

Independent Auditor's Report

To the Members of M/s Siti Faction Digital Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **M/s Siti Faction Digital Private Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2019, 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 (financial position) of the Company as at 31 March 2019, and its profit/loss (financial performance 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 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.

Key Audit Matter

4. 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.

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the 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.





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

6. 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 state of affairs (financial position), profit or loss (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.
7. 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.
8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

9. 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.
10. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





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- 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.
11. 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.
 12. 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.
 13. 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

14. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
15. 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 a statement on the matters specified in paragraphs 3 and 4 of the Order.
16. Further to our comments in Annexure I, as required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;





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- 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
- 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 2019 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 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 08th May, 2019 as per Annexure I expressed unmodified.
- 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 to the standalone financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2019;
 - 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 2019;
 - 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 2019;
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For AAAM & CO.
CHARTERED ACCOUNTANTS
FRN NO. 08113C

(CA RAHUL GUPTA, FCA)

PARTNER

M. No. 419625

DATE: 08.05.2019

PLACE: NOIDA





Independent Auditor's Report on Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Siti Faction Digital Private Limited

1. We have audited the standalone financial results of **Siti Faction Digital Private Limited** ('the Company') for the year ended 31 March 2019, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the standalone financial results regarding the figures for the quarter ended 31 March 2019 as reported in these standalone financial results, which are the balancing figures between audited standalone figures in respect of the full financial year and the published standalone year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These standalone financial results are based on the standalone financial statements for the year ended 31 March 2019 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and published standalone year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of the standalone financial statements for the year ended 31 March 2019 and our review of standalone financial results for the nine months period ended 31 December 2018.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
 - (ii) give a true and fair view of the standalone net profit/loss (including other comprehensive income) and other financial information in conformity with the accounting principles generally





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accepted in India including Ind AS specified under Section 133 of the Act for the year ended
31 March 2019.

For AAAM & CO.
CHARTERED ACCOUNTANTS
FRN NO. 08113C


(CA RAHUL GUPTA, FCA)
PARTNER

M. NO.419625

Date: 08/05/2019
Place: NOIDA

M/S SITI FACTION DIGITAL PRIVATE LIMITED

Annexure "1a" to the Auditors Report

The Annexure referred to in our report to the members of the Company for the year ended on 31st March, 2019, we report that:

I	Whether the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	YES
	Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	YES
	Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	NA
II	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	NA
III	Whether the Company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so:	NO
	Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	NA
	Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	NA
	If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	NA
IV	In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	NA
V	In case, the Company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	NA
VI	Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	NA
VII	(a) Whether the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	YES
	(b) Where dues of Income Tax or Sales Tax or Service Tax or duty of Customs or duty of Excise or Value Added Tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	NA

VIII	Whether the Company has defaulted in repayment of loans or borrowing to a Financial Institution, Bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to Banks, Financial Institutions, and Government, Lender wise details to be provided).	NO
IX	Whether money is raised by way of initial public offer or further public offer (including debt instruments) and Term Loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	NA
X	Whether any fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	NO
XI	Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013? If not, state the amount involved and steps taken by the company for securing refund of the same;	NA
XII	Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	NA
XIII	Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	YES
XIV	Whether the Company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	NA
XV	Whether the Company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;	NA
XVI	Whether the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	NA

As per our report of even date

For A A A M & CO.

CHARTERED ACCOUNTANTS

FRN : 081136



DATE: 08/05/2019

PLACE: NOIDA



“Annexure 1” to the Independent Auditor’s Report of even date to the members of Siti Faction Digital Private Limited, on the standalone financial statements for the year ended 31 March 2019

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 Siti Faction Digital Private Limited (“the Company”) as of and for the year ended 31st March 2019, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of 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 “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 the company’s business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

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) and deemed to be 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.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included 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.

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

4. 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 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

5. 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 IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

6. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For A A A M & CO.
CHARTERED ACCOUNTANTS
FRN NO: 08113C

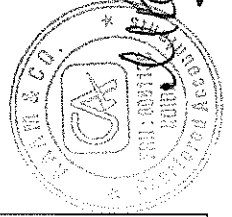


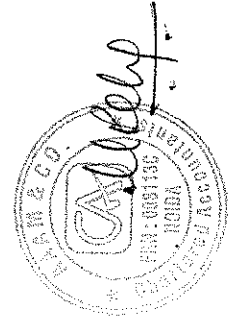
(CA RAHUL GUPTA, FCA)
PARTNER
M NO: 419625

Date: 08/05/2019
Place: NOIDA

AUDITED FINANCIAL RESULTS (STANDALONE)

