A. K. TEKRIWAL & CO.
CHARTERED ACCOUNTANTS

Jabakusum House
34, Chittaranjan Avenue, 2nd Floor
Room No. 7, Kolkata - 700 012
Ph : 2212-0050, 4007-3563
E-mail : aktekriwalandco@gmail.com
Website : www.aktandco.com

Independent Auditor's Report

To the Members of Indinet Service Private Limited
Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Indinet Service Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

4. We draw attention to note 30 to the accompanying standalone financial statements, which indicates that the Company has incurred a net loss (including other comprehensive income) of ₹ 9,024 thousands during the year ended 31 March 2021, and as of that date, the Company's accumulated losses amount to ₹ 15,192 thousands resulting in a negative net worth of ₹ 15,092 thousands and its current liabilities exceeded its current assets by ₹ 214,530 thousands resulting in negative working capital. The above factors, along with other matters as set forth in note 30, indicate a material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern. However, on the basis of factors mentioned in aforesaid note to the accompanying standalone financial statements, the management is of the view that going concern basis of accounting is appropriate for preparation of these financial statements.

   The above assessment of the Company's ability to continue as going concern is by its nature considered as key audit matter in accordance with SA 701. In relation to the above key audit matter, our audit work included, but was not limited to, the following procedures:

   (a) We obtained an understanding of the management's process for identification of events or conditions that may cast significant doubt over the Company's ability to continue as a going concern and the process to assess the corresponding mitigating factors existing against each such event or condition.

   (b) Evaluated the design and tested the operating effectiveness of key controls around aforesaid identification of events or conditions and mitigating factors, and controls around cash flow projections prepared by the management.

   (c) We obtained the projected cash flows for the next twelve months from the management, basis their future business plans.

   (d) We held discussions with the management personnel to understand the assumptions used and estimates made by them for determining the future cash flow projections.

A. K. Tekriwal & Co. Kolkata Chartered Accountants

A. K. TEKRIWAL & CO.
CHARTERED ACCOUNTANTS

Jabakusum House
34, Chittaranjan Avenue, 2nd Floor
Room No. 7, Kolkata - 700 012
Ph : 2212-0050, 4007-3563
E-mail : aktekriwalandco@gmail.com
Website www.aktandco.com

(e) The key assumptions such as revenue growth rate, changes in direct and administrative expenses, and capital expenditure outflows, were assessed for reasonableness by reference to historical data, future market trends, existing market conditions, business plans and our understanding of the business and the industry in which the Company operates.

(f) We tested mathematical accuracy of the projections and applied independent sensitivity analysis to the key assumptions mentioned above to determine inputs leading to high estimation uncertainty of the cash flow projections.

(g) We assessed the appropriateness and adequacy of disclosures made by the Company with respect to the aforesaid events and conditions in accordance with the provisions requirements of Ind AS 1 Presentation of Financial Statements.

Key Audit Matters

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

6. In addition to the matters described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Provisioning for Expected Credit Loss ('ECL') Trade receivables comprise a significant portion of the current financial assets of the Company. As at March 31, 2021 trade receivables aggregate ₹ 72141 Thousands (net of provision for expected credit losses of ₹ 29595 Thousands). In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Management has identified trade receivables basis the Ageing profile and continuation of trade relationship with the customers. The management regularly assesses each class of trade receivables for recoverability. Provision for ECL is created by the management considering the recovery trends noted for the respective class, adjusted for forward looking estimates. Additional provision is created for the receivables specifically identified as doubtful or non-recoverable. Estimation on which provision for ECL is to be created for Trade Receivables, involves significant degree of judgment and estimate and is therefore considered a key audit matter.	We have performed the following procedures for assessment of sufficiency of the provisioning for ECL: • Obtained the aging of trade receivables and discussed the key receivable balances, considering if any correspondence is available to establish the management's assessment of recoverability of such dues. • Analysis of the methodology used to determine the provision amount for the current year. • Assessing key ratios which include collection periods and days outstanding. • Tested subsequent settlement of trade receivables after the balance sheet date on a sample basis,

Information other than the Financial Statements and Auditor's Report thereon

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

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

A. K. TEKRIWAL & CO.
CHARTERED ACCOUNTANTS

Jabakusum House
34, Chittaranjan Avenue, 2nd Floor
Room No. 7, Kolkata - 700 012
Ph : 2212-0050, 4007-3563
E-mail : aktekriwalandco@gmail.com
Website : www.aktandco.com

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

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

9. 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.

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

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

11. 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 Standards on Auditing 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining 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 standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements

13. 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.

14. 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.

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

Report on Other Legal and Regulatory Requirements

16. We report that the Company has not paid any remuneration to its directors during the year. Therefore, the provisions of section 197(16) of the Act are not applicable for the year.

17. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I statement on the matters specified in paragraphs 3 and 4 of the Order.

18. Further to our comments in Annexure I, as required by section 143(3) of the Act, we report that:

    a) We have sought and except for the effect of the matter described in the Basis for Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 standalone financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;

    f) We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per Annexure-II expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

A. K. TEKRIWAL & CO.
CHARTERED ACCOUNTANTS

Jabakusum House
34, Chittaranjan Avenue, 2nd Floor
Room No. 7, Kolkata - 700 012
Ph : 2212-0050, 4007-3563
E-mail : aktekriwalandco@gmail.com
Website : www.aktandco.com

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company, as detailed in note 28 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

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 31 March 2021;

For A. K. Tekriwal & Co.
Chartered Accountants
Firm's Registration No.: 322352E

(A.K. Tekriwal)
Partner
Membership No.: 056362
UDIN : 21056362AAAABI8068

Place: Kolkata
Date : 22 June 2021

A. K. TEKRIWAL & CO.
CHARTERED ACCOUNTANTS

Jabakusum House
34, Chittaranjan Avenue, 2nd Floor
Room No. 7, Kolkata - 700 012
Ph : 2212-0050, 4007-3563
E-mail : aktekriwalandco@gmail.com
Website : www.aktandco.com

Annexure - I to the Independent Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March 2021, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment ('PPE').

(b) The Company has a regular program of physical verification of its PPE that are verified in a phase manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets, other than 'broadband consumer premises equipment (CPE)' which are installed either at customer premises or lying with the distributors/cable operators, and 'distribution equipment comprising overhead and underground cables', since the physical verification of such items of PPE is not feasible owing to the nature and location of these assets. According to the information and explanations given to us, the existence of CPE installed at customer premises is verified on the basis of the 'active user' status of the customers. No material discrepancies were noticed on the physical verification of the PPE of the Company.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) According to the information and explanations given to us, the company has not granted any loan, secured or unsecured, to companies, Firms, Limited Liability Partnerships or other parties covered in register u/s 189 of the Companies Act, 2013. Accordingly provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Act, with respect to the loans, investments, Guarantees and Security are not applicable to the company hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly the provisions of clause 3(v) of the order are not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Central Government has prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the services of the Company. We have broadly reviewed the books of accounts maintained by the company in this connection and are of the opinion that the prima facie the records have been maintained. We have not however made a detailed examination of the records with the view to determine whether they are accurate and complete.

