactions are present under Note No. 20 of notes to financial statement.

COST AUDITORS

The provisions of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable on the Company.

EXTRACT OF ANNUAL RETURN/WEB LINK OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

The Company does not have any website, however the Annual return filed for the FY 2017-18 is available at the website of the holding company at http://www.infoedge.in/pdfs/Interactive-Visual-Soultions-Private-Limited.pdf

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 (1) of the Companies Act, 2013 and hence it is not required to formulate policy on CSR.

INTERNAL COMMITTEE

There exists a group level Internal Committee constituted under the sexual harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013 by Info Edge (India) Limited, holding company of the Company.

SECRETARIAL STANDARDS

The Board of Directors confirms that that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

	Murlee Manohar Jain	Chintan Thakkar
	(Director)	(Director)
Place: Noida	DIN: 05101562	DIN: 00678173
Date: May 24, 2019		

ANNEXURE A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

2. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

For and on behalf of Board of Directors

Murlee Manohar Jain
(Director)
DIN: 05101562

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

ANNEXURE B

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U72200PN2009PTC134950

ii. Registration Date:- November 11, 2009

iii. Name of the Company: - Interactive Visual Solutions Pvt. Ltd.

iv. Category/ Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-

Anand Square, Unit No. 201 & 202, 2nd Floor, Plot No. 1,2,3,5,6

Survey No. 232, Viman Nagar, Lohegaon, Pune- 411014

Tel. No. +91 120-3082000, Fax: 0120-3082095

Email: ivsl@infoedge.com

Website: - www.interactivevisualsolutions.com

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	IT Services	63121	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Allcheckdeals India Pvt. Ltd.	U72400DL2008PTC181632	Holding	100	2(46)
2.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Ultimate Holding Company	100	2(46)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Promoter Shareholding – Bodies Corporate	-	10,000* (Equity Shares)	10,000 (Equity Shares)	100	-	10,000* (Equity Shares)	10,000 (Equity Shares)	100	-
Grand Total	**-**	**10,000* (Equity Shares)**	**10,000 (Equity Shares)**	**100**	**-**	**10,000* (Equity Shares)**	**10,000 (Equity Shares)**	**100**	**-**

** 1 (one) share is held by Naukri Internet Services Ltd. as a nominee of Allcheckdeals India Pvt. Ltd.*

ii. Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Allcheckdeals India Pvt. Ltd.	10,000 (Equity Shares)	100	0.00	10,000 (Equity Shares)	100	0.00	-

Change in Promoter's Shareholding:

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Allcheckdeals India Pvt. Ltd.	10,000 (Equity Shares)	100	-	-	-	10,000 (Equity Shares)	100

iii. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)-Nil

iv. Shareholding of Directors and Key managerial Personnel: Nil

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: **in Rs.**

	Secured Loans excluding deposits	Unsecured Loans	Deposits/ Debentures	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal amount	-	-	1,48,28,500	1,48,28,500
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	**1,48,28,500**	**1,48,28,500**
Change in Indebtedness during the financial year		-		
Addition	-	-	1,00,000	1,00,000
Reduction	-	-	-	-
Net Change	-	-	1,00,000	1,00,000
Indebtedness at the end of the financial year				
(i) Principal Amount	-	-	1,49,28,500	1,49,28,500
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	**1,49,28,500**	**1,49,28,500**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

For and on behalf of Board of Directors

Murlee Manohar Jain
(Director)
DIN: 05101562

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INTERACTIVE VISUAL SOLUTIONS PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of INTERACTIVE VISUAL SOLUTIONS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 standalone 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) 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, as amended 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 standalone 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.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
(FRN – 000643N / N500012)

Noida, May 24,2019

AMAR NATH MITTAL
Partner
(Membership No.017755)

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of INTERACTIVE VISUAL SOLUTIONS PRIVATE LIMITED of even date)

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii. The Company does not have any inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

iii. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2019 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration . Hence reporting under clause 3 (xi) of the Order is not applicable to the Company.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
(FRN – 000643N / N500012)

Noida, May 24,2019

AMAR NATH MITTAL
Partner
(Membership No.017755)

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of INTERACTIVE VISUAL SOLUTIONS PRIVATE LIMITED of even date)

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")

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

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 Controls 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was 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 controls 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, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstateme nt 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 of the Company.

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 that, 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 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; and (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.

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 **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

AMAR NATH MITTAL
Partner
Membership No.017755

Noida, May 24, 2019

Balance Sheet as at March 31, 2019

Particulars	Note	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Assets			
Non-current Assets			
Intangible Assets	3(b)	1	1
Non current tax assets (net)	4	17	17
Current Assets			
Financial Assets			
(i) Cash and Cash Equivalents	5(a)	47	96
(ii) Other Financial Assets	5(b)	-	61
Other Current Assets	6	-	11
Total assets		**65**	**186**
Equity & Liabilities			
Equity			
Equity Share Capital	7	100	100
Other Equity	8	(110)	(1,619)
Liabilities			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	9(a)	-	1,549
Deferred tax liabilities (Net)	9(b)	33	33
Current Liabilities			
Financial liabilities			
(i) Borrowings	9(a)	-	-
(ii) Trade Payables	10		
-total outstanding dues of micro enterprises and small enterprises		-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		40	113
Other Current Liabilities	11	2	10
Total Equity and Liabilities		**65**	**186**

The accompanying notes 1 to 24 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
FRN: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors
Interactive Visual Solutions Private Limited
CIN:-U72200PN2009PTC134950

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN: 00678173

Murlee Manohar Jain
(Director)
DIN: 05101562

Place: Noida
Date: May 24, 2019

Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note No	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31, 2018 (₹ '000)
Revenue			
Other income	12	142	7
I Total Income		**142**	**7**
Expenditure			
Finance costs	13	200	175
Depreciation and amortization expense	3(b)	-	82
Administration and Other expenses	14	277	195
II Total Expense		**477**	**452**
III. Profit / (Loss) before tax (I-II)		**(335)**	**(445)**
IV. Tax expense		-	-
V. Profit / (Loss) for the year (III - IV)		**(335)**	**(445)**
VI. Profit / (Loss) for the year (V)		**(335)**	**(445)**
Earning per equity share:			
(1) Basic	16	(33.50)	(44.52)
(2) Diluted	16	(10.36)	(44.52)

The accompanying notes 1 to 24 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
FRN: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: Noida
Date: May 24, 2019

For and on behalf of Board of Directors
Interactive Visual Solutions Private Limited
CIN:-U72200PN2009PTC134950

Chintan Thakkar
(Director)
DIN: 00678173

Murlee Manohar Jain
(Director)
DIN: 05101562

Cash Flow Statement for the year ended March 31, 2019

	Particulars	For the year ended March 31, 2019 (₹ '000)	For the year ended March 31, 2018 (₹ '000)
A.	**Cash flow from operating activities:**		
	Loss for the year	**(335)**	**(445)**
	Adjustments for:		
	Depreciation	-	82
	Interest expense on financial liabilities at amortised cost	195	174
	Interest on FDRs	-	(7)
	Provision no longer required written back	142	
	Operating profit/(loss) before working capital changes	**2**	**(196)**
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Other Financial Assets	61	233
	- (INCREASE)/DECREASE in Other Current Assets	11	61
	- INCREASE/(DECREASE) in Trade Payables	(215)	(74)
	- INCREASE/(DECREASE) in Other Current Liabilities	(8)	(91)
	Cash generated/(used) from/(in) operating activities	**(149)**	**(67)**
	- Taxes (Paid) / Received (Net of TDS)	-	(9)
	Net cash from/(used in) operating activities	**(149)**	**(76)**
B.	**Cash flow from Investing activities:**		
	Maturity of/(Investment in) fixed deposits (net)	-	-
	Net cash from/(used in) investing activities	**-**	**-**
C.	**Cash flow from financing activities:**		
	Proceeds from Issuance of debentures	100	-
	Repayment of Loan & Interest to Holding Company	-	(18)
	Interest on FDRs	-	7
	Net cash from/(used in) financing activities	**100**	**(11)**
	Net Increase/(Decrease) in Cash & Cash Equivalents	**(49)**	**(87)**
	Opening Balance of Cash and cash equivalents	**96**	**183**
	Closing Balance of Cash and cash equivalents	**47**	**96**
	Cash and cash equivalents comprise		
	Cash in hand	1	-
	Balance with Scheduled Banks		
	-in bank accounts	46	96
	Total	**47**	**96**

Notes :

1 **Reconciliation of liabilities arising from financing activities** **(₹ '000)**

Particulars	As at March 31, 2018 (₹ '000)	Cash Flows	Non cash changes Finance cost	As at March 31, 2019 (₹ '000)
Long term borrowings (including accrued finance costs)	15,016	99	195	15,310

2 The above Cash Flow Statement has been prepared under the Indirect Method as set out in IND AS 7 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification

3 Figures in brackets indicate cash outflow.

The accompanying notes 1 to 24 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
FRN: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors
Interactive Visual Solutions Private Limited
CIN:-U72200PN2009PTC134950

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN: 00678173

Murlee Manohar Jain
(Director)
DIN: 05101562

Place: Noida
Date: May 24, 2019

Statements of Changes in Equity

a. Equity share capital

Particulars	Amount (₹ 000)
As at April 01, 2017	**100**
Changes in equity share capital	-
As at March 31, 2018	**100**
Changes in equity share capital	-
As at March 31, 2019	**100**

b. Other equity

Particulars	Notes	Reserves & Surplus		Total (₹ 000)
		Equity component of Debentures	Retained Earnings	
Balance as at 01 April 2017		**13,467**	**(14,641)**	**(1,174)**
Loss for the year		-	(445)	(445)
Equity Component of Debentures		-	-	-
Total Comprehensive Income for the year			-	-
Balance as at 31 March 2018		**13,467**	**(15,086)**	**(1,619)**

Particulars	Notes	Reserves & Surplus		Total (₹ 000)
		Equity component of Debentures	Retained Earnings	
Balance as at 31 March 2018		**13,467**	**(15,086)**	**(1,619)**
Loss for the year		-	(335)	(335)
Equity Component of Debentures	9	1,844	-	1,844
Balance as at 31 March 2019		**15,311**	**(15,421)**	**(110)**

The accompanying notes 1 to 24 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
FRN: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors
Interactive Visual Solutions Private Limited
CIN:-U72200PN2009PTC134950

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN: 00678173

Murlee Manohar Jain
(Director)
DIN: 05101562

Place: Noida
Date: May 24, 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. Reporting Entity

Interactive Visual Solutions Private Limited (the company) is a private limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The company is a wholly owned subsidiary of Allcheckdeals India Pvt. Ltd.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. **Basis of Preparation of Financial Statements**

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. **Property, plant and equipment (PPE)**

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by Management expert which are equal to, except in case of Plant and Machinery, Furniture and Fixtures and Vehicles where useful life is lower than life prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Assets	**Estimated useful life (Years)**
Computers	3
Software	3

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

Assets costing less than or equal to ₹ 5,000 are fully depreciated pro-rata from date of acquisition.

C. **Impairment of Non-Financial Assets**

Assessment is done at each balance sheet date as to whether there is any indication that an asset (PPE) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

D. **Taxes on Income**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will be available against which such temporary differences can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

E. **Provisions**

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

F. **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash in hand, amount at banks and other short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

G. **Earnings Per Share (EPS)**

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholder and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares

H. **Investments and other financial assets**

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments in scope of Ind AS 109 at fair value, other than investments in equity investments in subsidiaries, associates and jointly controlled entities, which are carried at cost less diminution, if any.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

I. **Exceptional items**

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

J. **Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

K. **Rounding of Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Thousand as per the requirement of Schedule III, unless otherwise stated.

3 (a). Property, plant & equipment Amount (₹ 000)

Particulars	Plant and Equipment	Total
Year ended March 31, 2018		
Gross carrying amount		
As at April 1, 2017	26	26
Additions	-	-
Disposals	-	-
Closing gross carrying amount	**26**	**26**
Accumulated depreciation		
As at April 1, 2017	26	26
Depreciation charged during the year	-	-
Disposals	-	-
Closing accumulated depreciation	**26**	**26**
Net carrying amount	**-**	**-**
Period ended March 31, 2019		
Gross carrying amount		
Opening gross carrying amount	26	26
Additions	-	-
Disposals	-	-
Closing gross carrying amount	**26**	**26**
Accumulated depreciation		
Opening accumulated depreciation	26	26
Depreciation charged during the period	-	-
Disposals	-	-
Closing accumulated depreciation	**26**	**26**
Net carrying amount	**-**	**-**

3 (b). Intangible Assets Amount (₹ 000)

Particulars	Intangible Assets	Total
Year ended March 31, 2018		
Gross carrying amount		
As at April 1, 2017	479	479
Additions	-	-
Disposals	-	-
Closing gross carrying amount	**479**	**479**
Accumulated depreciation		
As at April 1, 2017	396	396
Depreciation charged during the year	82	82
Disposals	-	-
Closing accumulated depreciation	**478**	**478**
Net carrying amount	**1**	**1**
Period ended March 31, 2019		
Gross carrying amount		
Opening gross carrying amount	479	479
Additions	-	-
Disposals	-	-
Closing gross carrying amount	**479**	**479**
Accumulated depreciation		
Opening accumulated depreciation	478	478
Depreciation charged during the period	-	-
Disposals	-	-
Closing accumulated depreciation	**478**	**478**
Net carrying amount	**1**	**1**

4. Non-current Tax Assets

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Advance Tax	17	17
	17	**17**

5(a). Cash & Cash Equivalents

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Cash & Cash Equivalents		
(a) Cash in Hand	1	-
(b)Balance with Bank in Current Account	46	96
	47	**96**

5(b). Other Financial Assets

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Balance in fixed deposit accounts with original maturity more than 12 months	-	61
	-	**61**

6. Other Current Assets

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Advance to Vendor	-	11
	-	**11**

7. Equity Share Capital

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
AUTHORISED		
10,000 Equity Shares of ₹ 10/- each (Previous Year - 10,000 Equity Shares of Rs 10/- each)	**100**	**100**
9,000 Preference Shares of ₹ 100/- each	**900**	**900**
ISSUED, SUBSCRIBED & PAID-UP		
10,000 Equity Shares of Rs 10/- each, fully paid up (Previous Year - 10,000 Equity Shares of Rs 10/- each)	100	100
	100	**100**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2019 No of Shares	As at March 31, 2019 (₹ '000)	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ '000)
Equity Shares				
At the beginning of the year	10,000	100	10,000	100
Add: Issued during the year	-	-	-	-
Outstanding at the end of the period	**10,000**	**100**	**10,000**	**100**

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2018-19		FY 2017-18	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of Rs 10 each fully paid				
Allcheckdeals India Pvt Ltd (one share held by Nominee shareholder)	9,999	99.99%	9,999	99.99%
	9,999	**99.99%**	**9,999**	**99.99%**

8. Other Equity

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Retained Earnings		
Opening Balance	(15,086)	(14,641)
Add: Loss for the year	(335)	(445)
	(15,421)	(15,086)
Equity Component of debt intruments	15,311	13,467
	(110)	**(1,619)**

9 (a) . Borrowings

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Debentures issued to Ultimate Holding Company				
Info Edge India Ltd	1,100	1,100	-	-
(0.0001% compulsory convertible debentures into compulsorily convertiable preference shares (Previous year Convertible into Compusorily redeemable preference shares)				
Add : Interest expense on financial liabilities at amortised cost	28	14	-	-
Less : Equity component of debt instruments	(1,128)	(999)	-	-
(0.0001% compulsory convertible debentures into compulsory convertible preference shares)	100	-	-	-
Less : Equity component of debt instruments	(100)	-	-	-
Liability component of debentures	**-**	**115**	**-**	**-**
Debentures issued to Holding Company				
Allcheckdeals India Pvt Ltd	13,728	13,728	-	-
(0.0001% compulsory convertible debentures into compulsorily Convertiable preference shares (Previous year Convertible into Compulsorily redeemable preference shares)				
Add : Interest expense on financial liabilities at amortised cost	354	174	-	-
Less : Equity component of debt instruments	(14,082)	(12,468)	-	-
Liability component of debentures	**-**	**1,434**	**-**	**-**
	-	**1,549**	**-**	**-**

(b) . Deferred tax liabilities

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Deferred tax liabilities (Net)	33	33
	33	33

10. Trade Payables

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Trade payables				
-total outstanding dues of micro enterprises and small enterprises	-	-	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	40	113
	-	**-**	**40**	**113**

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2019.