Part - I					
Statement of Audited Results for the quarter and year ended March 31, 2019					
Particulars	Quarter ended March 31, 2019 (Audited)	Quarter ended December 31, 2018 (Unaudited)	Quarter ended March 31, 2018 (Audited)	Year ended March 31, 2019 (Audited)	Year ended March 31, 2018 (Audited)
	(₹ in Mn)				
I Revenue from operations	-	1.00	0.01	3.00	11.27
II Other income	0.09	-	0.11	0.09	0.11
III Total income (I+II)	0.09	1.00	0.11	3.09	11.38
IV Expenses	-	-	-	-	-
Cost of materials consumed	-	-	-	-	-
Purchase of stock-in-trade	-	-	-	-	-
Carriage sharing, pay channel and related costs	-	-	-	-	-
Employee benefits expense	-	-	0.53	0.64	2.23
Finance costs	-	-	(0.00)	-	0.00
Depreciation and amortisation expense	1.51	2.36	2.99	8.58	9.42
Other expenses	0.06	0.06	0.76	3.16	4.32
Total expenses (IV)	1.57	2.42	4.28	12.38	15.98
V Profit/(Loss) for the period before tax and share of (loss)/profit in associates and joint ventures and exceptional items(III-IV)	(1.48)	(1.42)	(4.16)	(9.29)	(4.61)
VI Share of profit/(loss) of associates and joint ventures	-	-	-	-	-
VII Profit/(Loss) before exceptional items and tax (V-VI)	(1.48)	(1.42)	(4.16)	(9.29)	(4.61)
VIII Exceptional items	-	-	-	-	-
IX Profit/(Loss) before tax expenses (VII-VIII)	(1.48)	(1.42)	(4.16)	(9.29)	(4.61)
X Tax expense	(0.65)	-	(0.72)	(0.65)	(0.72)
Current Tax	(0.65)	-	-	(0.65)	-
Deferred Tax	-	-	(0.72)	-	(0.72)
XI Loss for the period (IX-X)	(0.83)	(1.42)	(3.44)	(8.63)	(3.88)
XII Other comprehensive income:	-	-	-	-	-
Items that will not be reclassified to profit or loss	-	-	-	-	-
Total comprehensive income for the period (including non-controlling interest)	(0.83)	(1.42)	(3.44)	(8.63)	(3.88)
Net (loss)/income attributable to:					
A Owners of the parent	(0.83)	(1.42)	(3.44)	(8.63)	(3.88)
B Non-controlling interest	-	-	-	-	-
Other comprehensive (loss)/income attributable to:					
A Owners of the parent	-	-	-	-	-
B Non-controlling interest	-	-	-	-	-
Total comprehensive income attributable to:					
A Owners of the parent	(0.83)	(1.42)	(3.44)	(8.63)	(3.88)
B Non-controlling interest	-	-	-	-	-
Minority interest	-	-	-	-	-
XIII Paid-up equity share capital (Face value ₹ 10/- per share)	10,000	10,000	10,000	10,000	10,000
XIV Earnings per share (of ₹ 10/- (not annualised)					
a) Basic	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
b) Diluted	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)





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Consolidated and Standalone Statement of Assets and Liabilities		[₹ in Mn]	
Particulars	31st Mar 2019	31st Mar 2018	
	Audited	Audited	
A. Assets			
I. Non-current assets			
(a) Property, plant and equipment	27.54	35.31	
(b) Capital work-in-progress	19.07	19.07	
(c) Goodwill	-	-	
(d) Other intangible assets	-	-	
(e) Intangible assets under development	-	-	
(f) Investment Property	-	-	
(g) Financial assets	-	-	
(i) Trade receivable	-	-	
(ii) Investments	-	-	
(iii) Loans	-	-	
(iv) Others- Fixed deposits	-	-	
(h) Deferred tax assets (net)	-	-	
(i) Other non-current assets	-	-	
Sub-total of Non-current assets	46.61	54.38	
2. Current assets			
(a) Inventories	-	-	
(b) Financial assets	-	-	
(i) Trade receivables	104.50	104.50	
(ii) Investments	-	-	
(iii) Cash and bank balances	1.55	1.57	
(iv) Bank balances other than iii above	-	-	
(v) Loans	-	-	
(vi) Others - unbilled revenue and interest accrued on fixed deposits	-	-	
(c) Current tax assets	-	-	
(d) Other current assets	8.77	8.33	
Sub-total of Current assets	114.82	114.40	
Total assets	161.43	168.78	
B. Equity and liabilities			
Equity			
(a) Equity share capital	0.10	0.10	
(b) Other equity	-25.55	-16.91	
(c) Non-controlling interests	-	-	
Sub-total - Equity	-25.45	-16.81	
Liabilities			
I. Non-current liabilities			
(a) Financial liabilities	-	-	
(i) Long-term borrowings	-	-	
(ii) Other financial liabilities	-	-	
(b) Provisions	-	-	
(c) Deferred tax liability (net)	-	-	
(d) Other non-current liabilities	-	-	
Sub-total - Non-current liabilities	-	-	
2. Current liabilities			
(a) Financial liabilities	-	-	
(i) Borrowings	-	-	
(ii) Trade payables	186.65	185.46	
(iii) Other financial liabilities	-	-	
(b) Provisions	0.23	0.11	
(c) Other current liabilities	-	0.02	
(d) Current tax liability	-	-	
Sub-total of current liabilities	186.88	185.60	
Total equity and liabilities	161.43	168.78	

