INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
SANDESH DIGITAL PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sandesh Digital 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 notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 (hereinafter referred to as "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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (hereinafter referred to as "Ind AS") 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 financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (hereinafter referred to as "SAs"). 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 (hereinafter referred to as "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 made thereunder, and we have fulfilled our other 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 financial statements.

Information Other than the 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 Board's Report including Annexures to Board's Report and Shareholder's Information, 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 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 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, 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

MANUBHAI & SHAH LLP CHARTERED ACCOUNTANTS

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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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 the **"Annexure – A"**, a statement on the matters specified in the paragraph 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 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 Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

   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 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 the by the Company.

For Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Reg No. – 106041W / W100136

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

(K. B. Solanki)
Partner
Membership No. 110299

Place: Ahmedabad

Date: May 25, 2019

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 of even date)

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Sandesh Digital Private Limited ('the Company')

1. **In respect of fixed assets:**
According to the information and explanations given to us and on the basis of our examination of the records, the company does not have any fixed assets, thus paragraph 3 (i) [(a) to (c)] of the said Order is not applicable to the Company.

2. **In respect of Inventories:**
The Company is a service company and providing services on digital platform. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

3. **In respect of loans granted to parties covered in the register maintained u/s 189 of the Act:**
The Company has not granted any loans, secured or unsecured, to companies, firms, limited liabilities partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3 (iii) [(a) to (c)] of the said Order are not applicable to the Company.

4. **In respect of compliance of section 185 and 186 of the Act:**
In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

5. **In respect of deposits:**
The Company has not accepted any deposits.

6. **In respect of maintenance of cost records:**
The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

7. **In respect of statutory dues:**
   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 the undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues, as applicable, with appropriate authorities. As explained to us, the Company did not have any dues on account of duty of custom.

   b) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, no undisputed amounts payable as applicable were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

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

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

8. **In respect of dues to financial institutions / banks / debentures:**
Based on our audit procedures and according to the information and explanation given to us, the Company has neither taken any loan from financial institution / banks nor issued debentures. Thus, paragraph 3(viii) of the Order is not applicable to the Company.

9. **In respect of money raised by way of public offer and application of term loan:**
The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and no term loans raised during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

10. **In respect of fraud:**
According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. **In respect of managerial remuneration in accordance with Section 197 of the Act:**
This being a private limited company, section 197 is not applicable to the company. Thus, paragraph 3 (xi) of the Order is not applicable.

12. **In respect of Nidhi company:**
In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

13. **In respect of transactions with related parties in compliance of section 177 and 188 of the Act and its disclosures:**
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.

14. **In respect of preferential allotment or private placement of shares or debentures:**
According to the information and explanations give 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.

15. **In respect of non-cash transactions with directors or persons:**
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, paragraph 3(xv) of the Order is not applicable.

16. **In respect of company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934:**
The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

(K. B. Solanki)
Partner
Membership No.110299

Place: Ahmedabad

Date: May 25, 2019

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 of even date)

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 over financial reporting of **Sandesh Digital Private Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records 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.

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, 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 31 March 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.

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. 106041W/W100136

(K. B. Solanki)
Partner
Membership No.110299

Place: Ahmedabad

Date: May 25, 2019

Sandesh Digital Private Limited
CIN : U22100GJ2015PTC083461
Balance sheet as at March 31, 2019

(Rs. in Lacs)

	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
A	**ASSETS**			
I	**Non Current Assets**			
i	Tangible Assets			
ii	Intangible Assets			
iii	Capital work-in-progress			
b	Non Current Investments			
c	Long Term Loans and Advances			
	Deferred Tax Assets (net)	5	0.22	0.15
			0.22	**0.15**
II	**Current Assets**			
a	Financial Assets			
i	Investments	6.1	240.77	164.59
ii	Trade Receivables	6.2	46.66	32.61
iii	Cash and Cash Equivalents	6.3	2.32	2.82
iv	Loans	6.4	0.15	0.33
v	Other financial assets	6.5	0.10	-
b	Other current assets	7	.00	2.72
c	Current Tax Assets (net)	8	0.93	-
			290.93	**203.07**
	Total Assets		**291.15**	**203.22**
B	**EQUITY AND LIABILITIES**			
I	**EQUITY**			
a	Equity Share Capital	9	1.00	1.00
b	Other Equity	10	274.37	188.57
			275.37	**189.57**
II	**LIABILITIES**			
a	**Non-current Liabilities**			
	Provisions	11	0.83	0.52
			0.83	**0.52**
b	**Current Liabilities**			
i	Financial Liabilities			
	Trade Payables	12		
	(a) total outstanding dues of micro enterprises and small enterprises		-	-
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises		13.20	11.78
ii	Other Current Liabilities	13	1.75	0.80
iii	Current Tax Liabilities (net)	14	-	0.55
			14.95	**13.13**
	Total Equity & Liabilities		**291.15**	**203.22**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached.
For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. : 106041W/W100136