11. Current Tax Liabilities

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
TDS Payable	2	10
	2	**10**

12. Other Income

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Interest on FDRs	-	7
Provision no longer required written back	142	-
	142	**7**

13. Finance Cost

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Interest cost on financial liabilities at amortised cost	195	174
Bank Charges	5	1
	200	**175**

14. Administration And Other Expenses

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Rent	28	24
Legal and Professional Expenses	173	144
Miscellaneous Expenses	76	27
	277	**195**

15. AUDITORS REMUNERATION

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
Audit Fees (Excluding GST)	20	20
	20	**20**

16. Basic & Diluted Earnings Per Share (EPS)

Particulars	As at March 31, 2019 Amount (₹)	As at March 31, 2018 Amount (₹)
(Loss) attributable to Equity Shareholders (Rs.)	(335,000)	(445,153)
Weighted average number of Equity Shares outstanding during the year (Nos.)	10,000	10,000
Basic Earnings Per Equity Share of ₹ 10 each (Rs.)	(33.50)	(44.52)
Diluted		
Weighted average number of Equity Shares outstanding during the year (Nos.)	10,000	10,000.00
Add : Weighted average number of potential equity shares	22,332	-
Weighted average number of shares outstanding for diluted EPS	32,332	10,000.00
Diluted Earning Per Share of Rs 10 each (₹)	(10.36)	(44.52)

17. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

18. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 are not applicable on the company since there was no employee employed by the company during the year.

19. During the year ended March 31st, 2019, the Company has converted Compulsorily convertiable debenture which were convertiable into cumulative redeemable preference shares with compulsorily convertible preference shares w.e.f. March 27, 2019. All other terms and conditions remain same.

20 (1) . Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Ind AS - 24 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2019:

Holding Company

Allcheckdeals India Pvt Ltd

Ultimate Holding Company

Info Edge (India) Limited

Fellow Subsidiary

Newinc Internet Services Private Limited (NISPL)

Key Management Personnel (KMP) & Relatives

Mr Chintan Thakkar

Mr. Murlee Manohar Jain

B) Details of transactions with related party for the year ended March 31, 2019 in the ordinary course of business: **Amount (₹ 000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Company	Total
1. Debentures issued	-	100	100
2. Rent	-	28	28

20 (2) . Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Ind AS - 24 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2018:

Holding Company

Allcheckdeals India Pvt Ltd

Ultimate Holding Company

Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives

Mr Chintan Thakkar

Mr Sudhir Bhargava

B) Details of transactions with related party for the year ended March 31, 2018 in the ordinary course of business: **Amount (₹ 000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Company	Total
1. Repayment of Advances/unsecured loan received for business purposes	-	18	18
2. Rent	-	24	24

C) Amount due to/from related parties as at March 31, 2018 **Amount (₹ 000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Company	Total
Credit Balances			
Outstanding Payable	-	42.00	42.00

21 : Financial Instruments And Risk Management

Fair value Hierarchy

a) Financial instruments by category

Amount (₹ '000)

Particulars	March 31, 2019		March 31, 2018	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Cash and cash Equivalents		47		96
Other financial assets		-		61
Total Financial Assets	**-**	**47**	**-**	**157**
Financial Liabilities				
Borrowings		-		1,549
Trade payables		40		113
Total Financial Liabilities	**-**	**40**	**-**	**1,662**

b) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

Amount (₹ '000)

Particulars	March 31, 2019		March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Cash and cash Equivalents	47	47	96	96
Other financial assets	-	-	61	61
Total Financial Assets	**47**	**47**	**157**	**157**
Financial Liabilities				
Borrowings	-	-	1,549	1,549
Trade payables	40	40	113	113
Total Financial Liabilities	**40**	**40**	**1,662**	**1,662**

The carrying amounts of trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

22 : Financial Risk And Capital Management

(A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors.

Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

	Contractual cash flows				(₹ '000)
March 31, 2019	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More Than 2 years**
Non-derivative financial liabilities					
Borrowings	-	-	-	-	-
Trade and other payables	40	40	-	-	-
Other financial liabilities	-	-	-	-	-
	Contractual cash flows				**(₹ '000)**
March 31, 2018	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More Than 2 years**
Non-derivative financial liabilities					
Borrowings	1,549	-	-	-	1,549
Trade and other payables	113	113	-	-	-
Other financial liabilities	-	-	-	-	-

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from fixed deposits with banks and borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(Amount in ₹ '000)

Particulars	**March 31, 2019**	**March 31, 2018**
Fixed-rate instruments		
Financial assets	-	61
Financial liabilities	-	1,549
Total	**-**	**1,610**

(B) Capital management

-Risk management

The Comapny's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, and borrowings from parent and ultimate parent company.

23. Revenue from Contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contracts with Customers. This establishes Standard sets out a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company from 1 April 2018 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method). Since there is no Revenue accrued during the Current Year as well as Previous Year, there is no impact of Ind AS 115 on the Financial statement during the year.

24. Standards issued but not effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases:

The Ministry of Corporate Affairs on 30 March 2019 notified the new leasing standard, viz., Ind AS 116 Leases. Ind AS 116 is applicable for the financial year beginning on or after 1 April 2019 for all Ind AS companies. It replaces virtually all the existing leasing requirements under Ind AS 17 Leases.

The new standard will require lessees to recognize most leases on their balance sheets. Lessees will use a single accounting model for all leases, with limited exemptions. Foreign currency leases will increase P&L volatility due to a restatement of foreign currency liability.

An entity has an option to adopt Ind AS 116 using either the full retrospective method or the modified retrospective method. An entity that elects the modified retrospective method would apply Ind AS 116 retrospectively to only the current period by recognising the cumulative effect of initially applying Ind AS 116 as an adjustment to the opening balance of retained earnings (or other components of equity) at the date of initial application. Under the modified retrospective method, Ind AS 116 would be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. An entity would need to disclose how it applied the modified retrospective method.

The Company is under process to evaluate the impacts of the new standard on financial statements.

For and on behalf of Sharma Goel & Co. LLP
FRN: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors
Interactive Visual Solutions Private Limited
CIN:-U72200PN2009PTC134950

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN: 00678173

Murlee Manohar Jain
(Director)
DIN: 05101562

Place: Noida
Date: May 24, 2019

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 3rd Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company is engaged in the business of providing all kinds and types of internet, computer and electronics data processing services.

The Company made a loss of ₹ 9,110 thousand in the financial year 2018-19 as compared to a loss of ₹ 8,005 thousand in the financial year 2017-18.

SHARE CAPITAL

There has been no change in the Capital Structure of the Company during the year under review.

During the year under review, the Company issued and allotted 25,000 – 0.0001% Compulsory Convertible Debentures (CCDs) of ₹ 100/- (Rupees One Hundred only) each aggregating to ₹ 2.5 million to Startup Investments (Holding) Limited, group company of the Company.

The Company changed the term of conversion of 4,69,000 CCDs after obtaining the consent of equity shareholders and approval of Debentureholders in the Class Meeting held on March 27, 2019. The aforesaid CCDs were earlier convertible into CRPS and now are convertible into CCPS.

DIVIDEND

No dividend has been declared for the financial year 2018-19.

TRANSFER TO GENERAL RESERVES

During the year under review, the Company has not transferred any amount to general reserve.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There has been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has no subsidiary, joint venture or associate company as on date of this report.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 1st Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 subject to the ratification by the shareholders at every general meeting.

However, in accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditor has confirmed that they are not disqualified under any provisions of Section 141(3) of Companies Act, 2013 and also their engagement with the Company is within the prescribed limits under section 141(3)(g) of Companies Act, 2013.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

There was no change in the directors and Key Managerial Personnel during the year under review. Mr. Murlee Manohar Jain and Mr. Chintan Thakkar are the directors of the Company as on the date of this report.

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Murlee Manohar Jain (DIN 05101562) is liable to retire by rotation and, being eligible, offers himself for re-appointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 6 (Six) times during the year on May 29, 2018, July 23, 2018, October 29, 2018, January 28, 2019, February 13, 2019 and March 26, 2019. The maximum time gap between any two meetings was not more than 120 days. The details of Director's attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETINGS FOR FY 2018-19

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Murlee Manohar Jain	Director	6	6
Mr. Chintan Thakkar	Director	6	6

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company did not make any loans, guarantee or investment during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company did not enter into any material transaction with related parties. However, disclosure in prescribed form AOC-2 is annexed herewith as Annexure A to this report.

Details of all other related party transactions are present under Note No. 17 of notes to financial statement.

COST AUDITORS

The provisions of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable on the Company.

EXTRACT OF ANNUAL RETURN/WEB LINK OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

The Company does not have any website, however the Annual return filed for the FY 2017-18 is available at the website of the holding company at http://www.infoedge.in/pdfs/NewInc-Internet-Services-Limited.pdf

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 (1) of the Companies Act, 2013 and hence it is not required to formulate policy on CSR.

INTERNAL COMMITTEE

There exists a group level Internal Committee constituted under the sexual harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013 by Info Edge (India) Limited, holding company of the Company.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

Chintan Thakkar
(Director)
DIN: 00678173

Murlee Manohar Jain
(Director)
DIN: 05101562

Place: Noida
Date: May 24, 2019

ANNEXURE A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

2. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

For and on behalf of Board of Directors

Chintan Thakkar
(Director)
DIN: 00678173

Murlee Manohar Jain
(Director)
DIN: 05101562

Place: Noida
Date: May 24, 2019

ANNEXURE B

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U74999DL2016PTC309795

ii. Registration Date:- December 27, 2016

iii. Name of the Company: - NewInc Internet Services Private Limited

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-

GF12 A, 94, Meghdoot Building,
Nehru Place, New Delhi, South Delhi,
DL 110019
Tel. No. +91 120-3082000, Fax: 0120-3082095
Email: newinc@Infoedge.com
Website: - NA

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	To Carry on the business of providing all kind and types of internet, computer, electronic and related services	63112	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Allcheckdeals India Pvt. Ltd.	U72400DL2008PTC181632	Holding	100	2(46)
2.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Ultimate Parent Company	100 (through ACD)	2(46)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Total Promoter Shareholding- Individual	-	-	-	-	-	-	-	-	-
Total Promoter Shareholding – Bodies Corporate	-	2 (equity shares)	2* (equity shares)	100	-	2 (equity shares)	2* (equity shares)	100	-
Grand Total	-	2 (equity shares)	2* (equity shares)	100	-	2 (equity shares)	2* (equity shares)	100	-

* 1 (one) share is held by one individual as a nominee of Allcheckdeals India Pvt. Ltd.

ii. Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Allcheckdeals India Pvt. Ltd.	2* (equity shares)	100	0.00	2* (equity shares)	100	0.00	-

**1 (one) share is held by one individual as a nominee of Allcheckdeals India Pvt. Ltd.*

iii. **Change in Promoter's Shareholding -**

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Allcheckdeals India Pvt. Ltd.	2*	100	-	-	-	2	100

**1 (one) share is held by one individual as a nominee of Allcheckdeals India Pvt. Ltd.*

iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)-Nil**

v. **Shareholding of Directors and Key Managerial Personnel: Nil**

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: In ₹

	Secured Loans excluding deposits	Unsecured Loans	Deposits/ Debentures	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal amount	-	-	32,41,71,200	32,41,71,200
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	**32,41,71,200**	**32,41,71,200**
Change in Indebtedness during the financial year				
Addition	-	-	25,00,000*	25,00,000
Reduction	-	-	-	-
Net Change	-	-	**25,00,000**	**25,00,000**
Indebtedness at the end of the financial year				-
(i) Principal Amount	-	-	32,66,71,200	32,66,71,200
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	**32,66,71,200**	**32,66,71,200**

**During the year under review, the Company alloted 25,000 -0.0001% Compulsory Convertible Debentures of ₹ 100 each to Info Edge (India) Ltd.*

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

For and on behalf of Board of Directors

Chintan Thakkar
(Director)
DIN: 00678173

Murlee Manohar Jain
(Director)
DIN: 05101562

Place: Noida
Date: May 24, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEWINC INTERNET SERVICES PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of NEWINC INTERNET SERVICES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 standalone 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) 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, as amended 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 standalone 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.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NEWINC INTERNET SERVICES PRIVATE LIMITED of even date)

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii. The Company does not have any inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

iii. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2019 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration. Hence reporting under clause 3 (xi) of the Order is not applicable to the Company.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NEWINC INTERNET SERVICES PRIVATE LIMITED of even date)

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")

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

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 Controls 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was 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 controls 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, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 of the Company.

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 that, 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 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; and (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.

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 **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Note	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)
Assets			
Non-current assets			
Property, plant and equipment			
(i) Investment Property	3	3,08,946	3,14,842
Non-current tax assets (net)	4	5	2
Current Assets			
Financial assets			
(i) Cash and cash equivalents	5(b)	1,078	9
(ii) Other financial assets	5(a)	296	1,029
Other current assets	6	1	16
Total Assets		**3,10,326**	**3,15,898**
Equity & Liabilities			
Equity			
Equity Share capital	7	0.02	0.02
Other equity	8	3,09,769	3,10,826
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	9(a)	-	4,909
Current liabilities			
Financial liabilities			
(i) Trade payables	9(b)		
-total outstanding dues of micro enterprises and small enterprises		-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		547	132
Other current liabilities	10	10	31
Total Equity and Liabilities		**3,10,326**	**3,15,898**

The accompanying notes 1 to 26 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
Firm Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors
Newinc Internet Services Private Limited
CIN: U74999DL2016PTC309795

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN No:-00678173

Murlee Manohar Jain
(Director)
DIN No:-05101562

Place: Noida
Date: May 24,2019

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2019

Particulars	Note	For the Year Ended March 31, 2019 (₹ '000)	For the Period Ended March 31,2018 (₹ '000)
Income			
Other income	11	33	17
I Total Income		**33**	**17**
Expenses			
Finance costs	12	653	534
Amortisation & Depriciation expense	13	5,896	5,896
Administration and other expenses	14	2,594	1,592
II Total Expense		**9,143**	**8,022**
III. Profit/(Loss) before tax (I-II)		**(9,110)**	**(8,005)**
IV. Profit/(Loss) for the year		**(9,110)**	**(8,005)**
Total income for the year		**(9,110)**	**(8,005)**
Earnings per share:			
Basic earnings per share	16	(45,55,000)	(40,02,582)
Diluted earnings per share	16	(0.33)	(0.29)

The accompanying notes 1 to 26 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
Firm Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors
Newinc Internet Services Private Limited
CIN: U74999DL2016PTC309795

Chintan Thakkar
(Director)
DIN No:-00678173

Murlee Manohar Jain
(Director)
DIN No:-05101562

Place: Noida
Date: May 24,2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

S.No.	Particulars	For the Year Ended March 31, 2019 (₹ '000)	For the Period Ended March 31,2018 (₹ '000)
A.	**Cash flow from operating activities:**		
	Loss before tax	**(9,110)**	**(8,005)**
	Adjustments for:		
	Depreciation and amortisation expense	5,896	5,896
	Interest cost on financial liabilities	653	534
	Interest income	(33)	(17)
	Operating profit before working capital changes	**(2,594)**	**(1,592)**
	Adjustments for changes in working capital :		
	- (Increase)/Decrease in Other financial assets	732	(1,029)
	- (Increase)/Decrease in Other Current Assets	-	(16)
	- Increase/(Decrease) in Trade payables	415	109
	-Increase/(Decrease) in Other current liabilities	(21)	(2,77,250)
	Cash generated from / (used in) operating activities	**(1,468)**	**(2,79,778)**
	- Taxes Paid	(3)	(2)
	Net cash from / (used in) operating activities	**(1,471)**	**(2,79,780)**
B.	**Cash flow from Investing activities:**		
	Interest Income received	48	17
	Net cash flow from / (used in) investing activities	**48**	**17**
C.	**Cash flow from financing activities:**		
	Proceeds from issuance of Debentures including Interest cost	2,500	2,79,372
	Interest expense	(8)	
	Net cash from/used in financing activities	**2,492**	**2,79,372**
	Net increase/decrease in cash & cash equivalents	**1,069**	**(392)**
	Opening balance of cash and cash equivalents	**9**	**401**
	Closing balance of cash and cash equivalents	**1,078**	**9**
	Cash and cash equivalents comprise		
	Cash in hand	1,078	9
	Balance with scheduled banks		
	-in current accounts	-	-
	Total cash and cash equivalents	**1,078**	**9**
	Total	**1,078**	**9**