SITI FACTION DIGITAL PVT. LTD.

Balance sheet as at March 31, 2019

in million

	Notes	in million	
		As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	27.54	35.31
b) Capital work-in-progress	3	19.07	19.07
c) Other intangible assets			
d) Intangible assets under development			
Goodwill			
e) Financial assets			
i) Investments			
iii) Others			
f) Other non-current assets			
		46.61	54.39
Current assets			
a) Inventories			
b) Financial assets			
i) Trade receivables	4	104.50	104.50
ii) Cash and cash equivalents	5	1.55	1.57
iii) Bank balance other than (ii) above	5		
iii) Investments			
iv) Others			
c) Other current assets	6	8.77	8.33
		114.82	114.40
Total assets		161.43	168.78
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	7 (a)	0.10	0.10
b) Other equity	7 (b)	(25.55)	(16.91)
		(25.45)	(16.81)
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings			
ii) Other financial liabilities			
b) Provisions			
c) Other non-current liabilities	8	-	-
Current liabilities			
i) Financial liabilities			
i) Borrowings			
ii) Trade payables			
Total Outstanding dues of micro enterprises and small enterprises			
Total Outstanding dues of creditors other than micro enterprises and small enterprises	9	186.65	185.47
iii) Other financial liabilities			
b) Provisions	10	0.23	0.11
c) Other current liabilities	11	-	0.02
		186.88	185.60
Total equity and liabilities		161.43	168.78
Summary of significant accounting policies	1-2.		

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 A A M & Co
CHARTERED ACCOUNTANTS
 FRN: 08113C

(CA RAHUL GUPTA, FCA)
 PARTNER
 M.No-419625

For and on behalf of the Board of Directors of
SITI FACTION DIGITAL PVT. LTD.


 DIRECTOR
 PUSHPINDER SINGH CHAHAL
 DIN-08066877


 DIRECTOR
 RAHUL DABAS
 DIN-03408514

DATE : 08-05-2019
 PLACE: NOIDA

SITI FACTION DIGITAL PVT. LTD.

Statement of profit and loss for the year ended March 31, 2019

		in million	
	Notes	March 31, 2019	March 31, 2018
Income			
Revenue from operations	12	3.00	11.27
Other income	13	0.09	0.11
Total income		3.09	11.38
Expenses			
Cost of materials consumed			
Purchase of traded goods			
Carriage sharing, pay channel and related costs	14	-	-
Employee benefits expense	15	0.64	2.23
Finance costs	16	-	0.00
Depreciation and amortisation of non-financial assets	17	8.58	9.42
Other expenses	18	3.16	4.32
Total expenses		12.38	15.98
Loss before exceptional item and tax		(9.29)	(4.60)
Exceptional item			
Loss before tax		(9.29)	(4.60)
Tax expense			
Deferred tax		(0.65)	(0.72)
Current tax			
Loss for the year		(8.63)	(3.88)
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurement of defined benefit liability			
Total comprehensive income		(8.63)	(3.88)
Earnings (loss) per share			
Basic (loss) per share	19	(863.48)	(388.38)
Diluted (loss) per share	19	(863.48)	(388.38)

Summary of significant accounting policies

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

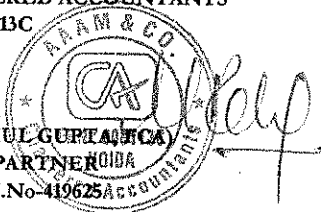
This is the balance sheet referred to in our report of even date.

For A A A M & Co

CHARTERED ACCOUNTANTS

FRN: 08113C

(CA RAHUL GURTAJIA)
PARTNER
M.No-419625



For and on behalf of the Board of Directors of
SITI FACTION DIGITAL PVT. LTD.