K. B. SOLANKI
Partner
Membership No. 110299

Place : Ahmedabad
Date: May 25, 2019

For and on behalf of the Board,

Falgunbhai Patel
(DIN: 00050174)
Director

Parthiv Patel
(DIN: 00050211)
Director

MANUBHAI & SHAH LLP CHARTERED ACCOUNTANTS

SANDESH DIGITAL PVT. LTD. AHMEDABAD

Sandesh Digital Private Limited
CIN : U22100GJ2015PTC083461
Statement of Profit and Loss for the year ended March 31, 2019

(Rs. in Lacs)

	Particulars	Note No.	For the year ended March 31, 2019	2018
I	Revenue From Operations	15	231.06	281.23
II	Other Income	16	15.57	5.71
III	**Total Revenue**		**246.63**	**286.94**
	Expenses:			
a	Employee Benefits Expense	17	54.13	50.72
b	Other Expenses	18	81.37	89.06
IV	**Total Expenses**		**135.50**	**139.78**
V	**Profit Before Tax (III-IV)**		**111.13**	**147.16**
VI	**Tax Expenses:**			
a	Current Tax (net)		25.65	38.12
b	Deferred Tax		(0.06)	0.05
VII	**Profit for the Year (V - VI)**		**85.54**	**108.99**
VIII	**Other Comprehensive Income**			
A	(i) Items that will not be reclassified to profit or loss Remeasurement of defined benefit obligations		0.26	0.85
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
B	(i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified			
IX	**Total Comprehensive Income (VII + VIII)**		**85.80**	**109.84**
X	**Earnings per Equity Share:** Basic and Diluted	19	855.38	1 089.93

The accompanying notes form an integral part of the financial statements

As per our report of even date attached.
For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. : 106041W/W100136

K. B. Solanki

K. B. SOLANKI
Partner
Membership No. 110299

Place : Ahmedabad
Date: May 25, 2019

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the Board,

Falgunbhai Patel
(DIN: 00050174)
Director

Parthiv Patel

Parthiv Patel
(DIN: 00050211)
Director

SANDESH DIGITAL PVT. LTD. AHMEDABAD *

Sandesh Digital Private Limited
CIN : U22100GJ2015PTC083461
Cash Flow Statement for the year ended March 31, 2019

(Rs. in Lacs)

	Particulars	For the Year Ended March 31, 2019	2018
A	Cash flow from Opreating activities		
	Net Profit before Tax	111.13	147.16
	Adjustments for:		
	Fair Value gain of Mutual Fund	(15.53)	(5.54)
	Operating Profit Before Working Capital Changes	95.60	141.62
	Adjustments for:		
i	Trade and Other Receivables	(14.05)	.89
ii	Payables, other financial liabilities and Provision	2.94	4.47
iii	Loans, other financial assets and other assets	2.80	(2.61)
	Operating Profit After Working Capital Changes	(8.31)	2.75
	Cash generated from Operations	**87.29**	**144.37**
	Direct Tax Paid	(27.13)	(41.17)
	Net Cash Flow from Operating Activities	**60.16**	**103.20**
B	**Cash Flow from Investing Activities**		
	Investment in Mutual Fund	(60.66)	(113.20)
	Net Cash Flow from Investing Activities	**(60.66)**	**(113.20)**
C	**Cash Flow from Financing Activities**	**.00**	**.00**
	Net Cash Flow from Financing Activities	.00	.00
	Net Increase / (Decrease) in Cash & Cash Equivalent	(.50)	(10.00)
	Opening Cash & Cash equivalent	**2.82**	**12.82**
	Closing Cash & Cash equivalent	**2.32**	**2.82**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached.
For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. : 106041W/W100136