Notes :

1 **Reconciliation of liabilities arising from financing activities** (₹ '000)

Particulars	As at 31st March 2018	Cash Flows	Non cash changes Finance cost	As at 31st March 2019
Long term borrowings (including accrued finance costs)	3,24,774	(8)	652	3,25,418
	3,24,774	(8)	652	3,25,418

2 The above Cash Flow Statement has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as amended.

3 Figures in brackets indicate cash outflow.

The accompanying notes 1 to 26 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
Firm Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of the Board of Directors
Newinc Internet Services Private Limited
CIN: U74999DL2016PTC309795

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN No:-00678173

Murlee Manohar Jain
Director
DIN No:-05101562

Place: Noida
Date: May 24,2019

STATEMENTS OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	**Amount (₹000)**
As at March 31, 2017	**0.02**
Changes in equity share capital during the year	-
As at March 31, 2018	**0.02**
Changes in equity share capital during the year	-
As at March 31, 2019	**0.02**

b. Other Equity

	Equity component of financial instruments	**Retained Earnings (₹ 000)**	**Total (₹ 000)**
Balance as at 31 March 2017	**40,687**	**(1,034)**	**39,653**
Profit/(Loss) for the period		(8,005)	(8,005)
Equity component of Debt instruments	2,79,178		2,79,178
Balance as at 31 March 2018	**3,19,865**	**(9,039)**	**3,10,826**

	Equity component of financial instruments	**Retained Earnings (₹ 000)**	**Total (₹ 000)**
Balance as at 31 March 2018	**3,19,865**	**(9,039)**	**3,10,826**
Profit/(Loss) for the year		(9,110)	(9,110)
Equity component of Debt instruments	8,053		8,053
Balance as at 31 March 2019	**3,27,918**	**(18,149)**	**3,09,769**

The accompanying notes 1 to 26 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: Noida
Date: May 24,2019

For and on behalf of the Board of Directors
Newinc Internet Services Private Limited
CIN: U74999DL2016PTC309795

Chintan Thakkar
(Director)
DIN No:-00678173

Murlee Manohar Jain
Director
DIN No:-05101562

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. Reporting Entity

Newinc Internet Services Private Limited (the company) is a private limited company domiciled in India and incorporated on December 27th, 2016 under the provisions of the Companies Act, 2013. The company is a wholly owned subsidiary of AllCheckDeals India Private Limited.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. Property, plant and equipment (PPE) and Investment property

All items of property, plant and equipment and Investment property are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by Management expert which are equal to, except in case of Plant and Machinery, Furniture and Fixtures and Vehicles where useful life is lower than life prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Asset	Estimated useful life (Years)
Leasehold land	57

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

Assets costing less than or equal to ₹ 5,000 are fully depreciated pro-rata from date of acquisition.

C. Impairment of Non-Financial Assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (PPE) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

D. Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements of company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is Newinc Internet Services Private Limited's functional and presentation currency.

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss

E. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

F. Provisions

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses..

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

G. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash in hand, amount at banks and other short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

H. Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholder and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares

I. **Investments and other financial assets**

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments in scope of Ind AS 109 at fair value, other than investments in equity investments in subsidiaries, associates and jointly controlled entities, which are carried at cost less diminution, if any.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

J. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

K. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

L. Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Thousand as per the requirement of Schedule III, unless otherwise stated.

3. Property,Plant & Equipment And Investment Property (₹ '000)

	GROSS CARRYING AMOUNT (AT COST)				DEPRECIATION/AMORTISATION				NET CARRYING AMOUNT
Description	**As at April 1, 2018**	**Additions during the period**	**Disposals during the year**	**As at March 31, 2019**	**Up to April 1, 2018**	**Depreciation/ Amortisation**	**Accumulated depreciation/ amortisation on disposals**	**As at March 31, 2019**	**As at March 31, 2019**
INVESTMENT PROPERTY *									
Leasehold land	321,610	-	-	321,610	6,768	5,896	-	12,664	308,946
Total	**321,610**	**-**	**-**	**321,610**	**6,768**	**5,896**	**-**	**12,664**	**308,946**

* Investment property, as per Ind AS, includes amount incurred on assets held for long term rental yields or for capital appreciation or both.

4. Non-Current Tax Assets

Particulars **(Unsecured, considered good unless otherwise stated)**	**As at March 31, 2019 (₹ '000)**	**As at March 31,2018 (₹ '000)**
Advance Tax (TDS recoverable)	5	2
	5	**2**

5. FINANCIAL ASSETS

(A) Other Financial Assets

Particulars **(Unsecured, considered good unless otherwise stated)**	**As at March 31, 2019 (₹ '000)**	**As at March 31,2018 (₹ '000)**
Balance in fixed deposit accounts with original maturity more than 12 months (net)	296	1,029
	296	**1,029**

(B) Cash And Cash Equivalents

Particulars	**As at March 31, 2019 (₹ '000)**	**As at March 31,2018 (₹ '000)**
Cash on hand	3	9
Balance with Bank - Current Account	1,075	-
	1,078	**9**

6. Other Current Assets

Particulars (Unsecured, considered good unless otherwise stated)	As at March 31, 2019 (₹ '000)	As at March 31,2018 (₹ '000)
Interest Accrued On FD	1	16
	1	**16**

7. Share Capital

Particulars	As at March 31, 2019 (₹ '000)	As at March 31, 2018 (₹ '000)
AUTHORISED CAPITAL		
10,000 Equity Shares of ₹ 10/- each	100	100
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
2 Equity Shares of Rs 10/- each, fully paid up	0.02	0.02
	0.02	**0.02**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2019 No of Shares	As at March 31, 2019 (₹ '000)	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ '000)
Equity Shares				
At the beginning of the period	2	0.02	2	0.02
Add: Issued during the period	-		-	-
Outstanding at the end of the period	**2**	**0**	**2**	**0.02**

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Allcheckdeals India Pvt. Ltd. (ACD)	1	50.00%	1	50.00%
Mr. Sudhir Bhargava (as a nominee of ACD)	1	50.00%	1	50.00%
	2	**100.00%**	**2**	**100.00%**

8. Other Equity

Particulars	As at March 31, 2019 (₹ '000)		As at March 31, 2018 (₹ '000)	
Retained Earnings				
Opening Balance	(9,039)		(1,034)	
Add: Loss for the year	(9,110)	(18,149)	(8,005)	(9,039)
Equity component of Debt instruments	327,918	327,918	319,865	319,865
		309,769		**310,826**

9. Financial Liabilities

A. Borrowings

Particulars	**Non-Current** **As at** **March 31, 2019** **(₹ '000)**	**Current** **As at** **March 31, 2019** **(₹ '000)**	**Non-Current** **As at** **March 31,2018** **(₹ '000)**	**Current** **As at** **March 31,2018** **(₹ '000)**
Debentures issued to Ultimate Holding Company				
Info Edge India Ltd				
(0.0001% compulsory convertible debentures into compulsorily convertiable prefernce shares (Previous Year Convertiable into cumulative redeemable preference shares))	20,000	-	20,000	-
(0.0001% compulsory convertible debentures into compulsorily convertiable preference shares 1,000 nos (Previous year Convertiable into Cumulative redeemable preference shares, 1,000 nos))	100	-	100	-
(0.0001% compulsory convertible debentures into compulsorily convertiable prefernce shares 20,000 nos (Previous Year Convertiable into cumulative redeemable preference shares 20,000 nos)	2,000	-	2,000	-
(0.0001% compulsory convertible debentures into compulsorily convertible preference shares 27,72,712 nos, Previous Year - 27,72,712 nos of face value of ₹ 100/- each)	277,271		277,271	-
Add : Interest expense on present value	568	-	279	-
Less : Equity component of debt instruments	(299,939)	-	(297,342)	-
	-	-	**2,308**	-
Debentures issued to Holding Company				
Allcheckdeals (India) Pvt. Ltd.				
(0.0001% compulsory convertible debentures into compulsorily convertiable preference shares 248,000 nos (Previous Year Convertiable into cumulative redeemable preference shares 248,000 nos)	24,800	-	24,800	-
Add : Interest expense on present value	679	-	324	-
Less : Equity component of debt instruments	(25,479)	-	(22,523)	-
	-	-	**2,601**	-
Debentures issued				
Startup Investments (Holding) Ltd				
0.0001% compulsory convertible debentures into compulsorily convertible preference shares 25,000 nos of face value of Rs, 100/- each.	2,500	-	-	-
Less : Equity component of debt instruments	(2,500)	-	-	-
Liability component of debentures	**-**	**-**	**4,909**	**-**

B. Trade Payables

Particulars	**Non-Current** **As at** **March 31, 2019** **(₹ '000)**	**Current** **As at** **March 31, 2019** **(₹ '000)**	**Non-Current** **As at** **March 31,2018** **(₹ '000)**	**Current** **As at** **March 31,2018** **(₹ '000)**
Trade Payables				
-total outstanding dues of micro enterprises and small enterprises	-	-	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	-	547	-	132
	-	**547**	**-**	**132**

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2019

10. Other Current Liabilities

Particulars	Non-Current As at March 31, 2019 (₹ '000)	Current As at March 31, 2019 (₹ '000)	Non-Current As at March 31,2018 (₹ '000)	Current As at March 31,2018 (₹ '000)
TDS Payable	-	10	-	31
	-	**10**	**-**	**31**

11. Other Income

Particulars	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31,2018 (₹ '000)
Interest income on fixed deposits with banks	33	17
	33	**17**

12. Finance Costs

Particulars	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31,2018 (₹ '000)
Bank charges	1	-
Interest expense on financial liability at amortised cost	652	534
	653	**534**

13. Depreciation And Amortisation

Particulars	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31,2018 (₹ '000)
Amortisation of Investment Property	5,896	5,896
	5,896	**5,896**

14. Administration And Other Expenses

Particulars	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31,2018 (₹ '000)
Legal and professional charges	1,402	719
Security Charges	1,098	811
Rent	28	24
Miscellaneous expenses	66	38
	2,594	**1,592**

15. Auditors Remuneration

Particulars	Year Ended March 31, 2019 (₹ '000)	Year Ended March 31,2018 (₹ '000)
Audit Fees (Excluding GST)	100	103
	100	**103**

16. Earnings Per Share

Particulars	Year ended March 31, 2019	Period Ended March 31,2018
Loss attributable to Equity Shareholders (₹)	(9,110,000)	(8,005,163)
Basic		
Weighted average number of Equity Shares outstanding during the year (Nos.)	2	2
Basic EPS of ₹ 10 each (₹)	(4,555,000)	(4,002,582)
Diluted		
Weighted average number of Equity Shares outstanding during the year (Nos.)	2	2
Add : Potential equity shares pursuant to conversion of CCPS to equivalent Equity Shares	27,810,709	27,727,120
Weighted average number of shares outstanding for diluted EPS	**27,810,711**	**27,727,122**
Diluted EPS of ₹ 10 each (₹)	(0.33)	(0.29)

17. Related Party Disclosures for the year ended March 31, 2019

(A) List of related parties

Ultimate Holding Company

Info Edge (India) Ltd.

Holding Company

Allcheckdeals (India) Pvt. Ltd.

Fellow Subsidiary

Startup Investments (Holding) Ltd

Key Management Personnel (KMP) & Relatives

Mr Chintan Thakkar

Mr Murlee Manohar Jain

B) Details of transactions with related party in the ordinary course of business: **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Company	Fellow Subsidiary	Total
1. Issue of Debentures	-	-	2,500	**2,500**
2. Loan taken	-	-	1,000	**1,000**
3. Interest expense on loan	-	-	7	**7**
4. Repayment of Loan (Including interest)	-	-	1,006	**1,006**
5. Rent Expense	-	28	-	**28**

17. Related Party Disclosures for the year ended March 31, 2018

(A) List of related parties

Ultimate Holding Company

Info Edge (India) Ltd.

Holding Company

Allcheckdeals (India) Pvt. Ltd.

Key Management Personnel (KMP) & Relatives

Mr Sudhir Bhargava

Mr Murlee Manohar Jain

B) Details of transactions with related party in the ordinary course of business: **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Ultimate Holding Company	Fellow Subsidiary	Total
1. Issue of Debenture	-	279,371	-	**279,371**
2. Rent Expense	-	24	-	**24**

18. During the previous year , the Company has issued of 21,000 nos Compulsorily convertible debentures of face value of ₹ 100/- each convertible to cumulative redeemable preference shares to holding Company - Info Edge India Limited. As per IND AS 109, the said amount of debenture proceeds have been segregated into equity component and liability component of debentures; and appropriately classified under 'Note 8 - Other equity' & Note 9(a) - Borrowings' respectively.

19. During the year, the Company has issued 25,000 nos (previous year : 2,772,712 nos) of Compulsorily convertible debentures having face value of ₹ 100/- each convertible in Compulsorily convertible preference shares to ultimate holding Company.

20. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 as the Company does not have any operations during the financial year.

21. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 are not applicable on the company since there was no employee employed by the company during the year.

22. During the year ended March 31st, 2019, the Company has converted Compulsorily convertiable debenture which were convertiable into cumulative redeemable preference shares with compulsorily convertible preference shares w.e.f. March 27, 2019. All other terms and conditions remain same.

23. Fair value measurements

a) Financial instruments by category **(₹ '000)**

	March 31, 2019		March 31, 2018	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Other financial assets	-	296	-	1,029
Cash and cash Equivalents	-	1,078	-	9
Total Financial Assets	**-**	**1,374**	**-**	**1,038**
Financial Liabilities				
Borrowings	-	-	-	4,909
Trade payables	-	547	-	132
Total Financial Liabilities	**-**	**547**	**-**	**5,041**

b) Financial assets and liabilities measured at amortized cost **(₹ '000)**

	March 31, 2019		March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Other financial assets	296	296	1,029	1,029
Cash and cash Equivalents	1,078	1,078	9	9
Total Financial Assets	**1,374**	**1,374**	**1,038**	**1,038**
Financial Liabilities				
Borrowings	-	-	4,909	4,909
Trade payables	547	547	132	132
Total Financial Liabilities	**547**	**547**	**5,041**	**5,041**

24 : Financial risk and Capital management

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors.

(a) Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Comapny's treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.In addition, the Company projects cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The amount disclosed in the below table represent the contractual cash flows.

(₹ '000)

March 31, 2019	Total	6 months or less	6-12 months	1-2 years	More than 2 Yrs
Non-derivative financial liabilities					
Trade payables	547	547	-	-	-
Borrowings	-	-	-	-	-

(₹ '000)

March 31, 2018	Total	6 months or less	6-12 months	1-2 years	More than 2 Yrs
Non-derivative financial liabilities					
Trade payables	132	132	-	-	-
Borrowings	4,909	-	-	-	4,909

(c) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's borrowings and deposits/loans are all at fixed rate and are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure of the Company's financials assets/liabilities at the end of the reporting period are as follows:

(₹ '000)

Particulars	March 31, 2019	March 31, 2018
Fixed-rate instruments		
Financial assets	296	1,029
Financial liabilities	-	4,909
Total	**296**	**5,938**

25. Revenue from Contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contracts with Customers. This establishes Standard sets out a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company from 1 April 2018 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method). Since there is no Revenue accrued during the Current Year as well as Previous Year, there is no impact of Ind AS 115 on the Financial statement during the year.

26. Standards issued but not effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases:

The Ministry of Corporate Affairs on 30 March 2019 notified the new leasing standard, viz., Ind AS 116 Leases. Ind AS 116 is applicable for the financial year beginning on or after 1 April 2019 for all Ind AS companies. It replaces virtually all the existing leasing requirements under Ind AS 17 Leases.

The new standard will require lessees to recognize most leases on their balance sheets. Lessees will use a single accounting model for all leases, with limited exemptions. Foreign currency leases will increase P&L volatility due to a restatement of foreign currency liability.

An entity has an option to adopt Ind AS 116 using either the full retrospective method or the modified retrospective method. An entity that elects the modified retrospective method would apply Ind AS 116 retrospectively to only the current period by recognising the cumulative effect of initially applying Ind AS 116 as an adjustment to the opening balance of retained earnings (or other components of equity) at the date of initial application. Under the modified retrospective method, Ind AS 116 would be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. An entity would need to disclose how it applied the modified retrospective method.