(vii) (a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, custom duty, cess and other material statutory dues as applicable with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2021 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 disputed statutory liability outstanding as at 31st March 2021.

(viii) On the basis of the records examined by us and the information and explanations given to us, the company has not taken any loans or borrowings from the banks or financial institutions. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

A. K. TEKRIWAL & CO.
CHARTERED ACCOUNTANTS

Jabakusum House
34, Chittaranjan Avenue, 2nd Floor
Room No. 7, Kolkata - 700 012
Ph : 2212-0050, 4007-3563
E-mail : aktekriwalandco@gmail.com
Website : www.aktandco.com

(ix) The company has not raised any money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, no term loans have been taken by the Company during the year. Accordingly, the provisions of the clause 3(ix) are not applicable.

(x) According to the information and explanations given to us, no fraud by the company or on the Company by it's officers or employees has been noticed or reported during the year.

(xi) On the basis of the records examined by us and the information and explanations given to us, the Company has not paid any managerial remuneration. Accordingly, the Provisions of the clause 3(xi) of the Order are not applicable.

(xii) In our opinion, the company is not a Nidhi company. Therefore, clause 3(xii) of the order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore clause 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected to it's directors. Accordingly, clause 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company. Therefore, clause 3(xvi) of the order is not applicable

For A. K. Tekriwal & Co.
Chartered Accountants
Firm's Registration No.: 322352E

(A.K. Tekriwal)
Partner
Membership No.: 056362
UDIN : 21056362AAAABI8068

Place: Kolkata
Date : 22 June 2021

A. K. TEKRIWAL & CO.
CHARTERED ACCOUNTANTS

Jabakusum House
34, Chittaranjan Avenue, 2nd Floor
Room No. 7, Kolkata - 700 012
Ph : 2212-0050, 4007-3563
E-mail : aktekriwalandco@gmail.com
Website : www.aktandco.com

Annexure II

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the standalone financial statements of Indinet Service Limited ("the Company") as of and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting (IFCoFR) of the company as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on 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 ("the Guidance Note") 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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.

5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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.

A. K. TEKRIWAL & CO.
CHARTERED ACCOUNTANTS

Jabakusum House
34, Chittaranjan Avenue, 2nd Floor
Room No. 7, Kolkata - 700 012
Ph : 2212-0050, 4007-3563
E-mail : aktekriwalandco@gmail.com
Website : www.aktandco.com

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2021, based on 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

For A. K. Tekriwal & Co.
Chartered Accountants
Firm's Registration No.: 322352E

(A.K. Tekriwal)
Partner
Membership No.: 056362
UDIN : 21056362AAAABI8068

Place: Kolkata
Date : 22 June 2021

INDINET SERVICE PRIVATE LIMITED

Balance Sheet as at March 31, 2021

(₹) '000s

	Notes	March 31, 2021	March 31, 2020
A. Assets			
1. Non-current assets			
(a) Property, plant and equipment	4	1,20,741	-
(b) Capital work-in-progress	4	7,694	-
(c) Other intangible assets	5	15,975	2,558
(d) Financial assets			
(i) Other Financial Assets	6	28,338	26,888
(e) Others- Non Current Assets	7	21,091	1,10,148
(f) Deferred Tax assets (Net)	8	5,599	2,513
Sub-total of Non-current assets		**1,99,438**	**1,42,107**
2. Current assets			
(a) Inventories	9	3,599	-
(b) Financial assets			
(i) Trade receivables	10	72,141	92,726
(ii) Cash and Cash equivalents	11	23,382	23,717
(iii) Others	12	302	282
(c) Current tax assets	13	1,711	1,169
(d) Other current assets	14	42,188	29,805
Sub-total of Current assets		**1,43,323**	**1,47,699**
Total assets		**3,42,761**	**2,89,807**
B. Equity and liabilities			
1. Equity			
(a) Equity share capital	15	100	100
(b) Other equity	16	(15,192)	(6,168)
Sub-total - Equity		**(15,092)**	**(6,068)**
2. Current liabilities			
(a) Financial liabilities			
(i) Trade payables	17		
outstanding dues of creditors for micro enterprises and small enterprises		144	89
outstanding dues of creditors- others		2,77,516	2,28,710
(ii) Other financial liabilities	18	7,162	-
(b) Other Current Liabilities	19	73,031	67,075
Sub-total of current liabilities		**3,57,853**	**2,95,874**
Total equity and liabilities		**3,42,761**	**2,89,807**

Summary of significant accounting policies 3

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

This is the balance sheet referred to in our report of even date.

For A.K. Tekriwal & Co.
Chartered Accountants
(Firm Registration No. - 322352E)

A.K Tekriwal
Partner
Membership No.-056362

For Indinet Service Private Limited
(U74900WB2015PTC207490)

Surendra Kumar Agarwala
Director
DIN-00569816

Atul Kumar Singh
Director
DIN-07195221

Place - Kolkata
Date - 22 June 2021

INDINET SERVICE PRIVATE LIMITED

Statement of Profit and Loss for the year ended March 31, 2021

(₹) '000s

	Notes	March 31, 2021	March 31, 2020
Revenue			
Revenue from operations	20	8,30,126	7,17,478
Other income	21	4,525	3,347
Total revenue		**8,34,650**	**7,20,825**
Expenses			
Purchases of traded goods	22	92	-
Operational Expenses	23	8,01,302	6,84,579
Finance costs	24	162	45
Depreciation and Amortisation expenses	25	17,381	158
Other expenses	26	27,773	21,117
Total expenses		**8,46,711**	**7,05,898**
Profit\(Loss) before Exceptional Items & Tax		**(12,061)**	**14,926**
Exceptional Items		-	-
Profit\(Loss) before tax		**(12,061)**	**14,926**
Tax Expenses		**(3,036)**	**3,974**
(a) Current Tax			
For Current Year		49	99
For Earlier Year		-	-
(b) Deferred Tax		(3,085)	3,875
Profit /(Loss) for the year		**(9,024)**	**10,953**
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		**(9,024)**	**10,953**
Earning Per Share	27		
Basic (₹)		(902.44)	1,095.26
Diluted (₹)		(902.44)	1,095.26
Summary of significant accounting policies	3		