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

K.B. Solanki

K. B. SOLANKI
Partner
Membership No. 110299

Place : Ahmedabad
Date: May 25, 2019

SANDESH DIGITAL PVT. LTD. AHMEDABAD

For and on behalf of the Board,

Falgunbhai Patel
(DIN: 00050174)
Director

Parthiv Patel
(DIN: 00050211)
Director

Sandesh Digital Private Limited
CIN: U22100GJ2015PTC083461
Statement of Changes in Equity for the year ended on March 31, 2019

(Rs. in Lacs)

	Particulars	For the Year Ended March 31, 2019	2018
A	**Equity Share Capital**		
	Balance at the beginning of the period	1.00	1.00
	Changes during the period		
	Balance at the end of the period	**1.00**	**1.00**
B	**Other Equity**		
	Retained Earnings		
	Balance at the beginning of the period	**188.57**	**78.73**
	Profit for the period	85.54	108.99
	Other Comprehensive Income		
	Remeasurement of defined benefit obligations	0.26	0.85
	Balance at the end of the period	**274.37**	**188.57**

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

As per our report of even date attached.
For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. : 106041W/W100136

K. B. SOLANKI
Partner
Membership No. 110299

Place : Ahmedabad
Date: May 25, 2019

For and on behalf of the Board,

Falgunbhai Patel
(DIN: 00050174)
Director

Parthiv Patel
(DIN: 00050211)
Director

MANUBHAI & SHAH LLP CHARTERED ACCOUNTANTS

SANDESH DIGITAL PVT. LTD. AHMEDABAD

Note No.	Particulars

1 Company overview

Sandesh Digital Private Limited is a private limited company domiciled in India and is incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located in Gujarat, India.

The Company is engaged in providing news on multiple digital platforms, mobile advertisements, and to aggregate and provide news / videos on multiple digital platforms.

The financial statements are approved for issue by the Company's Board of Directors on May 25, 2019.

2 Basis of Preparation

2.1 Statement of compliance

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

2.2 Basis of measurement

The Financial Statements have been prepared on the historical cost basis except certain financial assets and liabilities which are measured at fair values.

2.3 Functional and presentation currency

Indian rupee is the functional and presentation currency.

2.4 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make relevant estimates, judgements and assumptions.

These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management become aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are:

- Valuation of financial instruments
- Provisions and contingencies
- Income tax and deferred tax
- Measurement of defined employee benefit obligations

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

Note No.	Particulars
3	**Significant accounting policies**

3.1 Revenue Recognition

3.1.1 Revenue from Operations

The Company earns revenue from display of advertisement on web-pages of Sandesh Properties and sites.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer note 3.1(a) – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

The rendering of advertisement services based on user view impressions or click on display of advertisement on web-pages of Sandesh properites and sites and hence performance obligation satisfies at a point in time.

The advertisement fee is charged as per the agreed terms of contract with customers.

Revenue is measured based on the transaction price which is the consideration, as specified contract with the customer. Revenue excludes taxes collected from the customers.

3.1.2 Other Income

a Gain or loss on sale of Mutual Fund
Gain or Loss on derecognition of financial asset is determined as the difference between the sale price (net of selling costs) and carrying value of financial asset.

b All other incomes are recognised and accounted for on accrual basis.

3.2 Financial Instruments

3.2.1 Initial Recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are recognized at fair value on initial recognition.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to or deducted from the fair value of financial assets or financial liabilities on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Regular way purchase and sale of financial assets are accounted for at trade date.

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CHARTERED ACCOUNTANTS

Note No.	Particulars

3.2.2 Subsequent Measurement

(a) Non-derivative financial instruments

(i) Financial assets carried at amortized cost
A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income
A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. For such equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss
A financial asset which is not classified in any of the above categories are subsequently measured at fair valued through profit or loss. Fair value changes are recognised as other income in the Statement of Profit or Loss.

(iv) Financial liabilities
Financial liabilities are subsequently carried at amortized cost using the effective interest method.

(b) Equity Instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of equity instruments are recognised as a deduction from equity instrument net of any tax effects.

3.2.3 Derecognition

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when obligation specified in the contract is discharged or cancelled or expires.

3.2.4 Offsetting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the company currently has a legally enforceable right to offset the recognised amount and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.3 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement assumes 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

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

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CHARTERED ACCOUNTANTS

Note No.	Particulars

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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – inputs are 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 prices)

Level 3 – inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

3.4 Income Tax

Income tax expense comprises current tax and deferred tax.