The Company is under process to evaluate the impacts of the new standard on financial statements.

For and on behalf of Sharma Goel & Co. LLP
Firm Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of the Board of Directors
Newinc Internet Services Private Limited
CIN: U74999DL2016PTC309795

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN No:-00678173

Murlee Manohar Jain
(Director)
DIN No:-05101562

Place: Noida
Date: May 24,2019

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 4th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company is engaged in the business of providing all kinds and types of internet, computer and electronics data processing services. The Company made a loss of ₹ 53,540 thousand in the financial year 2018-19 as compared to a loss of ₹ 1,107 thousand in the financial year 2017-18.

SHARE CAPITAL

There has been no change in the Capital Structure of the Company during the year under review.

The Company, after obtaining consent from equity shareholders and approval of preference shareholders in the Class Meeting held on March 27, 2019, converted the existing 23,56,100 Cumulative Redeemable Preference Shares (CRPS) into Compulsory Convertible Preference Shares (CCPS).

DIVIDEND

No dividend has been declared for the financial year 2018-19.

TRANSFER TO GENERAL RESERVES

During the year under review, the Company has not transferred any amount to general reserve.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has no subsidiary, joint venture or associate company as on date of this report.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 2nd Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2020-21 subject to the ratification by the shareholders at every general meeting.

However, in accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditor has confirmed that they are not disqualified under any provisions of Section 141(3) of Companies Act, 2013 and also their engagement with the Company is within the prescribed limits under section 141(3)(g) of Companies Act, 2013.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

There was no change in the Directors and Key Managerial Personnel during the period under review. Mr. Chintan Thakkar, Mr. Murlee Manohar Jain and Ms. Sharmeen Khalid are the Directors of the Company as on the date of this report.

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Ms. Sharmeen Khalid (DIN 07228396) is liable to retire by rotation and, being eligible, offers herself for re-appointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 6 (six) times during the year on May 29, 2018, July 23, 2018, October 29, 2018, January 28, 2019, March 04, 2019 and March 26, 2019. The maximum time gap between any two meetings was not more than 120 days. The details of Directors' attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETINGS FOR FY 2018-19

Name of the Director	Position	No of Meetings Held during the year	No of Meetings Attended during the year
Mr. Murlee Manohar Jain	Director	6	6
Mr. Chintan Thakkar	Director	6	6
Ms. Sharmeen Khalid	Director	6	6

INVESTMENT AND ALLOTMENT COMMITTEE

During the year under review, there was no meeting of Investment and Allotment Committee held.

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of the investment made by Company is given in the note no. 3(a) of notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company did not enter into any material transaction with related parties. However, disclosure in prescribed form AOC-2 is annexed herewith as Annexure A to this report.

Details of all other related party transactions are present under Note No. 15 of notes to financial statement.

COST AUDITORS

The provisions of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable on the Company.

EXTRACT OF ANNUAL RETURN/WEB LINK OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

The Company does not have any website, however the annual return filed for the FY 2017-18 is available at the website of the holding company at http://www.infoedge.in/pdfs/Smartweb-Interent-Services-limited.pdf

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 (1) of the Companies Act, 2013 and hence it is not required to formulate policy on CSR.

INTERNAL COMMITTEE

There exists a group level Internal Committee constituted under the sexual harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013 by Info Edge (India) Limited, holding company of the Company.

SECRETARIAL STANDARDS

The Board of Directors confirms that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

Murlee Manohar Jain
(Director)
DIN: 05101562

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

Annexure A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

2. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

For and on behalf of Board of Directors

Murlee Manohar Jain
(Director)
DIN: 05101562

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

ANNEXURE-B

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U72300DL2015PLC285618

ii. Registration Date:- September 23, 2015

iii. Name of the Company :- Smartweb Internet Services Limited

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-

Ground Floor, GF-12A,

94, Meghdoot Building, Nehru Place,

New Delhi, 110019

Tel. No. +91 120-3082000, Fax No. 0120-3082095

Email: smartweb@infoedge.com

Website: -N.A.

vi. Whether listed company:- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	To Carry on the business of providing all kind and types of internet, computer, electronic and related services	63112	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	100	2(46)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Promoter Shareholding- Bodies Corporate	-	49,000 (Equity Shares)	49,000* (Equity Shares)	98.00	-	49,000 (Equity Shares)	49,000* (Equity Shares)	98.00	-
	-	1,000 (Equity Shares)	1,000 (Equity Shares)	2.00	-	1,000 (Equity Shares)	1,000 (Equity Shares)	2.00	-
	-	2,356,100 (Cumulative Redeemable Preference Shares)	2,356,100 (Cumulative Redeemable Preference Shares)	100	-	-	-	100	-
	-	50,000 (Compulsory Convertible Preference Shares)	50,000 (Compulsory Convertible Preference Shares)	100	-	24,06,100** (Compulsory Convertible Preference Shares)	24,06,100 ** (Compulsory Convertible Preference Shares)	100	-
Grand Total	**-**	**50,000 (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**	**50,000 (Equity Shares)**	**50,000* (Equity Shares)**	**100**	**-**

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
	-	**2,356,100 (Cumulative Redeemable Preference Shares)**	**2,356,100 (Cumulative Redeemable Preference Shares)**	**100**	**-**	**-**	**-**	**100**	**-**
	-	**50,000 (Compulsory Convertible Preference Shares)**	**50,000 (Compulsory Convertible Preference Shares)**	-	-	**24,06,100** (Compulsory Convertible Preference Shares)**	**24,06,100 ** (Compulsory Convertible Preference Shares)**	100	-

*6 (six) shares were held by six individuals as nominee of Info Edge (India) Ltd.

** 2,356,100 Compulsory Convertible Preference Shares (CRPS) were converted into Compulsory Convertible Preference Shares (CCPS) on 27.03.2019

ii. Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	49,000 (Equity Shares)	98.00	0.00	49,000 (Equity Shares)	98.00	0.00	-
		2,356,100 (Cumulative Redeemable Preference Shares)	100	0.00	-	-	-	-
		50,000 (Compulsory Convertible Preference Shares)	100	0.00	24,06,100** (Compulsory Convertible Preference Shares)	100	0.00	-
2.	Startup Investments (Holding) Ltd.*	1,000 (Equity Shares)	2.00	0.00	1,000 (Equity Shares)	2.00	0.00	-

** Startup Investments (Holding) Ltd. is a promoter group company.*

** 2,356,100 Compulsory Convertible Preference Shares (CRPS) were converted into Compulsory Convertible Preference Shares (CCPS) on 27.03.2019

iii. Change in Promoter's Shareholding:

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Info Edge (India) Ltd.	49,000 (Equity Shares)	98.00	N.A.	N.A.	Nil	49,000 (Equity Shares)	98.00
		2,356,100 (Cumulative Redeemable Preference Shares)	100	N.A.	N.A.	Nil	-	100
		50,000 (Compulsory Convertible Preference Shares)	100	N.A.	N.A.	Nil	24,06,100** (Compulsory Convertible Preference Shares)	100
2.	Startup Investments (Holding) Ltd.	1,000 (Equity Shares)	2.00	N.A.	N.A.	Nil	1,000 (Equity Shares)	2.00

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil

v. Shareholding of Directors and Key Managerial Personnel

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Murlee Manohar Jain	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	N.A.	N.A.	Nil	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00
2.	Chintan Thakkar	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	N.A.	N.A.	Nil	1 Equity Share (as nominee of Info Edge (India) Ltd.)	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

For and on behalf of Board of Directors

Murlee Manohar Jain
(Director)
DIN: 05101562

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SMARTWEB INTERNET SERVICES LIMITED

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of SMARTWEB INTERNET SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 standalone 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
   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, as amended 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 standalone 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.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SMARTWEB INTERNET SERVICES LIMITED of even date)

I. The Company does not have any Fixed Assets. Accordingly, reporting under clause 3 (i) of the Order is not applicable to the Company.

II. The Company does not have any inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

III. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

V. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

VI. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

VII. a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2019 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under

VIII. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

IX. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

X. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

XI. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration . Hence reporting under clause 3 (xi) of the Order is not applicable to the Company.

XII. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

XIII. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

XIV. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

XV. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN– 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SMARTWEB INTERNET SERVICES LIMITED of even date)

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")

We have audited the internal financial controls over financial reporting of **SMARTWEB INTERNET SERVICES LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 Controls 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was 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 controls 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, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 of the Company.

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 that, 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 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; and (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.

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 **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN– 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

Balance Sheet as at March 31, 2019

Particulars	Note	As at March 31,2019 (₹000)	As at March 31,2018 (₹000)
Asssets			
Non-current assets			
Financial assets			
(i) Investments	3 (a)	150,253	35,752
Non-current tax assets (Net)	8	108	-
Current Assets			
Financial assets			
(i) Cash and cash equivalents	3 (b)	3,338	3,747
(ii) Loans	3 (c)	-	50,000
(iii) Other financial assets	3 (d)	1	114,303
Total Assets		**153,700**	**203,802**
Equity & Liabilities			
Equity			
Equity share capital	4	500	500
Other equity	5	153,057	174,085
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	6 (a)	-	28,890
Non Current tax liability (Net)	7	-	197
Current liabilities			
Financial liabilities			
(i) Trade payables	6 (b)		
-total outstanding dues of micro enterprises and small enterprises			
-total outstanding dues of creditors other than micro enterprises and small enterprises		133	113
Other current liabilities	9	10	17
Total Equity and Liablities		**153,700**	**203,802**

The accompanying notes 1 to 26 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
ICAI Firm Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: Noida
Date: May 24, 2019

For and on behalf of Board of Directors
Smartweb Internet Services Limited
CIN: U72300DL2015PLC285618

Chintan Thakkar
(Director)
DIN:00678173

Murlee Manohar Jain
(Director)
DIN:05101562

Statement of Profit and Loss for Year Ended March 31, 2019

Particulars	Note	Year ended March 31, 2019 (₹000)	Year ended March 31, 2018 (₹000)
Income			
Other income	10	660	3,061
I Total Income		**660**	**3,061**
Expenses			
Finance costs	11	3,622	3,252
Administration and other expenses	12	322	298
II Total Expense		**3,944**	**3,550**
III. Profit /(Loss) before tax & exceptional item (I-II)		**(3,284)**	**(489)**
IV. Exceptional items	18	50,256	-
V. Profit / (Loss) before tax (III-IV)		**(53,540)**	**(489)**
VI. Income tax expense			
Current tax	22	-	618
VII. Profit / (Loss) for the year (V-VI)		**(53,540)**	**(1,107)**
Earnings per share:			
Basic earnings per share	14	(1,070.82)	(22.13)
Diluted earnings per share	14	(66.25)	(2.01)

The accompanying notes 1 to 26 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
ICAI Firm Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors
Smartweb Internet Services Limited
CIN: U72300DL2015PLC285618

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN:00678173

Murlee Manohar Jain
(Director)
DIN:05101562

Place: Noida
Date: May 24, 2019

Cash Flow Statement for the Year Ended March 31, 2019

S.No.	Particulars	As at March 31,2019 (₹'000)	As at March 31,2018 (₹000)
A.	**Cash flow from operating activities:**		
	Net profit / (Loss) before tax & exceptional items	**(3,284)**	**(489)**
	Adjustments for:		
	Interest cost of financial liabilities	3,622	3,252
	Interest income on fixed deposits with banks	(203)	(3,061)
	Interest on Financial Assets	(457)	-
	Operating profit (Loss) before working capital changes	**(322)**	**(298)**
	Adjustments for changes in working capital :		
	- Decrease/(Increase) in Other financial assets	-	(156)
	- Increase/(Decrease) in trade payables	19	90
	- Increase/ (Decrease) in Other current liabilities	(7)	12
	Cash generated from/(used in) operating activities	**(310)**	**(352)**
	- Taxes Paid (Net of TDS)	(304)	(445)
	Net cash (used in) operating activities	**(614)**	**(797)**
B.	**Cash flow from Investing activities:**		
	Proceeds from sale of investments	-	40,000
	Investment in Debentures	-	(10,000)
	Interest received	205	2,688
	Loan to related party	-	(39,953)
	Maturity of/(Investment in) fixed deposits (net)	-	1,786
	Net cash flow from / (used in) investing activities	**205**	**(5,479)**
C.	**Cash flow from financing activities:**		
	Proceeds from issue of Compulsory Convertible Preference Shares	-	5,000
	Net cash flow from financing activities	**-**	**5,000**
	Net increase/(decrease) in cash & cash equivalents	**(409)**	**(1,276)**
	Opening balance of cash and cash equivalents	**3,747**	**5,023**
	Closing balance of cash and cash equivalents	**3,338**	**3,747**
	Cash and cash equivalents comprise		
	Cash in hand	-	-
	Balance with scheduled banks		
	-in current accounts (including fixed deposits)	3,338	3,747
	Total cash and cash equivalents	**3,338**	**3,747**

Notes :

1 **Reconciliation of liabilities arising from financing activities** **(₹ '000)**

Particulars	As at March 31, 2018	Cash Flows	Non cash changes Finance cost	As at March 31, 2019
Long term borrowings (including accrued finance costs)	247,870	-	3,622	251,492
	247,870	-	3,622	251,492

2 The above Statement of Cash Flow has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended.

3 Figures in brackets indicate cash outflow.

The accompanying notes 1 to 26 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
ICAI Firm Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors
Smartweb Internet Services Limited
CIN: U72300DL2015PLC285618

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN:00678173

Murlee Manohar Jain
(Director)
DIN:05101562

Place: Noida
Date: May 24, 2019

STATEMENTS OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	Amount (₹000)
As at March 31, 2017	**500**
Changes in equity share capital during the year	-
As at March 31, 2018	**500**
Changes in equity share capital during the year	-
As at March 31, 2019	**500**

b. Other Equity

Particulars	Equity component of financial instruments	Reserves & Surplus	Total Amount (₹000)
		Retained Earnings	
Balance as at 31 March 2017	213,980	(43,788)	170,192
Add: Compulsory Convertible Preference Shares	5,000	-	5,000
Profit/(Loss) for the year	-	(1,107)	(1,107)
Balance as at 31 March 2018	**218,980**	**(44,895)**	**174,085**
Profit/(Loss) for the year	-	(53,540)	(53,540)
Add: Equity Component of financial instruments	32,512	-	32,512
Balance as at 31 March 2019	**251,492**	**(98,435)**	**153,057**

The accompanying notes 1 to 26 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
ICAI Firm Registration Number: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors
Smartweb Internet Services Limited
CIN: U72300DL2015PLC285618

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN:00678173

Murlee Manohar Jain
(Director)
DIN:05101562

Place: Noida
Date: May 24, 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. Reporting Entity

Smartweb Internet Services Limited (the company) is a limited company domiciled in India and incorporated on September 23rd, 2015 under the provisions of the Companies Act applicable in India. The company is a wholly owned subsidiary of Info Edge (India) Limited

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements of company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is Smartweb Internet Services Limited's functional and presentation currency.

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss

C. Other Income

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding at the rate applicable and where no significant uncertainty as to measurability or collectability exists.

D. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

E. Provisions

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

F. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash in hand, amount at banks and other short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

G. Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholder and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares

H. Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial

assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments in scope of Ind AS 109 at fair value, other than investments in equity investments in subsidiaries, associates and jointly controlled entities, which are carried at cost less diminution, if any.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

I. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

J. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

K. Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Thousand as per the requirement of Schedule III, unless otherwise stated.