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

This is the statement of profit and loss referred to in our report of even date

For A.K. Tekriwal & Co.
Chartered Accountants
(Firm Registration No. - 322352E)

For Indinet Service Private Limited
(U74900WB2015PTC207490)

Kolkata

A.K Tekriwal
Partner
Membership No.-056362

Surendra Kumar Agarwala
Director
DIN-00569816

Atul Kumar Singh
Director
DIN-07195221

Place - Kolkata
Date - 22 June 2021

INDINET SERVICE PRIVATE LIMITED

Cash Flow Statement for year ended 31st March 2021		
	(₹) '000s	
PARTICULARS	**31st March 2021**	**31st March 2020**
A. Cash Flow from Operating Activities:		
Net Loss before taxation	**(12,061)**	**14,926**
Adjustment for :-		
Amortisation and Depreciation	17,381	158
Liability no longer required written back (Net)	(3,020)	(1,422)
Provision for Expected Credit Loss	19,571	10,024
Interest Paid & Borrowing cost	162	45
Interest on Fixed Deposit/ IT Refund / Others	(1,504)	(1,925)
Operating profit before working capital changes	**20,529**	**21,806**
Change in working capital		
Increase/(Decrease) in Trade payables	51,881	15,870
Increase/(Decrease) in other current liabilities	5,956	50,468
Increase/(Decrease) in other financial liabilities	7,162	(7,220)
Decrease/ (Increase) in Trade receivable	1,015	(28,970)
Decrease/ (Increase) in Inventories	(3,599)	-
Decrease/ (Increase) in other Non-Current assets	89,057	(25,019)
Decrease/ (Increase) in Other Current Financial Assets	(20)	(29)
Decrease/ (Increase) in other current assets	(12,383)	(29,330)
Decrease/ (Increase) in other non- current Financial assets	(1,450)	(1,685)
Cash Generation from Operating Activities before exceptional item	**1,58,148**	**(4,109)**
Exceptional Item	-	-
Cash Generation from Operating Activities after exceptional item	**1,58,148**	**(4,109)**
Income Tax Paid (including TDS)	(591)	(61)
Net Cash Generation from operating Activities	**1,57,556**	**(4,170)**
B. Cashflow From Investing Activities:		
Purchase of Fixed Assets/ CWIP	(1,59,234)	-
Interest Income	1,504	1,925
Net Cash Generation from Investing Activities	**(1,57,729)**	**1,925**
C. Cashflow From Financing Activities:		
Borrowing Cost	(162)	(45)
Net Cash Generation from Financing Activities	**(162)**	**(45)**
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	(335)	(2,291)
Cash & Cash Equivalent at the beginning of the year	**23,717**	**26,008**
Cash & Cash Equivalent at the end of the year	**23,382**	**23,717**
Cash & Cash Equivalent include	**As on 31st Mar 21**	**As on 31st Mar 20**
Cash Balance (Incl. Cheques in Hand)	19,845	12,484
Bank Balance	3,537	11,233
Cash & Cash Equivalent Reported	**23,382**	**23,717**

Notes: Previous years' figures are regrouped wherever necessary.

Cash Flow Statement referred in our report of even date.

For A.K. Tekriwal & Co.
Chartered Accountants
(Firm Registration No. - 322352E)

A.K Tekriwal
Partner
Membership No.-056362

For Indinet Service Private Limited
(U74900WB2015PTC207490)

Kolkata

Surendra Kumar Agarwala
Director
DIN-00569816

Atul Kumar Singh
Director
DIN-07195221

Place - Kolkata
Date - 22 June 2021

INDINET SERVICE PRIVATE LIMITED

Statement of Change in Equity for the year ended 31 st March 2021

(₹) '000s

	Equity Share Capital	Other Equity		Total Equity Attributable to Equity Holder's of the Company
		Retained Earning	Total Other Equity	
Balance at 1 April 2019	100	(17,120)	(17,120)	**(17,020)**
Increase in Share Capital on Account of Fresh Issue				
Profit/(Loss) for the year		10,953	10,953	**10,953**
Other Comprehensive Income		-	-	-
Total Comprehensive Income for the year		10,953	10,953	**10,953**
Balance at 31 March 2020	**100**	**(6,168)**	**(6,168)**	**(6,068)**
Balance at 1 April 2020	100	(6,168)	(6,168)	**(6,068)**
Changes in Equity Share Capital				-
Profit/(Loss) for the year		(9,024)	(9,024)	**(9,024)**
Other Comprehensive Income		-	-	-
Total Comprehensive Income for the year		(9,024)	(9,024)	**(9,024)**
Balance at 31 March 2021	**100**	**(15,192)**	**(15,192)**	**(15,092)**

Statement of Changes in equity referred to in our report of even date.

For A.K. Tekriwal & Co.
Chartered Accountants
(Firm Registration No. - 322352E)

A.K Tekriwal
Partner
Membership No.-056362

For Indinet Service Private Limited
(U74900WB2015PTC207490)

Surendra Kumar Agarwala
Director
DIN-00569816

Atul Kumar Singh
Director
DIN-07195221

Place - Kolkata
Date - 22 June 2021

INDINET SERVICE PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2021

1 Corporate Information

- Indinet Service Pvt Ltd. ('the company' or 'INDINET') was incorporated on 19th August, 2015 with its registered office in Kolkata,West Bengal. INDINET is a wholly owned subsidiary of Indian Cable Net Company Ltd. The company is an internet service provider which provides Broadband and Other Related services.

2 Basis of Preparation

2.1 The Company has incurred losses during the current financial year, and it continued to have negative net worth. However, in view of the expected substantial subscription revenue growth and continued financial support from its holding Company, the financial statements have been prepared on a going concern basis.

2.2 Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with relevant rules of the Companies (Accounts) Rules, 2014 read with companies (Indian Accounting Standard) Rules as amended from time to time.

2.3 Basis of Measurement

The financial statements have been prepared on historical cost basis, except for following :

a) Financial assets and liabilities (including derivative instruments) that is measured at Fair value/ Amortised cost;
b) Non-current assets held for sale – measured at the lower of the carrying amounts and fair value less cost to sell;
c) Defined benefit plans – plan assets measured at fair value

2.4 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in INR has been rounded off to the nearest thousands as per the requirements of Schedule III, unless otherwise stated.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, unless otherwise mentioned, and are explained below-

3 Summary of Significant Accounting Policies

(a) Use of estimates and Critical accounting judgements

The preparation of financial statements in conformity with Indian Accounting Standard (Ind AS) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and reported amounts of Income and Expenses during the period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current or future periods. The most significant techniques for estimation are described in the accounting policies below. Critical accounting judgments and the key sources of estimation or uncertainty in applying the Company's accounting policies arise in relation to the following and also in relation to other accounting policies as stated elsewhere:

Uncertainties relating to the global health pandemic from COVID-19 :

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and unbilled revenues. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's Financial Statements may differ from that estimated as at the date of approval of these Financial Statements.

