

**Digital18 Media Limited**  
**Financial Statements**  
**2019-20**

## Independent Auditor's Report

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### To the Members of Digital18 Media Limited

#### Report on the Financial Statements

##### Opinion

We have audited the accompanying financial statements of Digital18 Media Limited (“the Company”) which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), statement of cash flows and the Statement of Changes in Equity 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 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, 2020, the Loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

##### Basis for Opinion

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

##### Responsibility of Management for the Financial Statements

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

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process

##### Auditor's Responsibility 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.

##### Report on Other Legal and Regulatory Requirements

The company does not required by the Companies (Auditor's Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013.

As required by Section 143(3) of the Act, we report that:

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.

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- a. 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.
  - b. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - c. 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.
  - d. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - e. 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 as at March 31<sup>st</sup>, 2020.
    - ii. The Company did not have any long-term contracts including derivative contracts as at 31<sup>st</sup> March, 2020 for which there were any material foreseeable losses; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31<sup>st</sup>, 2020.

For **V. P. Mehta & Co.**  
Chartered Accountants  
(Firm Registration No. 106326W)

**Vipul P. Mehta**  
(Proprietor)  
M. No. 035722  
(UDIN: 20035722AAABDQ1523)

Place: - Mumbai  
Date: - 18th April, 2020

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**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 Digital18 Media Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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 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.

**Auditors’ 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 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 my /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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

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**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 March 31, 2020, 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 **V. P. Mehta & Co.**  
Chartered Accountants  
(Firm's Registration No.106326W)

**Vipul P.Mehta**  
(Proprietor)  
Membership No. 035722

Place: Mumbai  
Date: 18<sup>th</sup> April 2020

## Balance Sheet as at 31st March 2020

	Notes	(₹ in lakh) As at 31st March, 2020
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Financial Assets		
Cash and Cash Equivalents	3	1.00
<b>Total Current Assets</b>		<u>1.00</u>
<b>Total Assets</b>		<u>1.00</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share Capital	4	1.00
Other Equity	5	(0.15)
<b>Total Equity</b>		<u>0.85</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Financial Liabilities		
Trade Payables due to:	6	
Micro Enterprises and Small Enterprises		-
Other Than Micro Enterprises and Small Enterprises		0.15
<b>Total Current Liabilities</b>		<u>0.15</u>
<b>Total Liabilities</b>		<u>0.15</u>
<b>Total Equity and Liabilities</b>		<u>1.00</u>
Significant Accounting Policies	2	
See accompanying Notes to the Financial Statements	1 to 17	

As per our Report of even date

For **V. P. Mehta & Co.**

Chartered Accountants

Registration Number 106326W

**Vipul P. Mehta**

Proprietor

Membership Number 035722

Place: Mumbai

Date: 18<sup>th</sup> April 2020

For and on behalf of the Board of Directors

**Digital18 Media Limited**

**Ratnesh Rukhariyar**

Director

DIN 00004615

Place: Noida

Date: 18<sup>th</sup> April 2020

**Sanjiv Kulshreshtha**

Director

DIN 06788866

## Statement of Profit & Loss for the period 30th January 2020 to 31st March 2020

	Notes	(₹ in lakh) 30th January, 2020 to 31st March, 2020
<b>INCOME</b>		
Other Income		-
<b>Total Income</b>		<u>-</u>
<b>EXPENSES</b>		
Other Expenses	7	0.15
<b>Total Expenses</b>		<u>0.15</u>
<b>Profit/ (Loss) Before Tax</b>		<u>(0.15)</u>
<b>TAX EXPENSE</b>		
Current Tax	8	-
Deferred Tax		-
<b>Total Tax Expenses</b>		<u>-</u>
<b>Profit/ (Loss) for the period</b>		<u>(0.15)</u>
<b>OTHER COMPREHENSIVE INCOME</b>		
Items that will not be reclassified to Profit or Loss		-
<b>Total Other Comprehensive Income</b>		<u>-</u>
<b>Total Comprehensive Income for the period</b>		<u>(0.15)</u>
<b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH</b>		
Basic and Diluted (in ₹)	9	(1.50)
Significant Accounting Policies	2	
See accompanying Notes to the Financial Statements	1 to 17	