3.4.1 Current Tax

Current tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and current tax liabilities are offset, where company has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.4.2 Deferred Tax

Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities are recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from initial recognition of goodwill; or initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, losses and tax credit can be utilized, except when deferred tax asset on deductible temporary differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit or loss

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rules and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, where company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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Note No.	Particulars

3.5 Impairment of Financial Assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the statement of profit and loss.

3.6 Borrowing costs

Borrowing cost includes interest and other costs that company has incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

All other borrowing costs are expensed in the year they occur.

Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

3.7 Employee Benefits

Short term employee benefits for salary and wages including accumulated leave that are expected to be settled wholly within 12 months after the end of the reporting period in which employees render the related service are recognized as an expense in the statement of profit and loss.

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

The company operates one defined benefit plan for its employees, viz., gratuity plan. The costs of providing benefits under the plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method made at the end of each reporting date. Re-measurement of the net defined benefit liability (asset) comprise of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability / (asset)). Re-measurement are recognised in other comprehensive income and will not be reclassified to profit or loss in a subsequent period.

3.8 Provisions

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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CHARTERED ACCOUNTANTS

Note No.	Particulars

3.9 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

3.10 Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only be occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. The company does not recognize a contingent asset but discloses its existence in the financial statements.

3.11 Foreign Currency

3.11.1 Initial Recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

3.11.2 Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

3.11.3 Exchange Difference on Monetary Items

Exchange differences are recognized as income or as expenses in the year in which they arise.

3.12 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank (including demand deposits) and in hand and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

3.13 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.

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 are adjusted for the effects of all dilutive potential equity shares.

3.14 Segment Reporting

An operating segment is component of the company that engages in the business activity from which the company earns revenues and incurs expenses, for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker, in deciding about resources to be allocated to the segment and assess its performance. The company's chief operating decision maker is the Managing Director.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable.

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

The company / group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company / group as a whole.

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Note No.	Particulars

3.15 Cash Flow Statement

Cash flows are reported using indirect method whereby profit for the period is adjusted for the effects of the transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts and payments and items of income or expenses associated with investing and financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.16 Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

4 Recent accounting pronouncements issued but not yet effective

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new Ind AS and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

4.1 Ind AS – 116

Ind AS – 116 will replace the existing leases standard, Ind AS – 17 Leases. Ind AS – 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS – 116 substantially carries forward the lessor accounting requirements in Ind AS – 17.

The effective date for adoption of Ind AS – 116 is annual periods beginning on or after April 01, 2019. The standard permits two possible methods of transition:

- Full retrospective approach – Retrospectively, to each prior period presented applying the Ind AS – 8 "Accounting Policies, Changes in Accounting Estimates and Errors"
- Modified retrospective approach – Retrospectively, with the cumulative effect of initially applying the Ind AS recognised at the date of initial application.

The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the Ind AS, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Ind AS will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the Ind AS had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS – 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the Ind AS and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

With effect from April 01, 2019, the Company will recognise new assets and liabilities for its operating leases of assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization change for the right-to-use asset, and b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

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Note No.	Particulars

The company does not have any impact of Ind AS – 116 on the financial statements.

Ind AS – 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS – 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS – 12. According to the Appendix, the Company need to determine the probability of the relevant tax authority accepting each tax treatment, that the company has used or plan to use in its income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The Ind AS permits two possible methods of transition:
- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind As – 8 "Accounting Policies, Changes in Accounting Estimates and Errors" without using hindsight

- Modified retrospective approach – Retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting opening balance of retained earnings

The Company is in the process of evaluating the impact of Ind AS – 12 Appendix C on the financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The company does not expect this amendment to have any significant impact on its financial statements.

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Sandesh Digital Private Limited
Notes to the financial Statements for the period ended March 31, 2019

(Rs. in Lacs)

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
5	**Deferred Tax Asset (Net)**		
	Disallowance under the Income Tax Act, 1961	0.22	0.15
		0.22	**0.15**
6	**Financial Assets**		
6.1	**Investments**		
	Financial assets measured at fair value through profit or loss		
	Mutual Funds (Unquoted)	240.77	164.59
		240.77	**164.59**
6.2	**Trade Receivables**		
	Unsecured, considered good	46.66	32.61
		46.66	**32.61**
6.3	**Cash and Cash Equivalents**		
a	Balances with Banks In current accounts	2.15	2.77
b	Cash on Hand	0.17	0.05
		2.32	**2.82**
6.4	**Loans**		
	Unsecured, considered good	0.15	0.33
		0.15	**0.33**
6.5	**Other Financial Assets**		
	Security deposit	0.10	-
		0.10	**-**
7	**Other current assets**		
	Balance with tax authorities	-	2.72
		-	**2.72**
8	**Current tax assets (net)**		
	Income Tax Provision	.93	.00
		.93	**.00**
9	**Share Capital**		
a	**Authorized :** 10,00,000 Equity Shares of Rs. 10/- each (Previous Year : 10,00,000)	**100.00**	**100.00**
b	**Issued & Subscribed :** 10,000 Equity shares of Rs. 10/- each (Previous Year : 10,000)	**100.00**	**100.00**
c	**Paid up :** 10,000 Equity shares of Rs. 10/- each (Previous Year : 10,000)	1.00	1.00
		1.00	**1.00**