(b) Property, Plant and Equipment

(i) Recognition and Measurement

Property, Plant and Equipment is recognised at cost\deemed cost less accumulated depreciation or impairmment losses if any, incurred to bring the asset to the present condition and location. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The items of spare parts, stand-by equipments and servicing equipments that satisfy the definition and recognition criteria of Property , Plant and Equipment is classified under Capital work in progress. Capital Work in progress comprises of the cost of fixed assets that are not put to use at the reporting date.

Kolkata

INDINET SERVICE PVT. LTD. Kolkata

(ii) Depreciation

Depreciation on tangible assets is provided on straight line method over the useful lives of assets estimated by the Management. Depreciation for assets purchased / sold during the period is proportionately charged. For the Property, Plant and Equipment taken over from the group companies useful life as estimated by the Management is the remaining life of the Property, Plant and Equipment as appearing in the books of the group companies as on date of transfer. The details of estimated life for each category of asset are as follows:

Asset	Estimated useful life based on SLM
Computers and Data Processing Equipment	3 years
Plant and Machinery	8 years
Office Equipments	5 years

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

(iii) Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

(c) **Intangible Assets**

License Fees and Software are included in the Balance sheet as Intangible assets where they are clearly linked to long term economic benefits for the Company. In this case they are measured initially at purchase cost and then amortised on a straight-line basis over their estimated useful lives. For the intangible assets taken over from the group companies useful life as estimated by the Management is the remaining life of the assets as appearing in the books of the group companies as on date of asset transfer

The estimated useful lives are as follows

Asset	Estimated useful life based on SLM
ISP License	20 Years
Software	6 Years

(d) **Impairment of Assets**

(i) Financial Assets

For the purpose of computation of expected credit loss, the Company has analysed the trend of provisions for doubtful debts created in earlier years. The provision has been computed on the balances of deactivated customers and provision for doubtful debtors created against those sales. For active customers, partywise analysis is carried out by the management and for any contigency in recoveries of due from the parties, provision for expected credit loss is made as estimated by the management.

(ii) Non- Financial Assets

The Carrying amount of the Property, Plant & Equipment are reviewed at each balance sheet date in accordance with Indian Accounting Standard-36 on "Impairment of Assets" prescribed by the Companies (Accounting Standard) rules, to determine whether there is any indication of impairment. Impairment test is performed for an individual asset, unless asset does not generate cash flows that are largely independent. Otherwise the assets are tested for Cash Generating Units (CGUs). An Impairment loss is recognised in the Statement of Profit and Loss if the assets or CGU's carrying amount exceeds the greater of Fair value less cost or Value in use. Reversal of Impairment are recognised (except Goodwill) through Statement of Profit and Loss except those routed through reserves.

(e) **Financial Instruments**

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

(i) Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured 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 the fair value on initial recognition.

INDINET SERVICE PVT. LTD. Kolkata

(ii) Classification and subsequent measurement

Financial Assets

Financial assets carried 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.

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.

Financial assets at fair value through profit or loss

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

Financial liabilities

Financial liabilities are subsequently 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

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

(iv) Offsetting financial instruments

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

(f) **Inventories**

Inventories are valued as follows :

Stock in trade & Stores and spares are valued at cost on weighted average method or at net realisable value whichever is lower.

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

(g) **Leases**

Where the Company is a lessor

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in Property, Plant and Equipment. Lease income on an operating lease is recognized in the statement of profit and loss on monthy rental basis, whereever applicable over the lease term.

Where the Company is a lessee

The Company's lease asset classes primarily consist of leases for premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset, (2) the Company has right to receive substantial economic benefits from use of the asset throughout the period of the lease and (3) the Company has the right to direct the use of the asset throughout the period of use. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(h) **Revenue Recognition**

Revenue is recognized to the extent the company considers it realizable and financial benefit of the same shall flow to the company.

(i) **Provisions and Contingent Liabilities**

(i) General

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. When appropriate, provisions are measured on a discounted basis.

Constructive obligation is an obligation that derives from an entity's actions where:

(a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and

(b)as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(ii) Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

(j) **Borrowing Costs**

Borrowing Costs are the interest or the other cost which the entity incurs in connection with the borrowing of the funds. These include interest expense calculated using the Effective interest method as per Ind AS 109. Borrowing cost which are directly attribuatble to the acquisition, construction or production of a "Qualifying Asset" are included in the cost of the asset when it is probable that they will result in the future economic benefit to the entity and it's cost can be measured reliably.

(k) **Taxation**

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the reporting period. Taxable profit differs from net profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted.

Deferred tax is the tax expected to be payable or recoverable on 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, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period.

(l) **Earnings Per Share**

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the periods presented.

(m) **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, cheques in hand,balance with payment gateways and POS, deposits held at call with banks and other short term deposits including the Bank Overdraft.

(n) **Segment Reporting**

The company is an internet service provider providing, Broadband Services and Other Related services which is considered as the only reportable segment. The company's operations are based in India.

INDINET SERVICE PVT. LTD. Kolkata

INDINET SERVICE PRIVATE LIMITED
NOTES TO BALANCE SHEET AS ON MARCH 31, 2021

Note 4 : PROPERTY,PLANT & EQUIPMENT & CAPITAL WORK IN PROGRESS (₹) in '000

Particulars	Plant and equipment	Computers	Office equipment	Total
Year ended 31 March 2020				
Gross Carrying Amount as on 01 April 2019	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
Closing Gross Carrying Amount	-	-	-	-
Opening Accumulated Depreciation	-	-	-	-
Depreciation charge during the year	-	-	-	-
Disposals	-	-	-	-
Closing Accumulated Depreciation	-	-	-	-
Net Carrying Amount as on 31 March 2020	-	-	-	-
Year ended 31 March 2021				
Opening Gross Carrying Amount as on 01 April 2020	-	-	-	-
Additions	1,32,430	783	3	**1,33,216**
Disposals				-
Closing Gross Carrying Amount	**1,32,430**	**783**	**3**	**1,33,216**
Opening Accumulated Depreciation	-	-	-	-
Depreciation charge during the year	12,475	-	0	**12,475**
Disposals				-
Closing Accumulated Depreciation and Impairment	12,475	-	0	12,475
Net Carrying Amount as on 31 March 2021	**1,19,955**	**783**	**3**	**1,20,741**