As per our Report of even date

For **V. P. Mehta & Co.**

Chartered Accountants

Registration Number 106326W

**Vipul P. Mehta**

Proprietor

Membership Number 035722

Place: Mumbai

Date: 18<sup>th</sup> April 2020

For and on behalf of the Board of Directors

**Digital18 Media Limited**

**Ratnesh Rukhariyar**

Director

DIN 00004615

Place: Noida

Date: 18<sup>th</sup> April 2020

**Sanjiv Kulshreshtha**

Director

DIN 06788866

## Statement of Changes in Equity for the period 30th January 2020 to 31st March 2020

### A. SHARE CAPITAL

(₹ in lakh)

	Balance at the beginning of 30th January, 2020	Change during the period from 30th January, 2020 to 31st March, 2020	Balance as at 31st March, 2020
Equity Share Capital	-	1.00	1.00

### B. OTHER EQUITY

(₹ in lakh)

	Reserves and Surplus	Total
	Retained Earnings	
Balance at the beginning of 30th January, 2020	-	-
Total Comprehensive Income for the period	(0.15)	(0.15)
<b>Balance as at 31st March, 2020</b>	<b>(0.15)</b>	<b>(0.15)</b>

As per our Report of even date

For **V. P. Mehta & Co.**

Chartered Accountants

Registration Number 106326W

**Vipul P. Mehta**

Proprietor

Membership Number 035722

Place: Mumbai

Date: 18<sup>th</sup> April 2020

For and on behalf of the Board of Directors

**Digital18 Media Limited****Ratnesh Rukhariyar**

Director

DIN 00004615

Place: Noida

Date: 18<sup>th</sup> April 2020**Sanjiv Kulshreshtha**

Director

DIN 06788866

## Cash Flow Statement for the period 30th January 2020 to 31st March 2020

	(₹ in lakh)
	<b>30th January, 2020 to 31st March, 2020</b>
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>	
Profit/ (Loss) Before Tax as per Statement of Profit and Loss	(0.15)
Adjusted for:	
Trade and Other Payables	0.15
<b>Cash Generated from/ (Used in) Operations</b>	<b>-</b>
Taxes Paid (Net)	-
<b>Net Cash Generated from/ (Used in) Operating Activities</b>	<b>-</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>	
<b>Net Cash Generated from/ (Used in) Investing Activities</b>	<b>-</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>	
Proceeds from Issue of Equity Share Capital	1.00
<b>Net Cash Generated from Financing Activities</b>	<b>1.00</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>1.00</b>
<b>Opening balance of Cash and Cash Equivalents</b>	<b>-</b>
<b>Closing balance of Cash and Cash Equivalents (Refer Note 3)</b>	<b>1.00</b>

As per our Report of even date  
For **V. P. Mehta & Co.**  
Chartered Accountants  
Registration Number 106326W

**Vipul P. Mehta**  
Proprietor  
Membership Number 035722

Place: Mumbai  
Date: 18<sup>th</sup> April 2020

For and on behalf of the Board of Directors  
**Digital18 Media Limited**

**Ratnesh Rukhariyar**  
Director  
DIN 00004615

**Sanjiv Kulshreshtha**  
Director  
DIN 06788866

Place: Noida  
Date: 18<sup>th</sup> April 2020

## Notes to the Financial Statements for the period from 30th January, 2020 to 31st March, 2020

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### 1 CORPORATE INFORMATION

Digital18 Media Limited (“the Company”) is a company incorporated in India. The registered office of the company is situated at Vrindavan, Shree Ram Mills Compound, G.K Marg, Lower Parel, Mumbai- 400013, Maharashtra.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which have been measured at fair value amount.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the rules notified under the relevant provisions of the Companies Act, 2013.

The Company’s Financial Statements are presented in Indian Rupees (₹), which is its functional currency and all values are rounded to the nearest thousand (₹ 000), except when otherwise indicated.