DIRECTOR
PUSHPINDER SINGH CHAHAL
DIN-08066877

DIRECTOR
RAHUL DABAS
DIN-03408514

DATE : 08-05-2019

PLACE: NOIDA

SITI FACTION DIGITAL PVT. LTD.

Cash flow statement for the year ended March 31, 2019

	in million	
	March 31, 2019	March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(8.63)	(3.88)
Adjustment for:		
Depreciation and amortisation of non-financial assets	8.58	9.42
Operating profit before working capital changes	(0.05)	5.54
Adjustments for changes in:		
Increase in trade receivables	0.00	3.39
(Increase)/decrease in other financial assets		
(Increase)/decrease in other current and non-current assets	(0.45)	(7.88)
(Increase)/decrease in inventories		
(Decrease)/increase in other financial liabilities		
Increase in employee benefit obligations		
Increase in other current and non-current liabilities	0.10	(16.56)
Increase/(decrease) in trade payables	1.18	(0.71)
Cash (used in)/generated from operations	0.79	(16.22)
Income taxes paid		
Net cash flow (used in)/generated from operating activities	0.79	(16.22)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangibles assets	(0.81)	(7.87)
Proceeds from sale of property, plant and equipment		
Purchase of investment (non- current, financial assets)		(7.88)
Sale of investment (current, financial assets)		
Interest received		
Investments in bank deposits		
Net cash used in investing activities	(0.81)	(15.75)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of equity share capital		
Proceeds received against warrants issued		
Proceeds received against optionally fully convertible debentures issued		
Proceeds/(repayments) from borrowings (current, financial liabilities) (net)		
Proceeds from borrowings (non-current, financial liabilities)		
Repayment of borrowings (non-current, financial liabilities)		
Interest and ancillary borrowing costs paid		
Net cash flow generated from financing activities	-	-
Net decrease in cash and cash equivalents	(0.02)	(24.10)
Cash and cash equivalents at beginning of the period	1.57	25.67
Cash and cash equivalents at close of the year	1.55	1.57

SITI FACTION DIGITAL PVT. LTD.

Cash flow statement for the year ended

Notes :

a. Cash and cash equivalents include :

Cash on hand	0.00	0.00
Balances with banks - current accounts	0.01	0.03
Cheques and drafts in hand	-	-
Deposits with maturity of upto three months	1.54	1.54
	1.55	1.57

This is the cash flow statement referred to in our report of even date


For A A A M & Co

CHARTERED ACCOUNTANTS

FRN: 08113C

(CA RAHUL GUPTA ICAI)
PARTNER
M.No-419625

For and on behalf of the Board of Directors of
SITI FACTION DIGITAL PVT. LTD.


DIRECTOR
PUSHPINDER SINGH CHAHAL
DIN-08066877


DIRECTOR
RAHUL DABAS
DIN-03408514

DATE : 08-05-2019
PLACE: NOIDA

SITI FACTION DIGITAL PVT. LTD.

A Equity share capital

	Notes	Amount
Balance as at April 01, 2017		0.10
Issued on conversion of warrants	15	-
Issued on conversion of Optionally Fully Convertible Debentures (OFCD)	15	-
Balance as at March 31, 2018		0.10
Issued on conversion of warrants	15	-
Issued on conversion of OFCD	15	-
Issued on exercise of employee stock options	15	-
Balance as at March 31, 2019		0.10

B Other equity

	Reserves and surplus			Other Components of Equity				Total other equity
	Securities premium reserve (refer note 15(c))	Retained earnings (refer note 15(c))	General reserve (refer note 15(c))	Optionally fully convertible debentures (refer note 15(b))	Money received against warrants	Other comprehensive Income (refer note 15(c))	Foreign currency monetary item translation difference account (FCMTDA) (refer note 15(c))	
Balance as at April 01, 2018								(16.91)
Loss for the year	-	(8.63)	-	-	-	-	-	(8.63)
Remeasurement of defined benefit liability	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	(8.63)	-	-	-	-	-	(8.63)
Security premium on conversion of warrants and OFCDs into equity shares	-	-	-	-	-	-	-	-
Security premium on issue of shares against employee stock options	-	-	-	-	-	-	-	-
Conversion of OFCDs into equity shares	-	-	-	-	-	-	-	-
Money received against warrants issued	-	-	-	-	-	-	-	-
Conversion of warrants into equity shares	-	-	-	-	-	-	-	-
FCMTDA created during the year	-	-	-	-	-	-	-	-
FCMTDA amortised during the year	-	-	-	-	-	-	-	-
Employee shares based reserve created	-	-	-	-	-	-	-	-
Reversed on share options exercised during the year	-	-	-	-	-	-	-	-
Balance as at March 31, 2019	-	(8.63)	-	-	-	-	-	(25.55)

** Transaction with owner in capacity as owners

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

This is the statement of changes in equity referred to in our report of even date

For A A M & Co
CHARTERED ACCOUNTANTS
FRN: 08115C

(CA RAHUL GUPTA, FCA, ICAI)
PARTNER
M.No. 419625
NOIDA

DATE : 08-05-2019
PLACE: NOIDA

For and on behalf of the Board of Directors of
SITI FACTION DIGITAL PVT. LTD.