Note : CWIP consists - Networking material ₹ 7694 (PY NIL) thousands

INDINET SERVICE PVT. LTD. Kolkata

INDINET SERVICE PRIVATE LIMITED
NOTES TO BALANCE SHEET AS ON MARCH 31, 2021

Note 5 :INTANGIBLE ASSETS (₹) '000s

	LICENCES	SOFTWARE	TOTAL
Year ended 31 March 2020			
Opening Gross Carrying Amount	3,150	-	3,150
Additions	-	-	
ClosingGross Carrying Amount	**3,150**	-	**3,150**
Accumulated Amortisation	434	-	434
Amortisation for the year	158	-	**158**
Closing Accumulated Amortisation	**592**	-	**592**
Closing Net Carrying Amount 31 March 2020	**2,558**	-	**2,558**
Year ended 31 March 2021			
Opening Gross Carrying Amount	3,150	-	**3,150**
Additions	-	18,323	**18,323**
Closing Gross Carrying Amount	**3,150**	**18,323**	**21,473**
Accumulated amortisation and impairment			
Opening Accumulated Amortisation	592	-	**592**
Amortisation charge for the year	158	4,748	**4,906**
Closing Accumulated Amortisation and Impairment	**749**	**4,748**	**5,498**
Closing Net Carrying Amount 31 March 2021	**2,401**	**13,575**	**15,975**

INDINET SERVICE PVT. LTD. ★ Kolkata

(₹) '000s

	Mar 31, 2021	Mar 31, 2020
6 Other Non Current Financial Assets		
Margin money deposit (pledged) with statutory authorities	28,338	26,888
	28,338	**26,888**
7 Others- Non Current Assets		
Capital Advances	104	104
Security deposits - Unsecured Considered good	20,044	1,10,044
* Includes Security Deposit of ₹ 20000 thousands (PY ₹ 110000 thousands) to Indian Cable Net Co Ltd (Holding Company)		
Prepaid Expenses	943	-
	21,091	**1,10,148**
8 Deferred Tax Assets (net)		
Deferred tax liability		
Impact of difference between amortization of Intangible Assets charged for the financial reporting and as per Income Tax provisions	1,849	10
Gross deferred tax liability	**1,849**	**10**
Deferred tax asset		
Other disallowances	7,448	2,523
Gross deferred tax asset	**7,448**	**2,523**
Net deferred tax asset/ (liabilities)	**5,599**	**2,513**
9 Inventories		
Stores and spares	3,599	-
	3,599	-
10 Trade receivables		
Unsecured, considered good		
*include dues of ₹ 325 thousands, (PY ₹ 316 thousands) receivable from entities in which director is partner, member or director	72,141	92,726
Unsecured, considered doubtful	29,595	10,024
	1,01,736	1,02,750
Less: Allowances for Expected Credit Loss	29,595	10,024
	72,141	**92,726**
11 Cash and cash equivalents		
Cash in hand		
(Includes Cheque In Hand ₹ 16202 thousand (CY), ₹ 9341 thousand (PY), and wallet balance ₹ 72 thousand (CY) and ₹ 130 thousand (PY)	19,845	12,484
Balances With Banks		
On current accounts	3,537	11,233
	23,382	**23,717**
12 Other Current Financial Assets		
Interest accrued and not due on fixed deposits	210	282
Unbilled revenue	92	-
	302	**282**
13 Current Tax Assets (net)		
Current tax liabilities		
Provision for tax	148	99
Current tax assets		
Advance tax	1,859	1,268
	1,711	**1,169**
14 Other current assets		
Advance to Vendors	135	218
Balances with statutory authorities	5,667	24
Prepaid Expenses	36,386	29,563
	42,188	**29,805**

INDINET SERVICE PVT. LTD. Kolkata

15 Share capital

Authorised share capital		
10,000 Equity Shares of ₹ 10/- each	100	100
Total authorised capital	**100**	**100**
Issued share capital		
10,000 (Previous year 10,000) equity shares of ₹ 10 each	100	100
Total issued capital	**100**	**100**
Subscribed and fully paid up capital		
10,000 (Previous year 10,000) equity shares of ₹ 10 each	100	100
Total paid up capital	**100**	**100**

Reconciliation of the number of shares outstanding and the amount of share capital as at Mar 31st, 2021 and Mar 31, 2020 are set out below

(i)Equity Shares

	31-Mar-21		31-Mar-20	
	Nos	(₹) '000s	Nos	(₹) '000s
At the beginning of the year	10,000	100	10,000	100
Issued during the year – other	-	-	-	-
Outstanding at the end of the year	**10,000**	**100**	**10,000**	**100**

Terms & rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

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

Out of Equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

	31-Mar-21		31-Mar-20	
Particulars	Nos	(₹) '000s	Nos	(₹) '000s
Equity Shares				
Holding Company -Indian Cable Net Company Ltd	10,000	100	10,000	100
(Including 6 Shares held through Nominees)				
Outstanding at the end of the year	**10,000**	**100**	**10,000**	**100**

Details of share holder holding more than 5% share as at March 31, 2021 and March 31, 2020

Name of Shareholder	Equity Shares As at 31st March 2021		Equity Shares As at 31st March 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Indian Cable Net Company Limited, Holding Company (Including 6 Shares held through Nominees)	10,000	100%	10,000	100%

	Mar 31, 2021	Mar 31, 2020
16 Other Equity		
Balance at the beginning of the year	(6,168)	(17,120)
Add: Profit\(loss) for the year	(9,024)	10,953
Balance at the end of the year	**(15,192)**	**(6,168)**
17 Trade payables		
- Total outstanding dues of creditors for micro and small enterprises (Refer Note No : 31)	144	89
- Total outstanding dues of creditors- others (including due to Indian Cable Net Co Ltd. holding company ₹ 19221 thousand (PY ₹ 1261 thousand))	2,77,516	2,28,710
	2,77,660	**2,28,800**
18 Other financial liabilities		
Book overdraft	7,162	-
	7,162	-
19 Other Current Liabilities		
Unearned Income	57,108	51,550
Advances from customers	10,356	5,168
Payable for statutory liabilities	5,566	10,357
	73,031	**67,075**