3. Financials Assets

(a). Non Current Investments

Particulars	As at March 31, 2019			As at March 31, 2018		
	Numbers	Face Value per share (In ₹)	(₹000)	Numbers	Face Value per share (In ₹)	(₹000)
Investments in Equity component of Fellow Subsidiary Company (fully paid up)						
Unquoted						
Allcheckdeals India Private Limited						
Add : Equity component of debt instruments	-	-	32,109	-	-	32,109
Investments in debentures						
All Check Deals Pvt. Limited						
-0.0001% compulsorily convertible debentures into redeemable preference shares	-	-	-	3,53,550	100	35,355
-0.0001% compulsorily convertible debentures into Compulsory Convertible Preference shares of Rs.100 each.	3,53,550	100	35,355			
Add : Interest income on present value			854			397
Less : Equity component of debt instruments			(32,109)			(32,109)
Startup Investments (Holding) Ltd						
-0.0001% compulsory convertible debentures into Compulsory Convertible Preference shares of Rs.100 each.	11,40,442	100	1,14,044	-	-	-
			1,50,253			**35,752**

(b). Cash & Cash Equivalents

Particulars	Non-current As at March 31,2019 (₹000)	Non-current As at March 31,2018 (₹000)	Current As at March 31,2019 (₹000)	Current As at March 31,2018 (₹000)
Cash in Hand	-	-	1	-
Balances with Bank - Current account	-	-	77	64
Fixed deposit accounts with original maturity of less than 3 months	-	-	3,260	3,683
	-	**-**	**3,338**	**3,747**

(c). Loans

Particulars	Non-current As at March 31,2019 (₹000)	Non-current As at March 31,2018 (₹000)	Current As at March 31,2019 (₹000)	Current As at March 31,2018 (₹000)
Inter Corporate loan	-	-	50,000	50,000
Less: Provision for Diminution (Refer note 18)	-	-	(50,000)	-
	-	**-**	**-**	**50,000**

(d). Other Financial Assets

Particulars	Non-current As at March 31,2019 (₹000)	Non-current As at March 31,2018 (₹000)	Current As at March 31,2019 (₹000)	Current As at March 31,2018 (₹000)
Interest accrued on fixed deposits	-	-	1	3
Interest accrued on unsecured loan	-	-	256	256
Less: Provision for Diminution (Refer Note 18)	-	-	(256)	-
Amount receivable from fellow subsidiary companies towards sale of shares	-	-	-	1,14,044
	-	**-**	**1**	**1,14,303**

4. Equity Share Capital

Particulars	As at March 31,2019 (₹000)	As at March 31,2018 (₹000)
Authorised capital		
50,000 nos Equity Shares of ₹10/- each (March 31, 2018 - 50,000 nos Equity Shares)	**500**	**500**
35,00,000 nos Preference Shares of ₹100/- each (March 31, 2018- 35,00,000 nos Preference Shares)	**3,50,000**	**3,50,000**
Issued, subscribed and paid-up capital		
50,000 Equity Shares of ₹10/- each, fully paid up (March 31, 2018 -50,000 Equity Shares)	500	500
	500	**500**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2019 No of Shares	As at March 31, 2019 Amount (₹000)	As at March 31, 2018 No of Shares	As at March 31, 2018 Amount (₹000)
Equity Shares				
At the beginning of the period	50,000	500.00	-	-
Add: Issued during the period	-	-	50,000	500.00
Outstanding at the end of the period	**50,000**	**500.00**	**50,000**	**500.00**

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

	FY 2018-19		FY 2017-18	
Particulars	**No of Shares**	**% Holding**	**No of Shares**	**% Holding**
Equity Shares of ₹10 each fully paid				
Info Edge (India) Ltd	48,994	97.99%	48,994	97.99%
	48,994	**97.99%**	**48,994**	**97.99%**

5. Other Equity

Particulars	As at March 31, 2019 (₹000)	As at March 31, 2018 (₹000)
Retained Earnings		
Opening Balance	(44,895)	(43,788)
Add: Profit / (Loss) for the year	(53,540)	(1,107)
Equity Component of Debt Instruments	2,46,492	2,13,980
Equity Component of Compulsory Convertible Preference Shares of ₹ 100/-	5,000	5,000
	1,53,057	**1,74,085**

6. FINANCIAL LIABILITIES

(a). Borrowings

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹000)	As at March 31, 2018 (₹000)	As at March 31, 2019 (₹000)	As at March 31, 2018 (₹000)
INFO EDGE INDIA LIMITED				
23,56,100 0.0001% compulsory convertible preference shares of ₹100/- each (Previous Year Compulsory Redeemable Preference Share)	2,35,610	2,35,610	-	-
Add : Interest expense on Present value	10,882	7,260	-	-
Less: Equity Component	(2,46,492)	(2,13,980)	-	-
50,000 Compulsory Convertible Preference Shares of ₹ 100/-	5,000	5,000	-	-
(Equity portion of 50,000 nos. Compulsory Convertible Preference Shares of ₹. 100/- each)	(5,000)	(5,000)	-	-
	-	**28,890**	**-**	**-**

(b). Trade Payables

Particulars	Non current		Current	
	As at March 31, 2019 (₹000)	As at March 31, 2018 (₹000)	As at March 31, 2019 (₹000)	As at March 31, 2018 (₹000)
Trade Payables				
- total outstanding dues of micro enterprises and small enterprises	-	-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	133	113
	-	**-**	**133**	**113**

7. Non Current Tax Liability (Net)

Particulars	Non current		Current	
	As at March 31, 2019 (₹000)	As at March 31, 2018 (₹000)	As at March 31, 2019 (₹000)	As at March 31, 2018 (₹000)
Provision for tax	-	711	-	-
Less: Advance Tax	-	(514)	-	-
	-	**197**	**-**	**-**

8. Non Current Tax Assset (Net)

Particulars	Non current		Current	
	As at March 31, 2019 (₹000)	As at March 31, 2018 (₹000)	As at March 31, 2019 (₹000)	As at March 31, 2018 (₹000)
Advance Tax	819	-	-	-
Less: Provision for tax	(711)	-	-	-
	108	**-**	**-**	**-**

9. Other Non-Current/Current Liabilities

Particulars	Non current		Current	
	As at March 31, 2019 (₹000)	As at March 31, 2018 (₹000)	As at March 31, 2019 (₹000)	As at March 31, 2018 (₹000)
TDS payable	-	-	10	17
	-	**-**	**10**	**17**

10. Other Income

Particulars	Year ended March 31, 2019 (₹000)	Year ended March 31, 2018 (₹000)
Interest income on fixed deposits with banks	203	1,186
Interest on Financial Assets	457	374
Interest on Inter Company deposits	-	1,501
	660	**3,061**

11. Finance Costs

Particulars	Year ended March 31, 2019 (₹000)	Year ended March 31, 2018 (₹000)
Interest cost on financial liabilities at amortised cost	3,622	3,252
	3,622	**3,252**

12. Administration And Other Expenses

Particulars	Year ended March 31, 2019 (₹000)	Year ended March 31, 2018 (₹000)
Legal and professional charges	267	235
Miscellaneous expenses	27	39
Rent Expenses	28	24
	322	**298**

13. Auditors Remuneration

Particulars	Year ended March 31, 2019 (₹000)	Year ended March 31, 2018 (₹000)
Audit Fees (Excluding GST)	100	103
	100	**103**

14. Earnings Per Share

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Profit / (Loss) attributable to Equity Shareholders (Rs.)	(5,35,40,788)	(11,06,746)
Basic		
Weighted average number of Equity Shares outstanding during the year (Nos.)	50,000	50,000
Basic EPS of ₹10 each	(1,071)	(22)
Diluted		
Weighted average number of CCPS outstanding during the year (Nos.)	7,58,203	5,00,000
Weighted average number of Equity Shares outstanding during the year (Nos.)	50,000	50,000
Weighted average number of shares outstanding for diluted EPS	**8,08,203**	**5,50,000**
Diluted EPS of ₹10 each	(66)	(2)

15 (1) . Related Party Disclosures for the year ended March 31, 2019

A) List of related parties

Holding Company
Info Edge (India) Limited

Fellow Subsidiary Company
Allcheckdeals India Pvt Ltd.
Startup Investments (Holding) Ltd
Canvera Digital Technologies Private Limited (Till 22nd August 2018)

B) Details of transactions with related party in the ordinary course of business:

Amount (₹000)

Nature of relationship / transaction	Holding Company	Fellow Subsidiary	Jointly controlled Company	Total
1. Rent Expense	28	-	-	28
2. Investment in Debentures of Startup Investments (Holding) Ltd	-	1,14,044	-	1,14,044

15 (2) . Related Party Disclosures for the year ended March 31, 2018

A) List of related parties

Holding Company
Info Edge (India) Limited

Fellow Subsidiary Company
Allcheckdeals India Pvt Ltd.
Startup Investments (Holding) Ltd
Canvera Digital Technologies Private Limited

B) Details of transactions with related party in the ordinary course of business:

Amount (₹000)

Nature of relationship / transaction	Holding Company	Fellow Subsidiary	Jointly controlled Company	Total
1. Issue of Preference Share Capital to Info Edge (India) Ltd.	5,000	-	-	5,000
2. Investment in Debentures of Allcheckdeals Pvt. Ltd.	-	10,000	-	10,000
3. Interest income on advance given to Canvera Digital Tech. (P) Ltd.	-	285	-	285
4. Interest income on advance given to Happliy Unmarried Marketing Pvt. Ltd.	-	-	1,216	1,216
5. Interest income on Investments in Debentures	-	374	-	374
6. Rent Expense	24	-	-	24
7. Inter Corporate Deposit to Happliy Unmarried Marketing Pvt. Ltd.	-	-	30,000	30,000
8. Payment received against Advance given to Happily Unmarried Marketing Pvt. Ltd.	-	-	41,142	41,142
9. Payment received against sale of shares from Startup Investments (Holding) Ltd	-	40,000	-	40,000
10. Inter Corporate Deposit to Canvera Digital Tech. (P) Ltd.	-	50,000	-	50,000

C) Amount due to/from related parties as at March 31, 2018

Amount (₹000)

Nature of relationship / transaction	Holding Company	Fellow Subsidiary	Jointly controlled Company	Total
Debit Balances				
Outstanding Advances	-	1,14,301	-	1,14,301

16. During the previous year, The Company has issued Compulsory Convertible Preference Shares of ₹ 5,000 thousand to Info Edge India Ltd.

17. During the year ended March 31, 2019 the Company has invested in 11,40,442 nos debentures of face value of ₹100 per debenture in Startup Investment (Holdings) Ltd. amounting to ₹114,044 thousands. During the previous year ended March 31,2018 the Company has invested in 100,000 nos debentures of face value of ₹100 per debenture in AllCheckDeals India Pvt Ltd amounting to ₹10,000 thousands.

18. During the year ended 31st March 2019, the Company has created provision for diminution in the value of inter corporate loans(including interest accured) given to Canvera Digital Technologies Private Limited amounting to ₹ 50,256,439. The company has given an Inter-Corporate deposit of Rs 50,000 thousand during the previous year ended March 31,2018.

19. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 as the Company does not have any operations during the financial year.

20. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 are not applicable on the company since there was no employee employed by the company during the year.

21. During the year ended March 31st, 2019, the Company has changed the nature of securities from cumulative redeemable preference shares into compulsorily convertible preference shares w.e.f. March 27, 2019. All other terms and conditions remain same.

22. Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

a) Income Tax expense

Particulars	**Year ended March 31, 2019 (₹000)**	**Year ended March 31, 2018 (₹000)**
Current tax on profit for the year	-	618
Total	**-**	**618**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	**Year ended March 31, 2019 (₹000)**	**Year ended March 31, 2018 (₹000)**
Profit/ (Loss) before tax	(3,284)	(489)
Tax @ 26% (Previous Year 25.75%)	**-**	**(126)**
Tax adjustment effect of amounts which are not deductible (taxable) in calculating taxable income:		
- Interest Expense on Financial Liabilities	-	837
- Interest Income on Financial Assets	-	(96)
-Interest On Short/Late Dep Of Advance Tax	-	3
Total	**-**	**618**

23. FAIR VALUE MEASUREMENTS

a) Financial instruments by category **(₹000)**

	March 31, 2019		**March 31, 2018**	
	Fair value through profit or loss	**Amortised cost**	**Fair value through profit or loss**	**Amortised cost**
Financial Assets				
Investments	-	1,50,253	-	35,752
Cash and cash equivalents	-	3,338	-	3,747
Loans/Receivable	-	-	-	50,000
Other financial assets	-	1	-	1,14,303
Total Financial Assets	**-**	**1,53,592**	**-**	**2,03,802**
Financial Liabilities				
Borrowings	-	-	-	28,890
Trade payables	-	133	-	113
Other financial liabilities	-	10	-	17
Total Financial Liabilities	**-**	**143**	**-**	**29,020**

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit or loss.To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

b) Fair value hierarchy for assets and liabilities

Financial assets measured at fair value at March 31, 2019

	Level 1	Level 2	Level 3	Total
Financial Assets				
- Preference Shares	-	-	-	-

Financial assets measured at fair value at March 31, 2018

	Level 1	Level 2	Level 3	Total
Financial Assets				
- Preference Shares			-	-

c) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

d) Financial assets and liabilities measured at amortised cost

The carrying amounts of loans, trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

24. FINANCIAL RISK AND CAPITAL MANAGEMENT

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors.

a) Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company is primarily engaged in investments in technology companies; and borrows short term and long term funds from holding & group companies to meet the fund requirements.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. payments and exclude the impact of netting agreements.

	Contractual cash flows				(₹000)
March 31, 2019	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 yrs**
Non-derivative financial liabilities					
Trade payables	133	133	-	-	-
Borrowings	-	-	-	-	-

	Contractual cash flows				(₹000)
March 31, 2018	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 yrs**
Non-derivative financial liabilities					
Trade and other payables	113	113	-	-	-
Borrowings	28,890	-	-	-	28,890

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(c) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹000)

	31 March 2019	31 March 2018
Fixed-rate instruments		
Financial assets	3,260	3,683
Financial liabilities	-	28,890
Total	**3,260**	**32,573**

B) Capital management

a) Risk management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, and borrowings

b) Dividend

The Company did not pay any dividend during the year

25. Revenue from Contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contracts with Customers. This establishes Standard sets out a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company from 1 April 2018 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method). Since there is no Revenue accrued during the Current Year as well as Previous Year, there is no impact of Ind AS 115 on the Financial statement during the year.

26. Standards issued but not effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases:

The Ministry of Corporate Affairs on 30 March 2019 notified the new leasing standard, viz., Ind AS 116 Leases. Ind AS 116 is applicable for the financial year beginning on or after 1 April 2019 for all Ind AS companies. It replaces virtually all the existing leasing requirements under Ind AS 17 Leases.

The new standard will require lessees to recognize most leases on their balance sheets. Lessees will use a single accounting model for all leases, with limited exemptions. Foreign currency leases will increase P&L volatility due to a restatement of foreign currency liability.

An entity has an option to adopt Ind AS 116 using either the full retrospective method or the modified retrospective method. An entity that elects the modified retrospective method would apply Ind AS 116 retrospectively to only the current period by recognising the cumulative effect of initially applying Ind AS 116 as an adjustment to the opening balance of retained earnings (or other components of equity) at the date of initial application. Under the modified retrospective method, Ind AS 116 would be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. An entity would need to disclose how it applied the modified retrospective method.

The Company is under process to evaluate the impacts of the new standard on financial statements.

For and on behalf of Sharma Goel & Co. LLP
ICAI Firm Registration Number: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: Noida
Date: May 24, 2019

For and on behalf of Board of Directors
Smartweb Internet Services Limited
CIN: U72300DL2015PLC285618

Chintan Thakkar
(Director)
DIN:00678173

Murlee Manohar Jain
(Director)
DIN:05101562

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 20th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company owns & holds the domain names & related trademarks of the Company.

During the year under review, it had net revenue of ₹ 100 thousand, similar to the ₹ 100 thousand revenue during the previous financial year. The company made a profit of ₹ 22 thousand in FY 2018-19 as against ₹ 19 thousand in FY 2017-18.

SHARE CAPITAL

There has been no change in the Capital Structure of the Company during the year under review.

DIVIDEND

No dividend has been declared for the financial year 2018-19.

TRANSFER TO GENERAL RESERVES

During the year under review, the Company has not transferred any amount to general reserve.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has no subsidiary, joint venture or associate company as on date of this report.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 18th Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2021-22 subject to the ratification by the shareholders at every general meeting.

However, in accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditor has confirmed that they are not disqualified under any provisions of Section 141(3) of Companies Act, 2013 and also their engagement with the Company is within the prescribed limits under section 141(3)(g) of Companies Act, 2013.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualification, reservation or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

There was no change in the Directors and Key Managerial Personnel during the period under review. Mr. Sanjeev Bikhchandani, Mr. Hitesh Oberoi and Mr. Chintan Thakkar are the Directors of the Company as on the date of this report.

JEEVANSATHI INTERNET SERVICES PVT. LTD.