DIRECTOR
PUSHPINDER SINGH CHAHAL
DIN-08066877

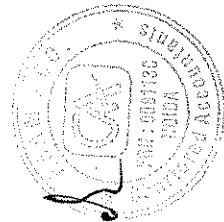
DIRECTOR
RAHUL DABAS
DIN-03408514

SITI FACTION DIGITAL PVT. LTD.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

3 Property, plant and equipment

	Buildings	Plant and equipment	Computers	Office equipment	Furniture and fixtures	Air conditioners	Studio equipment	Vehicles	Leasehold improvements	Set top boxes	IRD boxes	Total
in million												
Gross carrying amount												
Balance as at April 01, 2017		13.89			0.45					61.00		75.34
Additions		0.83								7.04		7.87
Disposals												
Balance as at March 31, 2018	-	14.72	-	-	0.45	-	-	-	-	68.04	-	83.21
Gross carrying amount												
Balance as at March 31, 2018		14.72			0.45					68.04		83.21
Additions		0.19								0.62		0.81
Balance as at March 31, 2019	-	14.91	-	-	0.45	-	-	-	-	68.66	-	84.02
Accumulated depreciation												
Balance as at April 01, 2017		5.89			0.16					32.42		38.47
Charge for the year		1.43			0.03					7.97		9.43
Disposals												
Balance as at March 31, 2018	-	7.32	-	-	0.19	-	-	-	-	40.39	-	47.90
Accumulated depreciation												
Balance as at March 31, 2018		7.32			0.19					40.39		47.90
Charge for the year		1.33			0.02					7.23		8.58
Balance as at March 31, 2019	-	8.65	-	-	0.21	-	-	-	-	47.62	-	56.48
Net carrying amount as at April 01, 2017	-	8.00	-	-	0.29	-	-	-	-	28.58	-	36.87
Net carrying amount as at March 31, 2018	-	7.40	-	-	0.26	-	-	-	-	27.65	-	35.31
Net carrying amount as at March 31, 2019	-	6.26	-	-	0.24	-	-	-	-	21.04	-	27.54



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SITI FACTION DIGITAL PVT. LTD.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

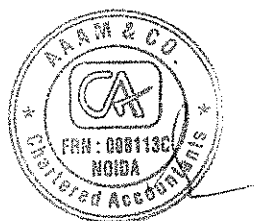
4	Trade receivables	March 31, 2019	March 31, 2018
		` millions	` millions
	Unsecured, considered good	104.50	104.50
	Receivables - credit impaired		
	Less: Allowance for expected credit loss		
		104.50	104.50

For amounts due and terms and conditions relating to related party receivables see note 38.

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. No trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

5	Cash and cash equivalents	March 31, 2019	March 31, 2018
		` millions	` millions
	Cash on hand	0.00	0.00
	Balances with banks		
	on current accounts	0.01	0.03
	Cheques and drafts on hand		
		0.01	0.03
	Other balances with banks		
	Deposits with maturity of upto three months	1.54	1.54
		1.55	1.57

6	Other current assets	March 31, 2019	March 31, 2018
		` millions	` millions
	Unsecured, considered good unless otherwise stated		
	Balances with Government authorities	5.45	5.38
	Taxes paid		0.72
	Prepaid expenses		
	Amounts recoverable (considered good)	3.32	2.23
	Amounts recoverable (considered doubtful)		
	Less : Impairment allowance		
		8.77	8.33



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SITI FACTION DIGITAL PVT. LTD.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

7 (a) Equity share capital	March 31, 2019 millions	March 31, 2018 millions
Authorised share capital		
10,000 (Previous year: 10,000) equity shares of Rs. 10/- each	0.10	0.10
10,000 (Previous year: 10,000) equity shares of Rs. 10/- each		
Total authorised capital	0.10	0.10
Issued share capital		
10,000 (Previous year: 10,000) equity shares of Rs. 10/- each	0.10	0.10
Total issued capital	0.10	0.10
Subscribed and fully paid up capital		
10,000 (Previous year: 10,000) equity shares of Rs. 10/- each	0.10	0.10
Total paid up capital	0.10	0.10
	0.10	0.10
7(b) Other reserve	March 31, 2019	March 31, 2018
	millions	millions
Securities premium reserve	-	-
Retained earnings	(8.63)	(16.91)
General reserve	-	-
Other comprehensive Income	-	-
Foreign currency monetary item translation difference account (FCMITDA)	-	-
Employee shares based reserve	-	-
A Notes:		
Particulars	March 31, 2019	March 31, 2018
	millions	millions
1 Securities premium reserve		
Opening balance		
Addition during the year		
Closing balance	-	-
2 Retained earnings		
Opening balance	(13.03)	(13.03)
Addition during the year		
Closing balance	(13.03)	(13.03)