#### 2.2 Summary of Significant Accounting Policies

##### (a) Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

##### (b) Provisions and Contingencies

Provisions are recognised when the Company has 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 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, when appropriate, 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.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

##### (c) Tax Expenses

The tax expense for the period comprises of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

## Notes to the Financial Statements for the period from 30th January, 2020 to 31st March, 2020

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### **i Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

### **ii Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred income tax assets are reassessed at each reporting period and are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting 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 income tax assets to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

### **(d) Revenue recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, net of returns and allowances, trade discounts and volume rebates and excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and the receivable is recognized when it becomes unconditional.

#### **Contract balances**

Trade receivables represents the Company's right to an amount of consideration that is unconditional. Revenues in excess of invoicing are considered as contract assets and disclosed as unbilled revenue.

Invoicing in excess of revenues are considered as contract liabilities and disclosed as unearned revenues. When a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised and disclosed as advances from customers.

#### **Dividend income**

Dividend Income is recognised when the Company's right to receive the amount has been established.

### **(e) Financial instruments**

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

#### **(i) Financial Assets**

##### **A. Initial recognition and measurement**

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not accounted at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

## Notes to the Financial Statements for the period from 30th January, 2020 to 31st March, 2020

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### B. Subsequent measurement

#### a) Financial assets measured at amortised cost

A financial asset is subsequently measured at amortised 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.

The effective interest rate amortisation is included in other income in the Statement of Profit and Loss.

#### b) Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is 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 assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### c) Financial assets measured at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at fair value through profit or loss.

### C. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables, Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. Further, Company uses historical default rates to determine impairment loss on the portfolio of the trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used. ECL impairment allowance is recognised in the Statement of Profit and Loss

### (ii) Financial Liabilities

#### A. Initial recognition and measurement

All financial liabilities are recognized initially at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

#### B. Subsequent measurement

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### (iii) Derecognition of financial instruments

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 (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## Notes to the Financial Statements for the period from 30th January, 2020 to 31st March, 2020

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**(f) Cash and cash equivalents**

Cash and cash equivalents comprise of cash on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(g) Earnings per share**

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

## Notes to the Financial Statements for the period from 30th January, 2020 to 31st March, 2020

		(₹ in lakh)	
		As at 31st March, 2020	
<b>3</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	<b>Balances with Bank</b>		
	Current Accounts		1.00
	<b>Total</b>		<b>1.00</b>
		<b>As at 31st March, 2020</b>	
		<b>Number of Shares</b>	<b>(₹ in lakh)</b>
<b>4</b>	<b>EQUITY SHARE CAPITAL</b>		
	<b>AUTHORISED SHARE CAPITAL</b>		
	Equity Shares of ₹ 10 each	1,00,000	10.00
	<b>Equity Shares of ₹ 10 each</b>		
	(i) Issued	10,000	1.00
	(ii) Subscribed and fully paid up	10,000	1.00
	<b>Total</b>	<b>10,000</b>	<b>1.00</b>
<b>4.1</b>	The Company has only one class of equity share having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share held. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.		
<b>4.2</b>	<b>Details of Shares held by each Shareholder holding more than 5% shares :</b>		
	<b>Name of Shareholder</b>	<b>As at 31st March, 2020</b>	
		<b>Number of Shares</b>	<b>% Holding</b>
	Network18 Media & Investments Limited *	10,000	100%
	* Includes the shares held by the nominees of Network18 Media & Investments Limited		
	As per the records of the Company, including its register of shareholders/members and other declarations, if any, received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.		
<b>4.3</b>	<b>Details of Shares held by Holding Company:</b>		
	<b>Name of Shareholder</b>	<b>As at 31st March, 2020</b>	
		<b>Number of Shares</b>	<b>(₹ in lakh)</b>
	Network18 Media & Investments Limited *	10,000	1.00
	<b>Total</b>	<b>10,000</b>	<b>1.00</b>
	* In cludes the shares held by the nominees of Network18 Media & Investments Limited		
		(₹ in lakh)	
		As at 31st March, 2020	
<b>5</b>	<b>OTHER EQUITY</b>		
	<b>RESERVES AND SURPLUS</b>		
	<b>RETAINED EARNINGS</b>		
	Profit/ (Loss) for the period		(0.15)
	<b>Total</b>		<b>(0.15)</b>

Figures in brackets “( )” represents debit balance.