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Sanjeev Bikhchandani, Director (DIN: 00065640), retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 4 (Four) times during the year on May 29, 2018, July 23, 2018, October 29, 2018 and January 28, 2019. The maximum time gap between any two meetings was not more than 120 days. The details of Directors' attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2018-19

Name of the Director	Position	No of Board Meetings held during the year.	No of Meetings Attended during the year
Mr. Sanjeev Bikhchandani	Director	4	4
Mr. Chintan Thakkar	Director	4	4
Mr. Hitesh Oberoi	Director	4	4

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company did not give or make any Loans, guarantee or investment during the year.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company did not enter into any material transaction with related parties. However, disclosure in prescribed form AOC-2 is annexed herewith as Annexure A to this report.

Details of all other related party transactions are present under Note No. 14 of notes to financial statement.

COST AUDITORS

The provisions of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable on the Company.

EXTRACT OF ANNUAL RETURN/WEB LINK OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

The Company does not have any website, however the Annual return filed for the FY 2017-18 is available at the website of the holding company at http://www.infoedge.in/pdfs/Jeevansathi-Internet-Services-Limited.pdf

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 (1) of the Companies Act, 2013 and hence it is not required to formulate policy on CSR.

INTERNAL COMMITTEE

There exists a group level Internal Committee constituted under the sexual harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013 by Info Edge (India) Limited, holding company of the Company.

SECRETARIAL STANDARDS

The Board of Directors confirms that that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

	Hitesh Oberoi	Chintan Thakkar
	(Director)	(Director)
Place: Noida	DIN: 01189953	DIN: 00678173
Date: May 24, 2019		

Annexure A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

For and on behalf of Board of Directors

Hitesh Oberoi
(Director)
DIN: 01189953

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

ANNEXURE-B

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U72900DL1999PTC102749

ii. Registration Date:- December 9, 1999

iii. Name of the Company:- Jeevansathi Internet Services Pvt. Ltd.

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-
Ground Floor, 12A,
94, Meghdoot Building, Nehru Place,
New Delhi, 110019
Tel. No. +91 120-3082000, Fax: 0120-3082095
Email: jisl@Infoedge.com
Website: -N.A.

vi. Whether listed company:- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:- N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	IT Services	63121	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	100	2(46)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Promoter Shareholding- Bodies Corporate	-	10,000* (equity shares)	10,000 (equity shares)	100	-	10,000* (equity shares)	10,000 (equity shares)	100	Nil
Grand Total	-	**10,000***	**10,000**	**100**	**-**	**10,000***	**10,000**	**100**	**Nil**

* 100 (one hundred) Shares each of the Company are held by Mr. Sanjeev Bikhchandani & Ms. Surabhi Bikhchandani as a nominee of Info Edge (India) Ltd.

ii. Shareholding of Promoters

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	10,000 (equity shares)	100	0.00	10,000 (equity shares)	100	0.00	Nil

iii. Change in Promoter's Shareholding : No Change

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil

v. **Shareholding of Directors and Key managerial Personnel**

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1	Sanjeev Bikhchandani	100 (equity shares) (as nominee of Info Edge India Ltd.)	1	-	-	-	100 (equity shares) (as nominee of Info Edge India Ltd.)	1

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

For and on behalf of Board of Directors

Hitesh Oberoi
(Director)
DIN: 01189953

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JEEVANSATHI INTERNET SERVICES PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of JEEVANSATHI INTERNET SERVICES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 standalone 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) 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, as amended 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 standalone 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.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JEEVANSATHI INTERNET SERVICES PRIVATE LIMITED of even date)

i. The Company does not have any Fixed Assets. Accordingly, reporting under clause 3 (i) of the Order is not applicable to the Company.

ii. The Company does not have any inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

iii. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2019 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

ix. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration . Hence reporting under clause 3 (xi) of the Order is not applicable to the Company.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of JEEVANSATHI INTERNET SERVICES PRIVATE LIMITED of even date)

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")

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

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 Controls 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was 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 controls 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, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstateme nt 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 of the Company.

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 that, 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 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; and (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.

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 **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Note	As at March 31,2019 (₹ 000)	As at March 31,2018 (₹ 000)
Assets			
Non-current assets			
Non-current tax assets (net)	3	31	16
Current Assets			
Financial assets			
(i) Cash and cash equivalents	4 (a)	167	165
(ii) Other financial assets	4 (b)	138	190
Total Assets		**336**	**371**
Equity & Liabilities			
Equity			
Equity share capital	5	100	100
Other equity	6	211	189
Liabilities			
Non-current liabilities			
Current liabilities			
Trade payables	7		
-total outstanding dues of micro enterprises and small enterprises		-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		25	80
Other current liabilities	8	-	2
Total Equity And Liabilities		**336**	**371**

The accompanying notes 1 to 20 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
FRN: 000643N/N500012
Chartered Accountants

For and on behalf of Board of Directors
Jeevansathi Internet Services Private Limited
CIN:U72900DL1999PTC102749

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN No:-00678173

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

Place: Noida
Date: May 24, 2019

STATEMENT OF PROFIT AND LOSS FOR PERIOD ENDED MARCH 31, 2019

Particulars	Note No.	Year ended March 31,2019 (₹ 000)	Year ended March 31,2018 (₹ 000)
Income			
Revenue from operations	9	100	100
Other income	10	66	14
I Total Income		**166**	**114**
Expenditure			
Administration and other expenses	11	136	89
II Total Expense		**136**	**89**
III. Profit before tax (I-II)		**30**	**25**
IV. Tax expense		8	6
V. Profit for the year (III-IV)		**22**	**19**
Earning per equity share:			
(1) Basic	13	2.20	1.90
(2) Diluted		2.20	1.90

The accompanying notes 1 to 20 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
FRN: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: Noida
Date: May 24, 2019

For and on behalf of Board of Directors
Jeevansathi Internet Services Private Limited
CIN:U72900DL1999PTC102749

Chintan Thakkar
(Director)
DIN No:-00678173

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2019

S.No.	Particulars	Year ended March 31,2019 (₹ 000)	Year ended March 31,2018 (₹ 000)
A.	**Cash flow from operating activities:**		
	Profit before tax	**30**	**25**
	Adjustments for:		
	Interest on fixed deposits	(12)	(14)
	Provision no longer required written back	(54)	-
	Operating profit before working capital changes	**(36)**	**11**
	Adjustments for changes in working capital :		
	- INCREASE/(DECREASE) in Trade payables	(1)	3
	- INCREASE/(DECREASE) in Other current liabilities	(2)	2
	- (INCREASE)/DECREASE in Other financial assets	-	(12)
	Cash generated from/(used in) operating activities	**(39)**	**4**
	- Taxes Paid (Net of TDS)	(23)	(8)
	Net cash outflow from operating activities	**(62)**	**(4)**
B.	**Cash flow from Investing activities:**		
	Interest Received	12	14
	(Investment)/ Redemption in Fixed Deposit	52	-
	Net cash inflow from investing activities	**64**	**14**
C.	**Cash flow from financing activities:**		
	Net cash inflow / outflow from financing activities	**-**	**-**
	Net increase/decrease in cash & cash equivalents	**2**	**10**
	Opening balance of cash and cash equivalents	**165**	**155**
	Closing balance of cash and cash equivalents	**167**	**165**
	Cash and cash equivalents comprise		
	Cash in hand	2	-
	Balance with scheduled banks		
	-in current accounts	165	165
	Total	**167**	**165**

Notes :

1 The above Cash Flow Statement has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as amended.

2 Figures in brackets indicate cash outflow.

The accompanying notes 1 to 20 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
FRN: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

For and on behalf of Board of Directors
Jeevansathi Internet Services Private Limited
CIN:U72900DL1999PTC102749

Chintan Thakkar
(Director)
DIN No:-00678173

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

Place: Noida
Date: May 24, 2019

STATEMENTS OF CHANGES IN EQUITY YEAR ENDED MARCH 31,2019

a. Equity share capital

Particulars	Amount (₹ 000)
As at April 01, 2017	**100**
Changes in equity share capital	-
As at March 31, 2018	**100**
Changes in equity share capital	-
As at March 31, 2019	**100**

b. Other equity

	Reserves & Surplus	
	Retained Earnings	Total (₹ 000)
Balance as at April 01, 2017	170	170
Profit/(loss) for the year	19	19
Balance as at 31 March 2018	**189**	**189**

	Reserves & Surplus	
	Retained Earnings	Total (₹ 000)
Balance as at 31 March 2018	**189**	**189**
Profit/(loss) for the year	22	22
Balance as at 31 March 2019	**211**	**211**

The accompanying notes 1 to 20 are in integral part of the Financial Statements.

As per our report of even date

For and on behalf of Sharma Goel & Co. LLP
FRN: 000643N/N500012
Chartered Accountants

Amar Mittal
Partner
Membership No.- 017755

Place: Noida
Date: May 24, 2019

For and on behalf of Board of Directors
Jeevansathi Internet Services Private Limited
CIN:U72900DL1999PTC102749

Chintan Thakkar
(Director)
DIN No:-00678173

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. Reporting Entity

Jeevansathi Internet Services Private Limited (the company) is a private limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The company is a wholly owned subsidiary of Info Edge (India) Ltd.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Basis of Preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements of company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is Jeevansathi Internet Services Private Limited functional and presentation currency.

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss

C. Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable, net of goods and service tax. Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

D. Other Income

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding at the rate applicable and where no significant uncertainty as to measurability or collectability exists.

E. Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will be available against which such temporary differences can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

F. Provisions

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

G. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash in hand, amount at banks and other short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

H. Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholder and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares

I. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

J. Investments and other financial assets

***(i)* Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

***(ii)* Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments in scope of Ind AS 109 at fair value, other than investments in equity investments in subsidiaries, associates and jointly controlled entities, which are carried at cost less diminution, if any.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Derecognition of financial assets

A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset

K. Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Thousand as per the requirement of Schedule III, unless otherwise stated.

3.NON-CURRENT TAX ASSETS (NET)

Particulars **(Unsecured, considered good unless otherwise stated)**	**As at** **March 31, 2019** **Amount (₹'000)**	**As at** **March 31, 2018** **Amount (₹'000)**
- Advance tax	258	235
Less: Provision for tax	(227)	(219)
	31	**16**

4. FINANCIAL ASSETS

(a) CASH & BANK BALANCES

Particulars	**Non-Current**		**Current**	
	As at March 31, 2019 Amount (₹'000)	**As at March 31, 2018 Amount (₹'000)**	**As at March 31, 2019 Amount (₹'000)**	**As at March 31, 2018 Amount (₹'000)**
Cash & cash equivalents				
Cash on hand	-	-	2	-
Bank balance - current account	-	-	165	165
	-	**-**	**167**	**165**

(b) OTHER FINANCIAL ASSETS

Particulars **(Unsecured, considered good unless otherwise stated)**	**Non-Current**		**Current**	
	As at March 31, 2019 Amount (₹'000)	**As at March 31, 2018 Amount (₹'000)**	**As at March 31, 2019 Amount (₹'000)**	**As at March 31, 2018 Amount (₹'000)**
Interest accrued on fixed deposits	-	-	1	1
Balance in fixed deposit accounts with original maturity more than 12 months	-	-	137	189
	-	**-**	**138**	**190**

5. SHARE CAPITAL

Particulars	As at March 31, 2019 Amount (₹'000)	As at March 31, 2018 Amount (₹'000)
AUTHORISED CAPITAL 10,000 Equity Shares of ₹ 10/- each (March 31, 2018 - 10,000 Equity Shares of Rs 10/- each)	100	100
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL 10,000 Equity Shares of Rs 10/- each, fully paid up (March 31, 2018 - 10,000 Equity Shares of Rs 10/- each)	100	100
	100	**100**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2019 No of Shares	As at March 31, 2019 Amount (₹'000)	As at March 31, 2018 No of Shares	As at March 31, 2018 Amount (₹'000)
Equity Shares				
At the beginning of the period	10,000	100	10,000	100
Add: Issued during the period	-	-	-	-
Outstanding at the end of the period	**10,000**	**100**	**10,000**	**100**

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of Rs 10 each fully paid				
Info Edge (India) Ltd (excluding Two hundred shares held by Nominee shareholders)	9,800	98.00	9,800	98.00
	9,800	**98.00**	**9,800**	**98.00**

6. OTHER EQUITY

Particulars	As at March 31, 2019 Amount (₹'000)		As at March 31, 2018 Amount (₹'000)	
Surplus in Statement of Profit and Loss				
Opening Balance	189		170	
Add:Profit for the year	22	211	19	189
		211		**189**

7. FINANCIAL LIABILITIES

TRADE PAYABLES

Particulars	Non-Current		Current	
	As at March 31, 2019 Amount (₹'000)	As at March 31, 2018 Amount (₹'000)	As at March 31, 2019 Amount (₹'000)	As at March 31, 2018 Amount (₹'000)
Trade Payables				
-total outstanding dues of micro enterprises and small enterprises	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	25	80
	-	**-**	**25**	**80**

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2019.

8. OTHER CURRENT LIABILITIES

Particulars	Non-Current		Current	
	As at March 31, 2019 Amount (₹'000)	As at March 31, 2018 Amount (₹'000)	As at March 31, 2019 Amount (₹'000)	As at March 31, 2018 Amount (₹'000)
Others				
TDS payable	-	-	-	2
	-	**-**	**-**	**2**

9. REVENUE FROM OPERATIONS

Particulars	As at March 31, 2019 Amount (₹'000)	As at March 31, 2018 Amount (₹'000)
License Fee	100	100
	100	**100**

10. OTHER INCOME

Particulars	As at March 31, 2019 Amount (₹'000)	As at March 31, 2018 Amount (₹'000)
Interest received/receivable on non current fixed deposit with banks	12	14
Provision no longer required written back	54	-
	66	**14**

11. ADMINISTRATION AND OTHER EXPENSES

Particulars	As at March 31, 2019 Amount (₹'000)	As at March 31, 2018 Amount (₹'000)
Rent	28	24
Legal and professional charges	106	64
Collection & bank related charges	1	-
Miscellaneous expenses	1	1
	136	**89**

12. AUDIT REMUNERATION

Particulars	As at March 31, 2019 Amount (₹'000)	As at March 31, 2018 Amount (₹'000)
Audit Fees (Excluding GST)	19	19
	19	**19**

13. EARNING PER SHARE

Particulars	As at March 31, 2019 Amount (₹'000)	As at March 31, 2018 Amount (₹'000)
Profit / (Loss) attributable to Equity Shareholders (₹)	22	19
Weighted average number of Equity Shares outstanding during the year (Nos.)	10,000	10,000
Basic & Diluted Earnings Per Equity Share of ₹ 10 each (₹)	2.20	1.90

14 (1) . Related Party Disclosures for the year ended March 31, 2019

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Ind AS - 24 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31,2019:

Holding Company
Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives
Mr Sanjeev Bikhchandani
Mr Hitesh Oberoi
Mr Chintan Thakkar

B) Details of transactions with related party in the ordinary course of business: **Amount (₹ '000)**

Nature of relationship / transaction	**Holding Company**	**Total**
1. License Fees (Income)	100	100
2. Rent Expense	28	28

14 (2) . Related Party Disclosures for the year ended March 31, 2018

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Ind AS - 24 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2018:

Holding Company
Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives
Mr Sanjeev Bikhchandani
Mr Hitesh Oberoi
Mr Chintan Thakkar

B) Details of transactions with related party in the ordinary course of business: **Amount (₹ '000)**

Nature of relationship / transaction	**Holding Company**	**Total**
1. License Fees (Income)	100	100
2. Rent Expense	24	24

15. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

16. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 are not applicable on the company since there was no employee employed by the company during the year.