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SITI FACTION DIGITAL PVT. LTD.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

8 Other (non-current, non-financial liabilities)

Deferred revenue (refer note 3(d))

March 31, 2019 ` millions	March 31, 2018 ` millions
-	-
-	-

9 Trade payables

- Total outstanding dues of micro enterprises and small enterprises; and
 - Total outstanding dues of creditors other than micro enterprises and small enterprises

March 31, 2019 ` millions	March 31, 2018 ` millions
186.65	185.47
186.65	185.47

10 Provisions (current) (refer note 34)

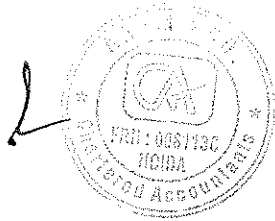
Provision for gratuity
 Provision for compensated absences

March 31, 2019 ` millions	March 31, 2018 ` millions
0.23	0.11
0.23	0.11

11 Other (current, non-financial liabilities)

Deferred revenue
 Statutory dues payable
 Advance from customers

March 31, 2019 ` millions	March 31, 2018 ` millions
0.10	0.02
0.10	0.02



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SITI FACTION DIGITAL PVT. LTD.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

12	Revenue from operations	March 31, 2019 ` millions	March 31, 2018 ` millions
	Sale of services		
	Subscription income		7.42
	Advertisement income		
	Carriage income		
	Activation and Set top boxes pairing charges		1.62
	Other operating revenue		
	Sale of traded goods*		
	Management charges and other networking income	3.00	2.23
	Scrap sales		
		<u>3.00</u>	<u>11.27</u>
	* Details of sale of traded goods		
	Set top box (STB) and viewing cards (VC)		
	Stores and spares		
		<u>-</u>	<u>-</u>
		<u>0.09</u>	<u>0.11</u>
		<u>0.09</u>	<u>0.11</u>
		<u>0.09</u>	<u>0.11</u>
13	Other income	March 31, 2019 ` millions	March 31, 2018 ` millions
	Interest income on		
	Bank deposits		
	Others		
	Excess provisions written back		
	Net gain arising on financial assets designated as at fair value through profit or loss		
	Profit on sale of property, plant and equipment		
	Other non-operating income	0.09	0.11
		<u>0.09</u>	<u>0.11</u>
		<u>0.09</u>	<u>0.11</u>
14	Carriage sharing, pay channel and related costs	March 31, 2019 ` millions	March 31, 2018 ` millions
	Carriage sharing, pay channel and related costs		
	Viewing cards		
		<u>-</u>	<u>-</u>
15	Employee benefits expense	March 31, 2019 ` millions	March 31, 2018 ` millions
	Salaries, allowances and bonus	0.64	2.17
	Contributions to provident and other funds		
	Staff welfare expenses		0.06
		<u>0.64</u>	<u>2.23</u>
16	Finance costs	March 31, 2019 ` millions	March 31, 2018 ` millions
	Interest expense for borrowings at amortised cost		
	Interest cost on discounting of financial instruments		
	Bank charges		0.00
	Amortisation of ancillary borrowing costs		
		<u>-</u>	<u>0.00</u>
17	Depreciation and amortisation of non-financial assets	March 31, 2019 ` millions	March 31, 2018 ` millions
	Depreciation of property, plant and equipment		9.42
	Amortisation of intangible assets		
		<u>-</u>	<u>9.42</u>



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SITI FACTION DIGITAL PVT. LTD.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2019

18 Other expenses	March 31, 2019	March 31, 2018
	` millions	` millions
Rent	-	0.72
Rates and taxes	-	2.70
Communication expenses	-	0.02
Electricity and water charges	-	0.12
Legal, professional and consultancy charges	-	0.53
Printing and stationery	-	0.03
Travelling and conveyance expenses	-	0.04
Auditors' remuneration*	0.06	0.06
Other operational cost	3.00	0.04
Business and sales promotion	-	0.03
Miscellaneous expenses	0.10	0.04
	3.16	4.32