d **Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

Particulars	March 31, 2019 No. of Shares	March 31, 2018 No. of Shares
At the beginning of the period	10 000.00	10 000.00
Addition		
At the end of the period	**10 000.00**	**10 000.00**

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

(Rs. in Lacs)

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018

e **Rights, preferences and restrictions :**

i The company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held.

ii Dividends, if any, is declared and paid in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

iii In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion to their shareholding.

f **Details of share holders holding more than 5% of the subscribed capital**

Particulars	As at March 31, 2019 No. of shares %	As at March 31, 2018 No. of shares %
The Sandesh Limited - Holding Company	10 000.00 100%	10 000.00 100%

10 **Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company.

The Company's objective for capital management is to maximize shareholder value and safeguard business continuity.

The Company determines the capital requirement based on annual operating plans and other strategic plans. The funding requirements are met through equity and operating cash flows generated.

Summary of Quantitative Data is given hereunder:

Particulars	As at March 31, 2019	As at March 31, 2018
Equity	1.00	1.00
Other Equity	274.37	188.57
Total	**275.37**	**189.57**

The company does not have any externally imposed capital requirement.

11 **Provisions**

Provision for Gratuity	0.83	0.52
	0.83	**0.52**

12 **Trade Payables**

(a) total outstanding dues of micro enterprises and small enterprises	.00	.00
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	13.20	11.78
	13.20	**11.78**

Disclosure in respect of Micro and Small Enterprises :

a	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	--	--
b	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	--	--
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	--	--

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

Sandesh Digital Private Limited
Notes to the financial Statements for the period ended March 31, 2019

(Rs. in Lacs)

Note No.	Particulars	As at March 31, 2019	As at March 31, 2018
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.	--	--
	The above information has been complied in respect of parties to the extent to which they could be identified as Micro and Small Enterprise on the basis of information available with the Company.	--	--
13	**Other Current Liabilities**		
	Statutory Dues	1.75	0.80
		1.75	**.80**
14	**Current tax liabilities (Net)**		
	Income Tax Provision	-	0.55
		-	**0.55**

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

Sandesh Digital Private Limited
Notes to the financial Statements for the year ended March 31, 2019

(Rs. in Lacs)

Note No.	Particulars	From April 01, 2018 to March 31, 2019	From April 01, 2017 to March 31, 2018
15	**Revenue From Operations**		
	Revenue From Operations	231.06	281.23
		231.06	**281.23**
15.1	Revenue disaggregation by geography is as follows:		
	Domestic	92.90	55.34
	International	138.16	225.89
		231.06	**281.23**
16	**Other Income**		
a	Financial assets measured at fair value through Profit or Loss		
	Profit on Sale of Investments	15.53	5.54
b	Miscellaneous Income	0.04	0.17
		15.57	**5.71**
17	**Employee Benefits Expense**		
a	Salaries and wages (Refer Note 20)	53.75	50.01
b	Contribution to Provident and Other Funds	0.36	0.63
c	Staff Welfare Expense	0.02	0.08
		54.13	**50.72**
18	**Other Expenses**		
a	Audit Fees*	0.43	0.63
b	License fee, mounting fee & other expenses	23.11	28.42
c	Professional & legal expenses	43.61	42.19
d	Foreign exchange loss	1.08	4.98
e	Miscellaneous Expenses	13.14	12.84
		81.37	**89.06**
*	**Auditor's Remuneration**		
a	For Statutory Audit	0.13	0.13
b	For Taxation	0.30	0.50
		0.43	**0.63**
19	**Earnings Per Share**		
a	Net Profit after Tax	85.54	108.99
b	Total Weighted Average Number of Shares for Basic and Diluted Earning	10 000.00	10 000.00
c	**Basic and Diluted Earning per Share (in Rupees)**	**855.38**	**1 089.93**

MANUBHAI & SHAH LLP * CHARTERED ACCOUNTANTS *

20 Employee Benefits

20.1 Defined Contribution Plans

Details of amount recognized as expenses during the year for the defined contribution plans.