INDINET SERVICE PVT. LTD. Kolkata

INDINET SERVICE PRIVATE LIMITED

Notes to financial statements for the year ended 31 st March 2021

(₹) '000s

	Mar 31, 2021	Mar 31, 2020
20 Revenue from operations		
Sale of services		
Subscription Income - Internet	8,30,034	7,16,778
Advertisement income	-	700
Other operating revenue		
Sale of traded goods	92	-
	8,30,126	**7,17,478**
21 Other income		
Interest income on		
Bank deposits	1,479	1,873
Others	25	52
Excess provisions written back	3,020	1,422
	4,525	**3,347**
22 Purchases of traded goods		
Network Goods	92	-
	92	**-**
23 Operational Expenses		
Licence Fee (Refer footnote of Note No: 28)	600	-
Bandwidth Cost	1,92,160	1,64,797
Commission	10,794	7,869
Other Operational Expenses	1,47,957	1,19,489
LCO Consideration	4,49,791	3,92,423
	8,01,302	**6,84,579**
24 Finance costs		
Bank charges	28	44
Other Borrowing Cost	135	1
	162	**45**
25 Depreciation and Amortisation expenses		
Depreciation of tangible assets	12,475	-
Amortisation of intangible assets	4,906	158
	17,381	**158**
26 Other expenses		
Rent	2,400	2,400
Rates and taxes	78	101
Communication expenses	27	63
Repairs and maintenance		
- Network	944	16
- Others	1,590	-
Electricity and water charges	180	180
Legal, professional and consultancy charges	733	375
Printing and stationeries	92	130
Travelling and conveyance expenses	3	-
Auditor's remuneration (Refer Note No : 32)	724	492
Insurance expenses	-	4
Provision for Expected Credit Loss	19,571	10,024
Exchange Fluctuation Loss	10	8
Advertisement and publicity expenses	-	2
Bad debts (PY - ₹ 22770 Thousand) - written off against provisions (PY- ₹ 16757 Thousand) -	-	6,013
Membership and Subscription Expenses	1,418	1,269
Miscellaneous expenses (CY ₹ 393, PY ₹ 85)	(0)	0
Interest On Statutory Dues	3	40
	27,773	**21,117**

Kolkata

INDINET SERVICE PRIVATE LIMITED

Notes to financial statements for the year ended 31 st March 2021

		(₹) '000s
	Mar 31, 2021	**Mar 31, 2020**
27 Earnings per share		
Profit / (Loss) attributable to equity shareholders	(9,024)	10,953
Number of weighted average equity shares		
Basic	10,000	10,000
Diluted	10,000	10,000
Nominal value of per equity share (₹)	10	10
Earning per share after tax (₹)		
Basic	(902.44)	1,095.26
Diluted	(902.44)	1,095.26
28 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent Liabilities		
Bank Guarantees (Deposit against License Fee to DOT)	21,000	21,000
Bank Guarantees (Against Sales Order of IIFT)	210	210
AGR Fee #	1,24,681	58,450
	1,45,891	79,660
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	362	-
	362	-

The company has been granted Unified License from Ministry of Communications & IT, Department of Telecoms (DoT), under Government of India, under which the company is required to pay an annual license fee (AGR Fee) at the rate of 8% of its adjusted gross revenue. Internet Service providers' Association of India of which the Company is a member had filed a petition with others against the DoT before the Telecom Dispute Settlement Appellate Tribunal (TDSAT) against levy of AGR Fee on Pure Internet Service. TDSAT vide it's order dated 18/10/2019 has upheld the contention of the petitioners and set aside the demand of AGR Fee on Pure Internet Services. In view of the said Order, the company has ceased to provide for the AGR Fee w.e.f. FY 2019-20 on Pure Internet Service. DoT has filed an Appeal before the Hon'ble Supreme Court against the Order of the TDSAT and the same is pending for final adjudication. In view of the same, the liability of AGR Fee of ₹ 58450 thousands and ₹ 66230 thousands for the year ended 31st March, 2020 and 31st March,2021 respectively on Pure Internet Services has been considered to be contingent in nature due to the prevailing uncertainty of the final outcome of the dispute.

INDINET SERVICE PVT. LTD. Kolkata

INDINET SERVICE PRIVATE LIMITED

Notes to financial statements for the year ended 31 st March 2021

Note 29: Tax Expenses

The major components of Income Tax for the year are as under:

(₹) '000s

	Mar-21	Mar-20
Income tax related to items recognised directly in the statement of profit and loss		
Current tax - current year	49	99
-earlier years	-	-
Deferred tax charge / (benefit)	(3,085)	3,875
Total	**(3,036)**	**3,974**
Effective tax rate	25.17%	26.62%

A reconciliation of the income tax expense applicable to the profit before income tax at statutory rate to the income tax expense at the Company's effective income tax rate for the year ended 31 March, 2021 and 31 March, 2020 is as follows:

	Mar-21	Mar-20
Profit/(Loss) before tax	(12,061)	14,926
Income tax		
Statutory income tax rate of 25.17% (PY 25.17%) on profit	(3,035)	3,757
Tax effect on non-deductible expenses	9,301	2,562
Additional allowances for tax purposes	(6,216)	(4,259)
Tax Effect of Bought Forward IT Loss	-	(1,961)
Others / Deferred Tax effect	(3,085)	3,875
Tax expense recognised in the statement of profit and loss	**(3,036)**	**3,974**
Deferred tax recognised in statement of other comprehensive income	-	-

For the year ended 31 March	Mar-21	Mar-20
Employee retirement benefits obligation	-	-

The applicable tax rate is the standard effective corporate income tax rate in India. The tax rate is 25.17% (PY 25.17%) for the year ended 31 March, 2021. Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. For analysis of the deferred tax balances (after offset) for financial reporting purposes refer note 8.

Deferred tax recognised in statement of profit and loss

For the year ended 31 March	Mar-21	Mar-20
Allowances for credit losses	(4,925)	3,875
Depreciation and amortisation	1,840	(0)
Other disallowances		
Total	**(3,085)**	**3,875**

Reconciliation of deferred tax assets / (liabilities) net:	Mar-21	Mar-20
Opening balance	2,513	6,388
Deferred tax (charge)/credit recognised in		
-Statement of profit and loss	3,085	(3,875)
-Recognised in other comprehensive income	-	-
Total	**5,599**	**2,513**

SERVICE PVT. LTD. INDINET ★ Kolkata

30 The Company has incurred losses during the quarter and year ended March 31, 2021 and had negative working capital as at March 31, 2021. The Company also has negative net worth as at March 31, 2021. But in view of the management, the expected substantial revenue growth and improvement in operating margins and other likely mitigating factors like continued financial support from its stakeholders , these standalone financial results for the quarter and year ended March 31, 2021 continued to be prepared on a going concern basis.

31 **Dues to Micro Enterprises and Small Enterprises:** **(₹) '000s**

	as at 31-3-2021	as at 31-03-2020
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	144	89
ii) the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year	-	-
iii) 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 without adding the interest specified under MSMED Act, 2006	-	-
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

#The management has identified dues to micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company.