*Auditors' remuneration	March 31, 2019	March 31, 2018
	` millions	` millions
as an auditor	0.06	0.06
for other services (certifications)		
for reimbursement of expenses		
	0.06	0.06

19 Earnings (loss) per share	March 31, 2019	March 31, 2018
	` millions	` millions
Loss attributable to equity shareholders	(8.63)	(3.88)
Weighted average number of equity shares outstanding during the year (nos.)	10,000	10,000
Weighted average number of equity shares to be issued on conversion of mandatorily convertible instruments (i.e. share and OFCD) (nos.)		
Weighted average number of equity shares outstanding during the year for calculating basic and diluted earnings per share (nos.)	10,000	10,000
Effect of dilutive potential equity shares ~		
Employee stock options (nos.)		
Nominal value of per equity share (`)	10	10
Loss per share (`)		
Basic	(863.48)	(388.38)
Diluted	(863.48)	(388.38)

~Effect of potential equity shares being anti-dilutive has not been considered while calculating diluted weighted average equity shares and diluted earnings per share.



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NOTE -1 :SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDING 31st MARCH, 2019

1.1 CORPORATE INFORMATION:

SITI Faction Digital Private Limited (hereinafter referred to as the 'Company') is registered in New Delhi, India. The Company is a Multiple Service Operator (MSO) engaged in distribution of television channels through analogue and digital cable distribution network, primary internet and allied services.

1.2 BASIS OF PREPARATION:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The accounting policies have been consistently applied by the Company.

All assets and liabilities have been classified as current and non- current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of business and the time between the acquisition of assets and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities

1.3 USE OF ESTIMATES:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

1.4 RECOGNITION OF REVENUE:

Revenue is recognized when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction. Subscription income is recognized on completion of services and when no significant uncertainty exists regarding the amount of consideration that will be derived. Carriage Income receivable from SCNL is not recognized as revenue and no effect of Carriage sharing, pay channel and related costs payable to SCNL is given in the books of accounts.

1.5 RECOGNITION OF INCOME AND EXPENSE:

Items of income and expenditure are recognized on accrual basis.

1.6 PLANT, PROPERTY AND EQUIPMENT

Plant, properties and equipments are carried at the cost of acquisition or construction less accumulated depreciation. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Depreciation / amortization on plant, properties and equipments is provided at rates computed on the basis of useful life of assets as specified in Schedule II of the Companies Act, 2013 except in case of intangible assets and leasehold improvements on which depreciation is provided at rate as mentioned below which in view of the management represents the useful life of assets. Assets costing less than Rs 5,000 each, are depreciated in full excluding residual value as per Schedule II, in year of purchase.

Asset category Rate of depreciation/ amortization

Intangible assets	Straight Line Method
Leasehold improvements	Over the lease term or useful life whichever is lower

1.7 INVESTMENTS:

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

1.8 INVENTORIES:

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

However, the company does not have any inventory during the current year.

1.9 INCOME TAXES:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

1.10 EVENTS OCCURRING AFTER BALANCE SHEET DATE:

Events occurring after balance sheet date which affect the financial position to a material extent are taken into cognizance, if any.

1.11 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES:

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.



Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Liabilities are generally not provided for in the accounts are shown separately under notes to the accounts if any.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

Recent accounting pronouncements (standards issued but not yet effective)

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying new standards and amendments to certain issued standards. These amendments are applicable to the Company from April 01, 2019. The Company will be adopting the below stated new standards and applicable amendments from their respective effective date

a) Ind AS 116, Leases:

Ind AS 116 supersedes Ind AS 17, Leases. Under Ind AS 116, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use

asset) at the commencement date of lease. Lessees will be required to separately recognise interest expense on the lease liability and depreciation expense on the right of use asset. Lessor accounting under Ind AS 116 remains substantially

unchanged from accounting under Ind AS 17. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. The Company is evaluating the requirements of the standard and the effect on the financial statements.

b) Appendix C, Uncertainty over Income Tax Treatment to Ind AS 12, Income Taxes:

The Appendix clarifies how to apply the recognition and measurement principles while recognizing current tax, deferred tax, taxable profits (losses), tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty over tax

treatments under Ind AS 12. As per the Appendix, the Company needs to assess whether it is probable that a tax authority will accept an uncertain tax treatment used or a treatment which is being proposed to be used in its income tax filings.

The impact of the Appendix on the Financial Statements, as assessed by the Company, is expected to be not material.

c) Amendment to Ind AS 12, Income Taxes:

The amendment clarifies that an entity shall recognize income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The Company will apply these amendments for annual reporting periods beginning on or after April 01, 2019. The impact on the Financial Statements, as assessed by the Company, is expected to be not material.