(Rs. in Lacs)

Particulars	From April 01, 2018 to March 31, 2019	From April 01, 2017 to March 31, 2018
Employer's Contribution to Employee State Insurance	0.36	0.41
Employer's Contribution to Pension Fund	0.00	0.16
Employer's Contribution to Provident Fund	0.00	0.06
	0.36	**0.63**

20.2 Defined Benefit Plan - Gratuity

a Information about the characteristics of defined benefit plans

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Features of the defined benefit plan	Remarks
Benefit offered	15 / 26 × Salary × Duration of Service
Salary definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of Rs. 20,00,000 was applied
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	58 years

b The company is responsible for the governance of the plan.

c Risk to the Plan

Following are the risk to which the plan exposes the entity :

i Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption then the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption then the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

ii Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cashflows.

iii Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

iv Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

d Reconciliation of defined benefit obligations

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Defined benefit obligations as at beginning of the year	0.52	0.71
Current service cost	0.53	0.60
Interest cost	0.04	0.05
Actuarial Loss/(Gain) due to change in financial assumptions	0.00	(0.02)
Actuarial Loss/(Gain) due to change in demographic assumptions		0.00
Actuarial Loss/(Gain) due to experience	(0.26)	(0.82)
Defined benefit obligations as at end of the year (Refer note no 15)	**0.83**	**0.52**

e Amount Charged to Profit or Loss

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current service cost	0.53	0.60
Net Interest cost	0.04	0.05
Net amount recognized (Refer note no.)	**0.57**	**0.65**

f Amount Charged to Other Comprehensive income

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	0.00	(0.03)
Due to change in demographic assumption		
Due to experience adjustments	(0.26)	(0.82)
Return on plan assets excluding amounts included in interest income		
Amounts recognized in Other Comprehensive Income	**(0.26)**	**(0.85)**

g Actuarial Assumptions

Particulars	As at March 31, 2019	As at March 31, 2018
Discount Rate	7.60%	7.60%
Salary Growth Rate	4.00%	4.00%
Withdrawal Rate	20% at younger ages reducing to 0% at older ages	20% at younger ages reducing to 0% at older ages

h Sensitivity Analysis for Actuarial Assumption

As at March 31, 2019	Change in Assumptions		Impact on Defined Benefit Obligation			
	Increase	Decrease	Increase in Assumptions		Decrease in Assumptions	
	%	%	(Rs. in Lacs)	%	(Rs. in Lacs)	%
Discount Rate	0.50%	0.50%	(0.04)	-4.73%	0.04	5.10%
Salary Growth Rate	0.50%	0.50%	0.04	5.26%	(0.04)	-4.91%
Withdrawal Rate (W.R.)	10.00%	10.00%	(0.02)	-2.73%	0.02	2.55%

As at March 31, 2018	Change in Assumptions		Impact on Defined Benefit Obligation			
	Increase	Decrease	Increase in Assumptions		Decrease in Assumptions	
	%	%	(Rs. in Lacs)	%	(Rs. in Lacs)	%
Discount Rate	0.50%	0.50%	(0.02)	-4.30%	0.02	4.60%
Salary Growth Rate	0.50%	0.50%	0.02	4.80%	(0.02)	-4.50%
Withdrawal Rate (W.R.)	10.00%	10.00%	(0.01)	-2.70%	0.01	2.60%

i Details of Asset- Liability Matching Strategy

The Gratuity benefit liability of the company is Un-funded. Since the liability is unfunded, there is no Asset-Liability Matching strategy device for the plan.

j Maturity Profile of the Defined Benefit Obligation

As at March 31, 2019	(Rs. in Lacs)	%
2020	0.00	0.10%
2021	0.00	0.10%
2022	0.05	2.60%
2023	0.08	3.90%
2024	0.13	6.50%
2025 - 2029	0.48	23.50%

As at March 31, 2018	(Rs. in Lacs)	%
2019	0.00	0.20%
2020	0.00	0.20%
2021	0.00	0.20%
2022	0.05	4.40%
2023	0.06	5.50%
2024 - 2028	0.46	39.20%

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Sandesh Digital Private Limited
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21 Income Taxes