32 **Payment to Auditors (accrued)** **(Excluding Goods and Service Tax)**

(₹) '000s

PARTICULARS	As on 31st March 2021	As on 31st March 2020
Audit Fees	150	125
Limited review Fees	170	150
Tax Audit	50	40
Other Services	354	177
	724	**492**

33 Expenditure in foreign currency

Particulars	**31-Mar-21 (₹) '000s**	**31-Mar-20 (₹) '000s**
Membership & Subscription	698	574
	698	**574**

34 **Revenue from contracts with customers**

(A) Disaggregation of revenue

Particulars	**31-Mar-21 (₹) '000s**	**31-Mar-20 (₹) '000s**
Revenue from operations		
Sale of services		
Subscription Income - Internet	8,30,034	7,16,778
Advertisement income	-	700
Other operating revenue		
Sale of traded goods	92	-
	8,30,126	7,17,478

The Company has disaggregated the revenue from contracts with customers on the basis of nature of services/goods sold.The Company believes that the disaggregation of revenue on the basis of nature of services/goods sold has no impact on the nature, amount, timing & uncertainty of revenues and cash flows.

(B) Contract Balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

INDINET SERVICE PVT. LTD. Kolkata

INDINET SERVICE PRIVATE LIMITED

Notes to financial statements for the year ended 31 st March 2021

The following table provides information about contract assets and contract liabilities for the contracts with the customers.

Particulars	31-Mar-21 (₹) '000s	31-Mar-20 (₹) '000s
Contract assets (Trade Receivables)	72,141	92,726
Contract assets (Unbilled Revenue)	92	-
Contract liabilities (Unearned Revenue)	57,108	51,550
	1,29,341	**1,44,276**

The contract assets is the Company's rights to consideration in exchange for goods and services that the Company has transferred to a customer.The contract liabilities primarily relate to the billing recognized in advance where performance obligations are yet to be satisfied.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows.

(₹) '000s

Particulars	31-Mar-21		31-Mar-20	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Balance at the beginning of the year	92,726	51,550	73,780	-
Add: Advance Income received/ Income accrued not billed during the year	72,233	57,108	92,726	51,550
Revenue recognised/income billed that is included in the balance at the beginning of the year	92,726	51,550	73,780	-
Balance at the end of the year	**72,233**	**57,108**	**92,726**	**51,550**

(C) Performance Obligations and Remaining Performance Obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performances as the performance obligations relates to contracts that have an original expected duration of one year or less.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

35 Subsequent to outbreak of Coronavirus (COVID-19) and consequential lockdown across the country, the Company has continued to operate and provide cable services to its customers, which has been declared as an essential service, without disruptions. Based on its review and current indicators of economic slowdown, there is no significant impact on its financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

36 Balances of Loans & Advances, Trade Receivables, Trade Payables, and other assets & liabilities are subject to confirmation.

37 In the opinion of the Board of Directors the current assets, loans and advances shown in the Balance Sheet as on 31 st Mar'2021 are considered good and fully recoverable, except otherwise stated and provision for all known liabilities has been made in the accounts.

38 Previous years figures have been regrouped/reclassified wherever necessary to correspond with current year classification/disclosure.

39 **Related Party Disclosure**

List of parties where control Exists

a. **Holding Company**
- Indian Cable Net Company Limited

b. **Ultimate Holding Company**
- Siti Networks Limited

c. **Fellow Subsidiary Company**
- Siti Maurya Cable Net Pvt. Ltd
- Siti Broadband Services Pvt. Ltd. (Subsidiary of Siti Networks Ltd.)

d. **Entities with Significant Influence****
- Smart Vinimay Private Limited
- Max Pro Tracon Private Limited
- Victor Media Private Limited
- Gurukripa Comlink Private Limited
- SRD Properties P Ltd.
- HiTech Visual Channels Private Limited
- Kolkata Media Services Private Limited
- Kolkata Entertainment Service LLP

INDINET SERVICE PVT. LTD. Kolkata

INDINET SERVICE PRIVATE LIMITED

Notes to financial statements for the year ended 31 st March 2021

- MayFair Cable Line
- Satelite Broadband Network
- Smart Cable & Broadband Services
- Axom Cable and Communications Private Limited

e. **Director/ Key Managerial Personnel**

• Mr. Surendra Kumar Agarwala	Director
• Mr. Souvick Chatterjee (Upto 24/11/2020)	Director
• Mr. Suresh Sethiya (from 26th November 2020)	Director
• Mr. Atul Kumar Singh	Director
• Mr. Suresh Arora	Director

** with whom the Company has transactions during the current year and previous year

Transactions with related parties. (₹) '000s

Particulars	Siti Network Limited		Indian Cable Net Company Ltd		Smart Vinimay Pvt Ltd	
	FY 20-21	FY 19-20	FY 20-21	FY 19-20	FY 20-21	FY 19-20
Expense paid by			(84,888)	(94,931)		
Purchase of material & Services	(640)		(1,35,309)	(1,21,222)	(2,416)	(2,583)
Purchase of fixed Assets			(1,14,108)			
Sales of service and materials	1				3,719	3,962
Outstanding at the end of year	**(86)**	**(20)**	**778**	**(1,261)**	**(170)**	**396**

Transactions with related parties. (₹) '000s

Particulars	Maxpro Tracon Private Limited		Victor Mediia Private Limited		Gurukripa Comlink Private Limited	
	FY 20-21	FY 19-20	FY 20-21	FY 19-20	FY 20-21	FY 19-20
Purchase of material & Services	(671)	(708)	(156)	(103)	(390)	(263)
Sales of service and materials	1,033	1,085			602	405
Outstanding at the end of year	**89**	**130**	**1**	**5**	**51**	**50**

Transactions with related parties. (₹) '000s

Particulars	Siti Broadband Service Private Limited		SRD Properties P Ltd		Hi Tech Visual Channels Private Limited	
	FY 20-21	FY 19-20	FY 20-21	FY 19-20	FY 20-21	FY 19-20
Purchase of material & Services			(1,448)	(983)	(3,738)	(4,175)
Sales of service and materials			2,228	1,503	5,926	6,450
Outstanding at the end of year	**8,867**	**8,867**	**185**	**136**	**590**	**714**

Transactions with related parties. (₹) '000s

Particulars	Kolkata Media Services Private Limited		Kolkata Entertainment Services LLP		MayFair Cable Link	
	FY 20-21	FY 19-20	FY 20-21	FY 19-20	FY 20-21	FY 19-20
Purchase of material & Services			(10,348)	(15,470)	(477)	(525)
Sales of service and materials			15,926	23,810	738	807
Bad Debt		(1)				
Outstanding at the end of year	**(0)**	**(0)**	**645**	**1,911**	**(86)**	**(33)**