17 : Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates in relation to the Company's tax position.

a) Income Tax expense

Particulars	**Year ended March 31, 2019 (₹ '000)**	**Year ended March 31, 2018 (₹ '000)**
Current Tax		
Current tax on profit for the year	8	6
Total current tax expenses	**8**	**6**
Total	**8**	**6**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Year ended March 31, 2019 (₹ '000)	Year ended March 31, 2018 (₹ '000)
Profit before tax	30	25
Tax @ 26% (Previous year 25.75%)	**8**	**6**
Total	**8**	**6**

18 : Fair value measurements

a) Financial instruments by category

(₹ 000)

	March 31, 2019		March 31, 2018	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Cash and cash Equivalents	-	167	-	165
Other financial assets	-	138	-	190
Total Financial Assets	**-**	**305**	**-**	**355**
Financial Liabilities				
Trade payables	-	25	-	80
Total Financial Liabilities	**-**	**25**	**-**	**80**

d) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

(₹ 000)

	March 31, 2019		March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Cash and cash Equivalents	167	167	165	165
Other financial assets				
Interest accrued on fixed deposits	1	1	1	1
Balance in fixed deposit accounts with original maturity more than 12 months	137	137	189	189
Total Financial Assets	**305**	**305**	**355**	**355**
Financial Liabilities				
Trade payables	25	25	80	80
Total Financial Liabilities	**25**	**25**	**80**	**80**

The carrying amounts of cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

19 : Financial risk and Capital management

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

(a) Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

(b) Liquidity risk

The Comapny's treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.In addition, the Company projects cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The amount disclosed in the below table represent the contractual cash flows.

(₹ '000)

March 31, 2019	Total	6 months or less	6-12 months	1-2 years	2-5 years
Non-derivative financial liabilities					
Trade payables	25	25	-	-	-
Borrowings	-	-	-	-	-

(₹ '000)

March 31, 2018	Total	6 months or less	6-12 months	1-2 years	2-5 years
Non-derivative financial liabilities					
Trade payables	80	80	-	-	-
Borrowings	-	-	-	-	-

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not signficant

(c) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's borrowings and deposits/loans are all at fixed rate and are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure of the Company's financials assets/liabilities at the end of the reporting period are as follows:

Amount in ₹ 000

Particulars	March 31, 2019	March 31, 2018
Fixed-rate instruments		
Financial assets	137	189
Financial liabilities	-	-
Total	**137**	**189**

(B) Capital management

a) Risk management

The Comapny's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, and borrowings.

b) Dividend

The Company did not pay any dividend during the year.

20. Standards issued but not effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases:

The Ministry of Corporate Affairs on 30 March 2019 notified the new leasing standard, viz., Ind AS 116 Leases. Ind AS 116 is applicable for the financial year beginning on or after 1 April 2019 for all Ind AS companies. It replaces virtually all the existing leasing requirements under Ind AS 17 Leases.

The new standard will require lessees to recognize most leases on their balance sheets. Lessees will use a single accounting model for all leases, with limited exemptions. Foreign currency leases will increase P&L volatility due to a restatement of foreign currency liability.

An entity has an option to adopt Ind AS 116 using either the full retrospective method or the modified retrospective method. An entity that elects the modified retrospective method would apply Ind AS 116 retrospectively to only the current period by recognising the cumulative effect of initially applying Ind AS 116 as an adjustment to the opening balance of retained earnings (or other components of equity) at the date of initial application. Under the modified retrospective method, Ind AS 116 would be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. An entity would need to disclose how it applied the modified retrospective method.

The Company is under process to evaluate the impacts of the new standard on financial statements.

For and on behalf of Sharma Goel & Co. LLP
FRN: 000643N/N500012
Chartered Accountants

For and on behalf of the Board of Directors
Jeevansathi Internet Services Private Limited
CIN:U72900DL1999PTC102749

Amar Mittal
Partner
Membership No.- 017755

Chintan Thakkar
(Director)
DIN No:-00678173

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

Place: Noida
Date: May 24, 2019

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 4th Annual Report and Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

FINANCIAL RESULTS & STATE OF AFFAIRS

The Company made a profit of ₹ 15 thousand in the financial year 2018-19 as compared to a loss of ₹ 6,616 thousand in the financial year 2017-18.

SHARE CAPITAL

There has been no change in the Capital Structure of the Company during the year under review.

The Company, after obtaining consent from equity shareholders and approval of preference shareholders in the Class Meeting held on March 27, 2019, converted the existing 80,000 Cumulative Redeemable Preference Shares (CRPS) into Compulsory Convertible Preference Shares (CCPS).

DIVIDEND

No dividend has been declared for the financial year 2018-19.

TRANSFER TO GENERAL RESERVES

During the year under review, the Company has not transferred any amount to general reserve.

CHANGES IN NATURE OF BUSINESS

There has been no change in the business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate systems of Internal Control commensurate with size, scale and complexity of its operations.

DETAILS OF SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has no subsidiary, joint venture or associate company as on date of this report.

FIXED DEPOSITS

The Company has not accepted any fixed deposits, as defined in Section 73 and 74 of the Companies Act, 2013 read with the relevant rules, during the year under review.

STATUTORY AUDITORS

M/s. Sharma Goel & Co. LLP (FRN- 000643N), Chartered Accountants, pursuant to your approval, were appointed as the Statutory Auditors of the Company in the 2nd Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2017-18 to 2020-21 subject to the ratification by the shareholders at every general meeting.

However, in accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditor has confirmed that they are not disqualified under any provisions of Section 141(3) of Companies Act, 2013 and also their engagement with the Company is within the prescribed limits under section 141(3)(g) of Companies Act, 2013.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY STATUTORY AUDITORS

There was no qualifications, reservations or adverse remark or disclaimers made by the Statutory Auditors in their report and the said Auditor's Report & notes to accounts are self- explanatory.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

There was no change in the Directors and Key Managerial Personnel during the period under review. Mr. Sanjeev Bikhchandani, Mr. Vibhore Sharma and Mr. Chintan Thakkar are the Directors of the Company as on the date of this report.

As per Companies Act, 2013, not less than 2/3rd (Two-third) of the total number of Directors shall be liable to retire by rotation. Accordingly, pursuant to Companies Act, 2013, Mr. Chintan Arvind Thakkar (DIN: 00678173) is liable to retire by rotation and, being eligible, offers himself for reappointment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 5 (Five) times during the year on May 29, 2018, July 23, 2018, October 29, 2018, January 28, 2019 and March 26, 2019. The maximum time gap between any two meetings was not more than 120 days. The details of Directors' attendance for Board meetings are given in as under:

ATTENDANCE DETAILS OF BOARD MEETING FOR FY 2018-19

Name of the Director	Position	No of Board Meetings held during the year.	No of Meetings Attended during the year
Mr. Sanjeev Bikhchandani	Director	5	5
Mr. Chintan Thakkar	Director	5	5
Mr. Vibhore Sharma	Director	5	5

RISK MANAGEMENT

The Company takes sufficient steps to ensure that the risks to the Company are clearly identified and necessary course correction is also done to minimize such risks.

PARTICULARS OF THE EMPLOYEES

The Company had no employee covered under Rule 5(2) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 framed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company did not make any Loans, guarantee or investment during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company did not enter into any material transaction with related parties. However, disclosure in prescribed form AOC-2 is annexed herewith as Annexure A to this report.

Details of all other related party transactions are present under Note No. 22 of notes to financial statement.

COST AUDITORS

The provisions of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable on the Company.

EXTRACT OF ANNUAL RETURN/WEB LINK OF ANNUAL RETURN

Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure B and is attached to this Report.

The Company does not have any website, however the Annual return filed for the FY 2017-18 is available at the website of the holding company at http://www.infoedge.in/pdfs/Startup-Internet-Services-Limited.pdf

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is not engaged in manufacturing activity, this section is not applicable on the Company. The Company has no foreign collaboration and has not exported or imported any goods or services.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 (1) of the Companies Act, 2013 and hence it is not required to formulate policy on CSR.

INTERNAL COMMITTEE

There exists a group level Internal Committee constituted under the sexual harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013 by Info Edge (India) Limited, holding company of the Company.

SECRETARIAL STANDARDS

The Board of Directors confirms that that the Company is complying with the provisions of Secretarial Standards 1 and 2 issued by the Institute of Companies Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors confirms that:

a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that year;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of Board of Directors

Sanjeev Bikhchandani	Chintan Thakkar
(Director)	(Director)
DIN: 00065640	DIN: 00678173

Place: Noida
Date: May 24, 2019

Annexure A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

2. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transaction	
(c)	Duration of the Contracts/Arrangements/Transactions	
(d)	Salient terms of the contracts or arrangement or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

For and on behalf of Board of Directors

Sanjeev Bikhchandani
(Director)
DIN: 00065640

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

ANNEXURE-B

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN :- U72200DL2015PLC285985

ii. Registration Date:- October 5, 2015

iii. Name of the Company :- Startup Internet Services Limited

iv. Category / Sub-Category of the Company:- Company Limited by Shares

v. Address of the Registered office and contact details:-

Ground Floor, 12A,

94, Meghdoot Building, Nehru Place,

New Delhi, 110019

Tel. No. +91 120-3082000, Fax No. 0120-3082095

Email: sisl@infoedge.com

Website: -N.A.

vi. Whether listed company :- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: - N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	To Carry on the business of providing all kind and types of internet, computer, electronic and related services.	63112	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1.	Info Edge (India) Ltd.	L74899DL1995PLC068021	Holding	100	2(87)(ii)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK – UP AS PERCENTAGE OF TOTAL EQUITY)

i. Category- wise Shareholding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of total shares	Demat	Physical	Total	%of total shares	
Promoter Shareholding- Bodies Corporate	-	50,000* (Equity Shares)	50,000 (Equity Shares)	100	-	50,000* (Equity Shares)	50,000 (Equity Shares)	100	-
		80,000 (Cumulative Redeemable Preference Shares)	80,000 (Cumulative Redeemable Preference Shares)			80,000** (Compulsory Convertible Preference Shares)	80,000** (Compulsory Convertible Preference Shares)	100	-
Grand Total	**-**	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**	**50,000* (Equity Shares)**	**50,000 (Equity Shares)**	**100**	**-**
		80,000 (Cumulative Redeemable Preference Shares)	**80,000 (Cumulative Redeemable Preference Shares)**	**100**	**-**	**80,000** (Compulsory Convertible Preference Shares)**	**80,000** (Compulsory Convertible Preference Shares)**	**100**	**-**

*6 (six) shares were held by six individuals as nominee of Info Edge (India) Ltd.

** 80,000 Cumulative Redeemable Preference Shares (CRPS) were converted into Compulsory Convertible Preference Shares (CCPS)

ii. **Shareholding of Promoters**

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Info Edge (India) Ltd.	50,000 (Equity Shares)	100	0.00	50,000 (Equity Shares)	100	0.00	NIL
		80,000 (Cumulative Redeemable Preference Shares)	100	0.00	80,000** (Compulsory Convertible Preference Shares)	100	0.00	NIL

iii. **Change in Promoter's Shareholding :**

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Info Edge (India) Ltd.	50,000 (Equity Shares)	100	-	-	-	50,000 (Equity Shares)	100
		80,000 (Cumulative Redeemable Preference Shares)	100	-	-	-	80,000** (Compulsory Convertible Preference Shares)	100

iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil**

v. **Shareholding of Directors and Key managerial Personnel**

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date of Change	Reason of Change	Increase/ Decrease in Shareholding (No. of Shares)	Cumulative Shareholding during the year	
		No. of Shares	%of total shares of the Company				No. of Shares	%of total shares of the Company
1.	Chintan Thakkar	1 (one) Equity Share (as nominee of Info Edge (India) Ltd.)	0.00	-	-	-	1 (one) Equity Share (as nominee of Info Edge (India) Ltd.)	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment: Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year there were no Penalties/Punishments/Compounding of Offences levied/ordered against the Company or any of its Directors/Officers.

For and on behalf of Board of Directors

Sanjeev Bikhchandani
(Director)
DIN: 00065640

Chintan Thakkar
(Director)
DIN: 00678173

Place: Noida
Date: May 24, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF STARTUP INTERNET SERVICES LIMITED

Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of STARTUP INTERNET SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 standalone 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
   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, as amended 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 standalone 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.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of STARTUP INTERNET SERVICES LIMITED of even date)

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii. The Company does not have any inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

iii. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable, wherever applicable.

b) According to the information and explanations given to us, the Company has no dues outstanding which are disputed as on 31st March 2019 in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration. Hence reporting under clause 3 (xi) of the Order is not applicable to the Company.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of STARTUP INTERNET SERVICES LIMITED of even date)

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")

We have audited the internal financial controls over financial reporting of **STARTUP INTERNET SERVICES LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 Controls 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was 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 controls 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, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 of the Company.

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 that, 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 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; and (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.

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 **SHARMA GOEL & CO. LLP**
Chartered Accountants
FRN – 000643N / N500012

Noida, May 24, 2019

AMAR NATH MITTAL
Partner
Membership No.017755

BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Note No.	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	16	22
Non-current tax assets (net)	4	13	8
Current Assets			
Financial assets			
(i) Cash and cash equivalents	5	1,430	1,636
(ii) Other financial assets	6	6	7
Other current assets	7	-	76
Total Assets		**1,465**	**1,749**
EQUITY & LIABILITIES			
Equity			
Equity Share capital	8	500	500
Other equity	9	851	(66)
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	10	-	902
Current Liabilities			
Financial liabilities			
(i) Trade payables	11		
-total outstanding dues of micro enterprises and small enterprises			
-total outstanding dues of creditors other than micro enterprises and small enterprises		112	405
Deferred tax liabilities (net)	12	2	
Other current liabilities	13	-	8
Total Liabilites		**1,465**	**1,749**

The accompanying notes 1 to 27 are integral part of the Financial Statements

As per our report of even date

For Sharma Goel & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 000643N/N500012

For and on behalf of Board of Directors
Startup Internet Services Limited
CIN: U72200DL2015PLC285985

Amar Mittal
Partner
Membership No.- 017755

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

Chintan Thakkar
(Director)
DIN:00678173

Place: Noida
Date: May 24, 2019

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Note No	Year Ended March 31, 2019 (₹ 000)	Year Ended March 31, 2018 (₹ 000)
Other Income	14	308	85
Total Revenue		**308**	**85**
Expenditure			
Administration and other expenses	15	280	6,530
Finance costs	16	-	102
Depreciation and amortisation expense	3 (a)	7	69
Total Expenses		**287**	**6,701**
Profit / (Loss) before tax		**21**	**(6,616)**
(1) Current tax expense	23	4	-
(2) Deferred tax		2	-
Profit / (Loss) for the year		**15**	**(6,616)**
Earning per equity share:			
(1) Basic	17	0.30	(132.32)
(2) Diluted	17	0.26	(132.32)

The accompanying notes 1 to 27 are integral part of the Financial Statements

As per our report of even date

For Sharma Goel & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 000643N/N500012

For and on behalf of Board of Directors
Startup Internet Services Limited
CIN: U72200DL2015PLC285985

Amar Mittal
Partner
Membership No.- 017755

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

Chintan Thakkar
(Director)
DIN:00678173

Place: Noida
Date: May 24, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

	Particulars	For the year ended March 31, 2019 (₹ 000)	For the period ended March 31, 2018 (₹ 000)
A.	**Cash flow from operating activities:**		
	Profit / (Loss) before tax	**21**	**(6,616)**
	Adjustments for:		
	Interest received on Fixed Deposits	(92)	(85)
	Depreciation	7	69
	Interest cost on financial assets at amortised cost	-	102
	Disposal of fixed Assets	-	31
	Provision no longer required written back	(216)	-
	Operating profit / (loss) before working capital changes	**(280)**	**(6,499)**
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Other Financial Assets	-	110
	- INCREASE/(DECREASE) in Trade Payables	(77)	100
	- INCREASE/(DECREASE) in Other Current Liabilities	(8)	(79)
	- Decrease/(Increase) in Other Current asset	76	(76)
	Cash generated from / (used in) operating activities	**(289)**	**(6,444)**
	- Taxes (Paid) / Received (Net of TDS)	(9)	(16)
	Cash generated from / (used in) operating activities	**(298)**	**(6,460)**
B.	**Cash flow from Investing activities:**		
	Interest received on Fixed Deposits	92	85
	Expenses Incurred to develop Intangible Assets	-	6,308
	Net Cash generated/(used) from/in investing activities	**92**	**6,393**
C.	**Cash flow from financing activities:**		
	Net Cash generated from financing activities	**-**	**-**
	Net Increase/(Decrease) in Cash & Cash Equivalents	**(206)**	**(67)**
	Opening Balance of Cash and cash equivalents	**1,636**	**1,703**
	Closing Balance of Cash and cash equivalents	**1,430**	**1,636**
	Cash and cash equivalents comprise		
	Cash in hand	4	5
	Balance with Scheduled Banks		
	-in current accounts (net)	1,426	1,631
	Total	**1,430**	**1,636**

Notes :

1 Reconciliation of liabilities arising from financing activities

Particulars	Year Ended March 31,2018 (₹ 000)	Cash Flows	Non Cash Changes Finance Cost	Year Ended March 31,2019 (₹ 000)
Borrowings	8168	-	-	8168

2 The above Cash Flow Statement has been prepared under the Indirect Method as set out in IND AS 7 on Cash Flow Statement notified under Section 133 of the Companies Act, 2013. [Companies (Indian Accounting Standards) Rules, 2015], as amended.