## Notes to the Financial Statements for the period from 30th January, 2020 to 31st March, 2020

		(₹ in lakh)
		<b>As at 31st March, 2020</b>
<b>6</b>	<b>TRADE PAYABLES DUE TO</b>	
	Micro Enterprises and Small Enterprises	-
	Other Than Micro Enterprises and Small Enterprises	0.15
	<b>Total</b>	<b>0.15</b>
<b>6.1</b>	The details of amounts outstanding to Micro Enterprises, Small Enterprises and Medium Enterprises based on available information with the Company is as under:	
		(₹ in lakh)
		<b>As at 31st March, 2020</b>
i	Principal amount due and remaining unpaid	-
ii	Interest due on above and the unpaid interest	-
iii	Interest Paid	-
iv	Payment made beyond the appointed day during the year	-
v	Amount of Interest due and payable for the period of delay in making payment excluding interest specified under MSMED Act	-
vi	Interest Accrued and remaining unpaid	-
vii	Amount of further Interest remaining due and payable in succeeding years	-
		(₹ in lakh)
		<b>30th January, 2020 to 31st March, 2020</b>
<b>7</b>	<b>OTHER EXPENSES</b>	
	Professional and Legal Fees	0.05
	Payment to Auditors	0.10
	<b>Total</b>	<b>0.15</b>
		(₹ in lakh)
		<b>30th January, 2020 to 31st March, 2020</b>
<b>7.1</b>	<b>PAYMENT TO AUDITORS :</b>	
	Statutory Audit Fees	0.10
	<b>Total</b>	<b>0.10</b>
		(₹ in lakh)
		<b>30th January, 2020 to 31st March, 2020</b>
<b>8</b>	<b>TAXATION</b>	
<b>a</b>	<b>Income Tax Recognised in Statement of Profit and Loss</b>	
	Current Tax	-
	Deferred Tax	-
	<b>Total Income Tax Expenses recognised</b>	<b>-</b>

## Notes to the Financial Statements for the period from 30th January, 2020 to 31st March, 2020

(₹ in lakh)

30th January, 2020 to  
31st March, 2020

**b The Income Tax Expenses for the year can be reconciled to the accounting Profit as follows:**

Profit Before tax	(0.15)
Applicable Tax Rate	26%
Computed Tax Expense	(0.04)
<b>Tax Effect of:</b>	
Unused Tax Losses	0.04
<b>Tax Expenses recognised in Statement of Profit and Loss</b>	<u>-</u>

The tax rate used for the reconciliations above is the corporate tax rate payable by corporate entities in India on taxable profit under the Income tax law.

- c** In the absence of reasonable certainty that sufficient taxable profits will be available against which the deductible temporary differences and unused tax losses can be utilised, the Company has not recognized the deferred tax assets (net) amounting to ₹ 0.04 lakh arising out of brought forward tax losses and other items. The same shall be reassessed at subsequent balance sheet date.

30th January, 2020 to  
31st March, 2020

**9 EARNINGS PER SHARE (EPS)**

<b>i</b> Net Profit/ (Loss) After Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in lakh)	(0.15)
<b>ii</b> Weighted Average number of Equity Shares used as denominator for calculating Basic and Diluted EPS	10,000
<b>iii</b> Basic and Diluted Earnings Per Share (₹)	(1.50)
<b>iv</b> Face Value Per Equity Share (₹)	10.00

**10 CONTINGENT LIABILITIES AND COMMITMENTS**

The Company does not have any Contingent Liabilities and commitments as on 31st March, 2020

**11 RELATED PARTY DISCLOSURES**

As per Ind AS 24, the disclosures of transactions with related parties are given below:

**11.1 List of related parties where control exists and related parties with whom transactions have taken place and relationships:**

	Name of the Related Party	Relationship
1	Independent Media Trust	Enterprises Exercising Control
2	Adventure Marketing Private Limited *	
3	Colorful Media Private Limited *	
4	Network18 Media & Investments Limited	
5	RB Holdings Private Limited *	
6	RB Media Holdings Private Limited *	
7	RB Mediasoft Private Limited *	
8	RRB Mediasoft Private Limited *	
9	Teesta Retail Private Limited	
10	Watermark Infratech Private Limited *	
11	Reliance Industries Limited	Beneficiary/ Protector of Independent Media Trust
12	Reliance Industrial Investments and Holdings Limited	

\* Control by Independent Media Trust of which Reliance Industries Limited is the sole beneficiary

## Notes to the Financial Statements for the period from 30th January, 2020 to 31st March, 2020

### 11.2 Disclosure in respect of related party transactions during the period :

(₹ in Lakh)

	Relationship	30th January, 2020 to 31st March, 2020
<b>Transactions during the period</b>		
<b>Equity Shares issued to</b>		
Network18 Media & Investments Limited	Enterprises Exercising Control	1.00

### 12 FAIR VALUE MEASUREMENT HIERARCHY:

(₹ in Lakh)

	As at 31st March, 2020			
	Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3
<b>Financial Assets</b>				
<b>At Amortised Cost</b>				
Cash and Bank Balances	1.00	-	-	-
<b>Financial Liabilities</b>				
<b>At Amortised Cost</b>				
Trade Payables	0.15	-	-	-

#### 12.1 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 consist 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 the 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 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.

#### 12.2 Valuation Methodology

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

- The fair value of investment in quoted Equity Shares and Mutual Funds is measured at quoted price or Net Asset Value (NAV), as applicable.
- The fair value of the remaining financial instruments is determined based on information about market participants, assumptions and other data that are available including using discounted cash flow analysis, as applicable.

#### 13 The Board of Directors of the Company at its meeting held on 17th February, 2020, has approved the Composite Scheme of Amalgamation and Arrangement (“Scheme”) between the Company, Den Networks Limited (“Den”), Hathway Cable and Datacom Limited (“Hathway”), Network18 Media & Investments Limited (“NW18”), TV18 Broadcast Limited (“TV18”), Media18 Distribution Services Limited (“Media18”) and Web18 Digital Services Limited (“Web18”) with the appointed date as 1st February, 2020, subject to necessary approvals. The Scheme provides for merger of Den, Hathway and TV18 with NW18 and transfer of Cable, ISP and Digital businesses from NW18 to Media18, Web18 and the Company respectively.

#### 14 Details of Loan given, Investment made and Guarantee given covered u/s 186 (4) of the Companies Act, 2013

- No Loan given by the Company to body corporate as at 31st March, 2020.
- No Investment made by the Company as at 31st March, 2020.
- No Guarantee has been given by the Company as at 31st March, 2020.

## Notes to the Financial Statements for the period from 30th January, 2020 to 31st March, 2020

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- 15 The Company operates in a single reportable operating segment 'Media Operations'. Hence there are no separate reportable segments in accordance with Ind AS 108 'Operating Segments'.
- 16 The Company has been incorporated on 30th January, 2020 thereby current year represent the period from 30th January, 2020 to 31st March, 2020. These financial statements are the Company's first financial statements and hence there are no previous year figures.
- 17 The financial statements were approved for issue by the Board of Directors on 18<sup>th</sup> April, 2020.

As per our Report of even date

For **V. P. Mehta & Co.**

Chartered Accountants

Registration Number 106326W

**Vipul P. Mehta**

Proprietor

Membership Number 035722

Place: Mumbai

Date: 18<sup>th</sup> April 2020

For and on behalf of the Board of Directors

**Digital18 Media Limited**

**Ratnesh Rukhariyar**

Director

DIN 00004615

Place: Noida

Date: 18<sup>th</sup> April 2020

**Sanjiv Kulshreshtha**

Director

DIN 06788866