21.1 Tax expense in the statement of profit and loss comprises of:

(Rs. in Lacs)

Particulars	From April 01, 2018 to March 31, 2019	From April 01, 2017 to March 31, 2018
Current income tax	25.45	39.89
Adjustments in respect of current tax of earlier years	0.20	(1.77)
Total current income tax	**25.65**	**38.12**
Deferred tax	(0.06)	0.05
Total Deferred tax	**(0.06)**	**0.05**
Tax expense	**25.59**	**38.17**

21.2 A reconciliation of the tax expenses to the amount computed by applying the statutory income tax rate to the profit before tax expense is summarized below:

(Rs. in Lacs)

Particulars	From April 01, 2018 to March 31, 2019	From April 01, 2017 to March 31, 2018
Accounting profit before tax	**111.13**	**148.01**
Normal tax rate	26.00%	27.55%
Tax liability on accounting profit	**28.89**	**40.77**
Tax Effect of non deductible expenses	0.33	0.16
Tax Effect of deductible expenses	(5.07)	(1.53)
Effect of Income which is taxed at special rates	1.30	.48
Adjustments in respect of current tax of earlier years	0.20	(1.75)
Deferred tax expense on remeasurements of defined benefit plans	(0.06)	0.05
Tax expenses as per normal tax rate	**25.59**	**38.17**

21.3 Details of each type of recognized temporary differences

(Rs. in Lacs)

Particulars	Recognized DTA in balance sheet	
	As at March 31, 2019	As at March 31, 2018
Deferred tax asset		
Preliminary Expense	0.00	0.01
Gratuity	0.22	0.14
Total Deferred tax asset	**0.22**	**0.15**

(Rs. in Lacs)

Particulars	Deferred tax credit recognized in P&L	
	As at March 31, 2019	As at March 31, 2018
Deferred tax asset		
Preliminary Expense	(0.01)	-
Gratuity	0.07	(0.05)
Total Deferred tax asset	**0.06**	**(0.05)**

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22 Financial Instruments

22.1 Disclosure of Financial Instruments by Category

(Rs. in Lacs)

As at March 31, 2019

Particulars	FVTPL	FVTOCI	Amortized cost	Total carrying amount	Fair Value
Financial asset					
Investment	240.77			240.77	240.77
Trade Receivables			46.66	46.66	46.66
Cash and Cash Equivalents			2.32	2.32	2.32
Other financial assets			.10	.10	.10
Total Financial Asset	**240.77**		**49.08**	**289.85**	**289.85**
Financial liability					
Trade Payables			13.20	13.20	13.20
Total Financial Liabilities			**13.20**	**13.20**	**13.20**

(Rs. in Lacs)

As at March 31, 2018

Particulars	FVTPL	FVTOCI	Amortized cost	Total carrying amount	Fair Value
Financial asset					
Investment	164.59			164.59	164.59
Trade Receivables			32.61	32.61	32.61
Cash and Cash Equivalents			2.82	2.82	2.82
Total Financial Asset	**164.59**		**35.43**	**200.02**	**200.02**
Financial liability					
Trade Payables			11.78	11.78	11.78
Total Financial Liabilities			**11.78**	**11.78**	**11.78**

22.2 Fair value of Financial asset and liabilties at amortized cost

The Fair value of current financial assets, current trade payables, measured at amortised cost, are considered to be the same as their carrying amount as they are of short term nature.

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23 Fair Value Measurement (FVM) of Financial asset and Financial liabilties

23.1 Fair value hierarchy

(Rs. in Lacs)

As at March 31, 2019

Particulars	Level 1	Level 2	Level 3	Total
Financial asset measured at FVTPL - Recurring FVM				
Investment		240.77		240.77
Total of Financial Assets		**240.77**		**240.77**

(Rs. in Lacs)

As at March 31, 2018

Particulars	Level 1	Level 2	Level 3	Total
Financial asset measured at FVTPL - Recurring FVM				
Investment		164.59		164.59
Total of Financial Assets		**164.59**		**164.59**

23.2 There are no transfer between level 1 and level 2 during the year

23.3 Valuation technique and inputs used to determine fair value in level 2

The fair values of investments in mutual fund units are based on the Net Asset Value (NAV) as stated by the issuers of these mutual fund units in the published statements as at balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which the issuers will redeem such mutual fund units.