3 Figures in brackets indicate cash outflow.

The accompanying notes 1 to 27 are integral part of the Financial Statements

As per our report of even date

For Sharma Goel & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 000643N/N500012

Amar Mittal
Partner
Membership No.- 017755

Place: Noida
Date: May 24, 2019

For and on behalf of Board of Directors
Startup Internet Services Limited
CIN: U72200DL2015PLC285985

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

Chintan Thakkar
(Director)
DIN:00678173

Statements of changes in equity

a. Equity share capital

Particulars	Amount (₹ 000)
As at March 31, 2017	**500**
Changes in equity share capital	-
As at March 31, 2018	**500**
Changes in equity share capital	-
As at March 31, 2019	**500**

b. Other equity

Particulars	Equity component of Preference Shares	Reserves & Surplus	Total
		Retained Earnings	(₹ 000)
Balance as at 31 March 2017	7,266	(716)	6,550
Loss for the year	-	(6,616)	(6,616)
Balance as at 31 March 2018	**7,266**	**(7,332)**	**(66)**
Profit / (Loss) for the year	-	15	15
Equity Component of Preference Shares (Refer note 10 - Borrowings)	902	-	902
Balance as at 31 March 2019	**8,168**	**(7,317)**	**851**

The accompanying notes 1 to 27 are integral part of the Financial Statements

As per our report of even date

For Sharma Goel & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 000643N/N500012

For and on behalf of Board of Directors
Startup Internet Services Limited
CIN: U72200DL2015PLC285985

Amar Mittal
Partner
Membership No.- 017755

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

Chintan Thakkar
(Director)
DIN:00678173

Place: Noida
Date: May 24, 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. Reporting Entity

Startup Internet Services Limited (the company) is a limited company domiciled in India and incorporated on October 05th, 2015 under the provisions of the Companies Act applicable in India. The company is a wholly owned subsidiary of Info Edge (India) Limited.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. **Basis of Preparation of Financial Statements**

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities
- Defined benefit plans-plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

B. **Property, plant and equipment (PPE)**

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by Management expert which are equal to, except in case of Plant and Machinery, Furniture and Fixtures and Vehicles where useful life is lower than life prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Assets	Estimated useful life (Years)
Mobile phones	2
Software	3

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

Assets costing less than or equal to ₹ 5,000 are fully depreciated pro-rata from date of acquisition.

C. **Impairment of Non-Financial Assets**

Assessment is done at each balance sheet date as to whether there is any indication that an asset (PPE) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

D. **Foreign Currency Transactions**

Functional and presentation currency

Items included in the financial statements of company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is Startup Internet Services Limited's functional and presentation currency.

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss

E. **Other Income**

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding at the rate applicable and where no significant uncertainty as to measurability or collectability exists.

F. **Taxes on Income**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Such tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax is recognized for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

G. **Provisions**

Provisions for legal claims and cancellations / returns are recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

H. **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash in hand, amount at banks and other short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

I. **Earnings Per Share (EPS)**

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to the shareholders of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholder and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares

J. **Investments and other financial assets**

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded in profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries and associates, these are carried at cost in these financial statements.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments in scope of Ind AS 109 at fair value, other than investments in equity investments in subsidiaries, associates and jointly controlled entities, which are carried at cost less diminution, if any.

iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

K. **Exceptional items**

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value

b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of write down.

c) Impact of any retrospective amendment requiring any additional charge to profit or loss.

L. **Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

M. **Rounding of Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Thousand as per the requirement of Schedule III, unless otherwise stated.

3 (a). Property, plant & equipment **Amount (₹ 000)**

Particulars	Office equipment	Total
Year ended March 31, 2018		
Gross carrying amount		
As at April 1, 2017	127	127
Additions	-	-
Disposals	-	-
Closing gross carrying amount	**127**	**127**
Accumulated depreciation		
As at April 1, 2017	57	57
Depreciation charged during the year	47	47
Disposals	-	-
Closing accumulated depreciation	**104**	**104**
Net carrying amount	**22**	**22**
Period ended March 31, 2019		
Gross carrying amount		
Opening gross carrying amount	127	127
Additions	-	-
Disposals	-	-
Closing gross carrying amount	**127**	**127**
Accumulated depreciation		
Opening accumulated depreciation	104	104
Depreciation charged during the period	7	7
Disposals	-	-
Closing accumulated depreciation	**111**	**111**
Net carrying amount	**16**	**16**

3 (b). Intangible Assets (₹ 000)

Particulars	Intangible Assets	Total
Year ended March 31, 2018		
Gross carrying amount		
As at April 1, 2017	65	65
Additions	-	-
Disposals	65	65
Closing gross carrying amount	**-**	**-**
Accumulated Amortisation		
As at April 1, 2017	12	12
Amortisation charged during the year	22	22
Disposals	34	34
Closing accumulated Amortisation	**-**	**-**
Net carrying amount	**-**	**-**

4. Non-current tax assets (net)

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Advance Tax	38	29
Less: provision for tax	(25)	(21)
	13	**8**

5. Cash & Cash Equivalents

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
(a) Cash in Hand	4	5
(b) Balance with Bank - Current Account (net)	74	-
(c) Balance with Bank in Fixed Deposit with original maturity less than 3 months	1,352	1,631
	1,430	**1,636**

6. Other Financial Assets

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Interest Accrued On Fixed Deposits	6	7
	6	**7**

7. Other Current Assets

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Advance to Suppliers	-	76
TDS Receivables	-	-
	-	**76**

8. Equity Share Capital

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
AUTHORISED		
50,000 Equity Shares of ₹ 10/- each	**500**	**500**
95,000 Preference Shares of ₹ 100/- each	**9,500**	**9,500**
ISSUED, SUBSCRIBED & PAID-UP		
50,000 Equity Shares of Rs 10/- each, fully paid up (Previous Year - 50,000 Equity Shares of Rs 10/- each)	500	500
	500	**500**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2019 No of Shares	As at March 31, 2019 (₹ 000)	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ 000)
Equity Shares				
At the beginning of the year	50,000	500	50,000	500
Add: Issued during the year	-	-	-	-
Outstanding at the end of the period	**50,000**	**500**	**50,000**	**500**

Particulars	As at March 31, 2019 No of Shares	As at March 31, 2019 (₹ 000)	As at March 31, 2018 No of Shares	As at March 31, 2018 (₹ 000)
Preference Shares				
At the beginning of the period	80,000	8,000	80,000	8,000
Add: Issued during the period	-	-	-	-
Outstanding at the end of the period	**80,000**	**8,000**	**80,000**	**8,000**

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2018-19		FY 2017-18	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of Rs 10 each fully paid				
Info Edge (India) Ltd (excluding Six shares held by Nominee shareholders)	49,994	99.99%	49,994	99.99%
	49,994	**99.99%**	**49,994**	**99.99%**

9. Other Equity

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Profit & Loss Account		
Opening Balance	(7,332)	(716)
Add: Profit / (Loss) for the year	15	(6,616)
Equity Component of Preference Shares	8,168	7,266
	851	**(66)**

10. Borrowings

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
80,000 Preference Shares of ₹ 100/- each (0.0001% compulsory convertiable preference shares 80,000 nos. Previous Year -80,000 nos Compusolry Redeemable Preference Shares)	8,000	8,000	-	-
Add : Interest Expense on Present value	168	168	-	-
Less: Equity Component of Preference Shares	(8,168)	(7,266)	-	-
Liability Component of Preference Shares	**-**	**902**	**-**	**-**

11. Trade Payables

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Trade Payables				
-total outstanding dues of micro enterprises and small enterprises	-	-	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	112	405
	-	**-**	**112**	**405**

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2019

12. Deferred tax liabilities

Particulars	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
Deferred tax liabilitiy		
- Opening balance	-	-
- Adjustment for the period & previous year:		
- (Charged)/credited through profit or loss (On account of Property Plant and Equipment)	2	-
Total	2	-

13. Other current liabilities

Particulars	Non-Current		Current	
	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)	As at March 31, 2019 (₹ 000)	As at March 31, 2018 (₹ 000)
TDS Payable	-	-	-	8
	-	**-**	**-**	**8**

14. Other Income

Particulars	Year Ended March 31, 2019 (₹ 000)	Year Ended March 31, 2018 (₹ 000)
Interest received on fixed deposits	92	85
Provision no longer required written back	216	-
	308	**85**

15. Administration And Other Expenses

Particulars	Year Ended March 31, 2019 (₹ 000)	Year Ended March 31, 2018 (₹ 000)
Legal and Professional Charges	118	118
Misc Charges	133	49
Rent Expense	28	24
Intangible assets under development written off	-	6,308
Loss on disposal of Propety Plant & Equipment	-	31
	280	**6,530**

16. Finance Costs

Particulars	Year Ended March 31, 2019 (₹ 000)	Year Ended March 31, 2018 (₹ 000)
Interest cost on financial liabilities at amortised cost	-	102
	-	**102**

17. Basic & Diluted Earnings Per Share (EPS)

Particulars	Year Ended March 31, 2019 (₹ 000)	Year Ended March 31, 2018 (₹ 000)
Profit/(Loss) attributable to Equity Shareholders (₹)	15	(6,616)
Weighted average number of Equity Shares outstanding at the end of the year (Nos.)	50,000	50,000
Basic Earnings Per Equity Share of ₹ 10 each (₹)	0.30	(132.32)
Potential Equity Shares at the end of the year	8,767	-
Total Weighted average number of Equity shares outstanding at the ened of the year (No.)	58,767	50,000
Diluted Earnings Per Equity Share of ₹ 10 each (₹)	0.26	(132.32)

18. No disclosure is required under IND AS 108 on Segment Reporting specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

19. Employee Benefits

The requirements of IND AS 19 on Employee Benefits specified in Companies (Indian Accounting Standard) (IND AS)) Rules, 2015 are not applicable on the company since there was no employee employed by the company during the year.

20. Auditors Remuneration

Particulars	Year Ended March 31, 2019 (₹ 000)	Year Ended March 31, 2018 (₹ 000)
Audit Fees(Excluding GST)	100	100
	100	**100**

21. During the year ended March 31st, 2019, the Company has changed the nature of securities from cumulative redeemable preference shares into compulsorily convertible preference shares w.e.f. March 27, 2019. All other terms and conditions remain same.

22 (1) . Related Party Disclosures for the year ended March 31, 2019

(A) List of Related Parties

Holding Company

Info Edge (India) Limited

B) Details of transactions with related party for the year ended March 31, 2019 in the ordinary course of business: **Amount (₹ '000)**

Nature of relationship / transaction	Holding Company	Total
Rent Expense	28	28

22 (2) . Related Party Disclosures for the year ended March 31, 2018

(A) List of Related Parties

Holding Company

Info Edge (India) Limited

B) Details of transactions with related party for the year ended March 31, 2018 in the ordinary course of business: **Amount (₹'000)**

Nature of relationship / transaction	Holding Company	Total
Rent Expense	24	24

23. Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates in relation to the Company's tax position

a) Income Tax expense

Particulars	Year ended March 31, 2019 (₹000)	Year ended March 31, 2018 (₹000)
Current tax for the year	4	-
Deferred Tax	2	-
Total current tax expenses	**6**	**-**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Year ended March 31, 2019 (₹000)	Year ended March 31, 2018 (₹000)
Profit /(Loss) before tax	21	(6,616)
Tax @ 26% (Previous Year 25.75%)	**6**	**(1,704)**
Tax adjustment effect of amounts which are not deductible (taxable) in calculating taxable income:		
CWIP Written Off	-	1,624
Others	-	79
	6	**-**

24. Financial Instruments And Risk Management

Fair value Hierarchy

a) Financial instruments by category

Amount (₹'000)

Particulars	March 31, 2019		March 31, 2018	
	Fair value through profit or loss	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets				
Cash and cash Equivalents	-	1,430	-	1,636
Other financial assets	-	6	-	7
Total Financial Assets	**-**	**1,436**	**-**	**1,643**
Financial Liabilities				
Trade payables	-	112	-	405
Financial liabilities - Non - Current	-	-	-	902
Total Financial Liabilities	**-**	**112**	**-**	**1,307**

b) Financial assets and liabilities measured at amortised cost

Amount (₹'000)

Particulars	March 31, 2019		March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Cash and cash Equivalents	1,430	1,430	1,636	1,636
Other financial assets				
- Advance to Suppliers	-	-	-	-
-Interest accrued on fixed deposits	6	6	7	7
Total Financial Assets	**1,436**	**1,436**	**1,643**	**1,643**
Financial Liabilities				
Trade payables	112	112	405	405
Financial liabilities - Non - Current	-	-	902	902
Total Financial Liabilities	**112**	**112**	**1,307**	**1,307**

The carrying amounts of loans and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

25. Financial Risk And Capital Management

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

The Company's risk management is carried out by a treasury department (Company treasury) under policies approved by the board of directors. Company treasury identifies, financial risks in close cooperation with the Company's operating units.

(a) Credit risk

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company borrows short term and long term fund from holding company to bridge the short fall in fund requirements whenever required.

(i) Financing arrangements

There are no fund and non-fund based financing arrangements

(ii) Maturities of financial liabilities

The amount disclosed in the below table represent the contractual cash flows.

	Contractual cash flows				Amount (₹'000)
March 31, 2019	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Trade and other payables	112	112	-	-	-
Other financial liabilities	-	-	-	-	-

	Contractual cash flows				Amount (₹'000)
March 31, 2018	**Total**	**6 months or less**	**6-12 months**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
Trade and other payables	405	405	-	-	-
Other financial liabilities	902	-	-	-	902

The amount disclosed in the above table represent the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not signficant

(c) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings and finance lease obligations. Borrowings issued at fixed rates and finance lease obligations exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Amount (₹'000)

Particulars	March 31, 2019	March 31, 2018
Fixed-rate instruments		
Financial assets	1,352	1,636
Financial liabilities	-	902
Total	**1,352**	**2,538**

B) Capital management

a) Risk management

The Comapny's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital, internal generation and borrowings for buying vehicles.

b) Dividend

There was no dividend declarared during the current and previous financial year

26. Revenue from Contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contracts with Customers. This establishes Standard sets out a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the Company from 1 April 2018 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method). Since there is no Revenue accrued during the Current Year as well as Previous Year, there is no impact of Ind AS 115 on the Financial statement during the year.

27. Standards issued but not effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases:

The Ministry of Corporate Affairs on 30 March 2019 notified the new leasing standard, viz., Ind AS 116 Leases. Ind AS 116 is applicable for the financial year beginning on or after 1 April 2019 for all Ind AS companies. It replaces virtually all the existing leasing requirements under Ind AS 17 Leases.

The new standard will require lessees to recognize most leases on their balance sheets. Lessees will use a single accounting model for all leases, with limited exemptions. Foreign currency leases will increase P&L volatility due to a restatement of foreign currency liability.

An entity has an option to adopt Ind AS 116 using either the full retrospective method or the modified retrospective method. An entity that elects the modified retrospective method would apply Ind AS 116 retrospectively to only the current period by recognising the cumulative effect of initially applying Ind AS 116 as an adjustment to the opening balance of retained earnings (or other components of equity) at the date of initial application. Under the modified retrospective method, Ind AS 116 would be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. An entity would need to disclose how it applied the modified retrospective method.

The Company is under process to evaluate the impacts of the new standard on financial statements.

For Sharma Goel & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 000643N/N500012

For and on behalf of Board of Directors
Startup Internet Services Limited
CIN: U72200DL2015PLC285985

Amar Mittal
Partner
Membership No.- 017755

Sanjeev Bikhchandani
(Director)
DIN No:-00065640

Chintan Thakkar
(Director)
DIN:00678173

Place: Noida
Date: May 24, 2019

infoedge

INFO EDGE (INDIA) LIMITED
CIN: L74899DL1995PLC068021

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