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NOTE – 2: EXPLANATORY/ CLARIFICATORY NOTES:

- 2.1 No dividend has been proposed by the Directors of the Company due to nominal profits of the company.
- 2.2 Balances of sundry creditors and debtors are subject to confirmation from the respective parties.
- 2.3 In the opinion of the Board, current assets, loans & advances have a value in the ordinary course of business at least equal to that stated in Balance Sheet.
- 2.4 **Auditors Remuneration: 2018-19**

<u>SL. NO.</u>	<u>PARTICULARS</u>	<u>F/Y 2018-19</u>	<u>F/Y 2017-18</u>
1.	AUDIT FEES	Rs. 60,000/-	Rs. 60,000/-

2.5 **RELATED PARTY DISCLOSURES:-**

Names of related parties:

Siti Networks Limited	Holding Company
Indian Cable Net Company Limited	Fellow Subsidiary
Siti Maurya Cable Net Private Limited	Fellow Subsidiary
Indinet Service Private Limited	Fellow Subsidiary
Axom Communications & Cable Private Limited	Fellow Subsidiary
Master Channel Community Network Private Limited	Fellow Subsidiary
Siti Vision Digital Media Private Limited	Fellow Subsidiary
Siti Guntur Digital Network Private Limited	Fellow Subsidiary
Siti Siri Digital Network Private Limited	Fellow Subsidiary
Siti Godaari Digital Services Pvt. LTD.	Fellow Subsidiary
Siti Bhatia Network Entertainment Private Limited	Fellow Subsidiary
Siti Sagar Digital Cable Network Private Limited	Fellow Subsidiary
Siti Global Private Limited	Fellow Subsidiary
Siti Broadband Services Private Limited	Fellow Subsidiary
Siti Prime Uttaranchal Communication Private Limited	Fellow Subsidiary
Siti Saistar Digital Media Private Limited)	Fellow Subsidiary
Variety Entertainment Private Limited	Fellow Subsidiary
Central Bombay Cable Network Limited	Fellow Subsidiary
Siticable Broadband South Limited	Fellow Subsidiary



Wire and Wireless Tisai Satellite Limited	Joint Venture
Siti Jind Digital Media Communications Private Limited	Fellow Subsidiary
Siti Jai Maa Durgee Communications Private Limited	Fellow Subsidiary
Siti Karnal Digital Media Network Private Limited	Subsidiary Company
Siti Krishna Digital Media Private Limited	Fellow Subsidiary y
Siti Jony Digital Cable Network Private Limited	Fellow Subsidiary
Voice Snap Services Private Limited	Associate Company (w.e.f. 19.09.2016)
C&S Medianet Private Limited	Joint Venture (w.e.f. 12.05.2016)
Siti Chhattisgarh Multimedia Private Limited	Associate Company

Other Related Parties:

Mr. Rahul Dabas	-	Director
Mr. Sudhir Mongia	-	Director
Ms. Amarjeet Dabas	-	Director
Mr Pushpinder Singh Chahal	-	Director
Mr. Abhishek Tiwary	-	Director

2.6 Transactions entered into by the Company with its holding company during the relevant Financial Year are as under:

- Sale/ purchase of goods and services

	Year ended	Sale of goods and services	Purchase of goods and services	Amount owed by related parties	Amount owed to related parties
Holding Company					
Siti Network Limited	March 31, 2019	30,00,000	1,724,347		12,48,36,610
	March 31, 2018	22,28,810	71,95,560	-	12,17,52,878

2.7 The basic earnings per share ("EPS") is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year.

Particulars	31-March-2019	31-March-2018
Profit/(Loss) after Tax	(86,34,756)	(38,84,728)
Number of Equity Shares	10,000	10,000
Nominal Value of Equity Shares	10	10
Basic Earnings per Share	(863.47)	(388.47)

2.8 Other disclosures are made as under :

- i. Value of Import on CIF Basis - NIL

ii.	Expenses in Foreign Currency	-	NIL
iii.	Amount remitted in Foreign Currency	-	NIL
iv.	Earnings in Foreign Currency	-	NIL

For AAA M & CO.,
CHARTERED ACCOUNTANTS
 FRN: 081136



(CA RAHUL GUPTA, FCA)
 PARTNER
 M.No.419625

For & on the Behalf of Board of Directors of
SITI FACTION DIGITAL PRIVATE LIMITED

DIRECTOR
 PUSHPINDER SINGH CHAHAL
 DIN-08066877

DIRECTOR
 RAHUL DABAS
 DIN-03408514

Date: 08/05/2019

Place: NOIDA