The Fair value of current financial assets and current trade payables, measured at amortised cost, are considered to be the same as their carrying amount as they are of short term nature. Hence fair value hierarchy is not given for the same.

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24 Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy 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 systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk and other price risk. The company does not have any borrowing, hence it is not exposed to interest risk.

i Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company is exposed to foreign currency risk due to trade receivables in foreign currency i.e. USD. The company measures risk through sensitivity analysis.

The Company's exposure to Foreign Currency Risk is as follows:

Trade receivables	March 31, 2019	March 31, 2018
USD	39 060.39	34 857.96
Equivalent INR	27.02	22.67

Sensitivity Analysis

Particulars	Impact on Profit after Tax	
	March 31, 2019	March 31, 2018
Increase in USD by 5%	1.00	.82
Decrease in USD by 5%	(1.00)	(.82)

ii Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The company is exposed to price risk due to investments in mutual funds and classified as fair value through profit or loss. The company measures risk through sensitivity analysis. The company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The company's exposure to price risk due to investments in mutual fund is as follows:

(Rs. in Lacs)

Particulars	March 31, 2019	March 31, 2018
Investments in Mutual Funds	240.77	164.59

Sensitivity Analysis

Particulars	Impact on Profit after tax	
	March 31, 2019	March 31, 2018
NAV increases by 0.5%	.89	.80
NAV decreases by 0.5%	(.89)	(.80)

B Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. The company is exposed to liquidity risk due to trade and other payables. The company measures risk by forecasting cash flows. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

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The following are the contractual maturities of financial liabilities

As at March 31, 2019	(Amount in Lacs.)	upto 1 year
Trade Payables	13.20	13.20

As at March 31, 2018	(Amount in Lacs.)	upto 1 year
Trade Payables	11.78	11.78

C Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness. Credit risk is being managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. All trade receivables are also reviewed and assessed for default on a regular basis. Our historical experience of collecting receivables, supported by level of default, is that credit risk is low.

The maximum exposure to the credit risk at the reporting date is primarily from trade recievables amounting to Rs. 46.66 Lakhs as on March 31, 2019 and Rs. 32.63 Lakhs as on March 31, 2018.

Credit risk on cash and cash equivalents is limited as we keep balance in current account with the bank. Investments are in Debt as well as in equity oriented mutual fund

MANUBHAI & SHAH LLP
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Sandesh Digital Private Limited
Notes forming part of accounts for the year ended March 31, 2019

25 Related Party Transactions :

25.1 List of Related Parties

(a) Name of Key Management Personnel :

1	Mr Falgunbhai Patel*	Director
2	Mr Parthiv Patel*	Director

(b) Holding Company
The Sandesh Limited

* No transactions with related parties during the year.

25.2 Particulars of transactions with related parties. The transactions are disclosed in aggregate value for the year:

(Rs. in Lacs)

Sr No	Nature of Transaction	2018-2019	2017-2018
		Holding Company	Holding Company
1.00	License Fees	23.11	
2.00	Reimbursement of expenses	0.35	-
3.00	Balance outstanding	2.69	2.31

25.3 The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

26 Details of Loan given, Investment made and Guarantee given covered under section 186 (4) of the Companies Act, 2013
The investments made are given under the respective heads.
The company has not given any loans or corporate guarantees in respect of loans during the year.

27 Segment Reporting

27.1 Company has single reportable segment i.e. business of advertisement using digital platforms.

27.2 Information about geographical areas

(Rs. in Lacs)

Particulars	2018-2019	2017-2018
Revenue from India	92.90	55.34
Revenue from foreign countries	138.16	225.89
Total revenue	**231.06**	**281.23**
Material revenue attributed by single foreign country		
USA	138.16	225.89

27.3 Information about major customers
There are three major customers who individually accounted for revenue more than 10% of total revenue of the company in following periods:

(Rs. in Lacs)

Particulars	2018-2019	2017-2018
Revenue from such customers		
Customer attributing highest revenue	71.50	167.61
Customer attributing second highest revenue	32.55	30.35
Customer attributing third highest revenue	28.25	-

As per our report of even date attached.

For and on behalf of the Board,

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No. : 106041W/W100136

K. B. SOLANKI
Partner
Membership No. 110299

Place : Ahmedabad
Date: May 25, 2018

Falgunbhai Patel
(DIN: 00050174)
Director

Parthiv Patel
(DIN: 00050211)
Director

Place : Ahmedabad
Date: May 25, 2018

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SANDESH DIGITAL PVT. LTD. AHMEDABAD