Transactions with related parties. (₹) '000s

Particulars	Satelite Broadband Network		Smart Cable & Broadband Services		Axom Communication and Cable Pvt Ltd	
	FY 20-21	FY 19-20	FY 20-21	FY 19-20	FY 20-21	FY 19-20
Purchase of material & Services	(1,222)	(1,296)	(0)	(118)	-	-
Sales of service and materials	1,873	2,000	0	180	-	-
Outstanding at the end of year	**99**	**173**	**26**	**25**	**(30)**	**(30)**

INDINET SERVICE PVT. LTD. Kolkata

Transactions with related parties. (₹) '000s

Particulars	Siti Maurya Cable Net Private Limited	
	FY 20-21	FY 19-20
Purchase of material & Services	(18,306)	
Sales of service and materials		
Outstanding at the end of year	**(20,229)**	

40 Fair value measurements

There have been no transfers among Level 1, Level 2 and Level 3 during the period. The Company does not have any investments, derivative financial assets and liabilities. Hence, Level 1 and Level 2 hierarchy is not applicable.

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2021

A. Financial instruments by category (₹) '000s

	31-Mar-21			31-Mar-20		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets (Non Current & Current)						
Bank deposits	-	-	28,338	-	-	26,888
Interest accrued and not due on fixed deposits	-	-	210	-	-	282
Security deposits	-	-	-	-	-	-
Investment (Non- current, financial assets)	-	-	-	-	-	-
Unbilled revenues	-	-	92	-	-	-
Trade receivables **	-	-	72,141	-	-	92,726
Investment (Current, financial assets)	-	-	-	-	-	-
Cash and cash equivalents **	-	-	23,382	-	-	23,717
Other Bank Balances **	-	-	-	-	-	-
Total financial assets	-	-	**1,24,164**	-	-	**1,43,614**
Financial liabilities (Non Current & Current						
Borrowings (current,financial liabilities)	-	-	-	-	-	-
Trade payables **	-	-	2,77,660	-	-	2,28,800
Other Financial Liabilities	-	-	7,162	-	-	-
Total financial liabilities	-	-	**2,84,822**	-	-	**2,28,800**

**The Company has not disclosed the fair values for financial instruments such as cash & cash equivalents, Other Bank Balances, short term trade receivables, short term trade payables because their carrying amounts are a reasonable approximation of fair value.

41 Financial risk management objectives and policies

Financial risk management

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

A. Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date

B: High credit risk

INDINET SERVICE PVT. LTD. Kolkata

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents and other financial assets except Trade Receivable, security deposits and amount recoverable	NIL
High credit risk	Trade receivables	Life time expected credit loss or fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

		(₹) '000s	
Credit rating	**Particulars**	**31-Mar-21**	**31-Mar-20**
A. Low credit risk	Cash and cash equivalents and other financial assets except Trade Receivable, security deposits and amount recoverable	52,023	50,888
B: High credit risk	Trade receivables	72,141	92,726

Concentration of trade receivables

The Company has widespread customers and there is no concentration of trade receivables.

Credit risk exposure

Provision for expected credit losses

The Company provides expected credit losses for following financial assets.

For the purpose of computation of expected credit loss, the Company has analysed the trend of provisions for doubtful debts created in earlier years. The provision has been computed on the balances of deactivated customers and provision for doubtful debtors created against those sales. The company does not expect any further risk of credit impairment on account of possible impact relating to COVID 19 in estimating expected credit loss provision.

Expected credit loss for trade receivables under simplified approach

as at March 31, 2021

			(₹) '000s
Particulars	**Estimated gross carrying amount**	**Expected credit losses**	**Carrying amount net of impairment provision**
Trade receivables	1,01,736	29,595	72,141

as at March 31, 2020

			(₹) '000s
Particulars	**Estimated gross carrying amount**	**Expected credit losses**	**Carrying amount net of impairment provision**
Trade receivables	1,02,750	10,024	92,726

Reconciliation of loss allowance provision – Trade receivables	(₹) '000s
Loss allowance on March 31, 2020	**10,024**
Changes in loss allowance	19,571
Loss allowance on March 31, 2021	**29,595**

B.Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Company's business activities may not be available .

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables and employee dues arising during normal course of business as on each balance sheet date. Long- term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals and through funding commitments from shareholders. As at each statement of financial position date, the Company's liabilities having contractual maturities (including interest payments where applicable) are summarised as follows:

INDINET SERVICE PVT. LTD. Kolkata

INDINET SERVICE PRIVATE LIMITED

Notes to financial statements for the year ended 31 st March 2021

(ii) Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹) '000s

Contractual maturities of financial liabilities	31-Mar-21			31-Mar-20		
	Less than one year	One to two years	More than two years	Less than one year	One to two years	More than two years
Non-derivatives						
Borrowings (non-current,financial liabilities)	-	-	-	-	-	-
Borrowings (current,financial liabilities)	-	-	-	-	-	-
Other financial liabilities	7,162	-		-	-	-
Trade payables	2,77,660	-	-	2,28,800	-	-
Total non-derivative liabilities	**2,84,822**	**-**	**-**	**2,28,800**	**-**	**-**

C.Market Risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company is not exposed to such risk as Company does not have any borrowings, foreign currency transactions and does not have any derivative trasactions.

42 **Capital management**

Risk Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments The funding requirements are met through a mixture of equity, internal fund generation & other non current borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt). Net debt are non-current and current borrowings as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

(₹) '000s

Particulars	31-Mar-21	31-Mar-20
Cash and cash equivalents (refer note 11)	23,382	23,717
Other Bank Balances (refer note 11)	-	-
Total cash (A)	**23,382**	**23,717**
Borrowings (current, financial liabilities)		-
Total borrowing (B)	**-**	**-**
Net debt (C=B-A)	**(23,382)**	**(23,717)**
Total equity	(15,092)	(6,068)
Total capital (equity + net debts) (D)	**(38,474)**	**(29,785)**
Gearing ratio (C/D)	**61%**	**80%**

43 The Financial statements have been reviewed by the Audit Committee and approved by the board of directors in their meeting held on 22 June, 2021

Notes to accounts referred in our report of even date.

For A.K. Tekriwal & Co.
Chartered Accountants
(Firm Registration No. - 322352E)

A.K Tekriwal
Partner
Membership No.-056362

Place - Kolkata
Date - 22 June 2021

For Indinet Service Private Limited
(U74900WB2015PTC207490)

Surendra Kumar Agarwala
Director
DIN-00569816

Atul Kumar Singh
Director
DIN-07195221