

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF QYOU MEDIA INDIA PRIVATE LIMITED**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **QYOU MEDIA INDIA PRIVATE LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and Statement of Cash Flow for the year then ended, April 01, 2021 to March 31, 2022, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the state of affairs of the Company as at March 31, 2022, and its loss and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA's) 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 (the "ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's *Code of Ethics*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Emphasis of Matter**

We draw your attention to:

- a) Note 2.5 and Note 34 of the financial statements, which states that, the Company has incurred cash losses to the extent of Rs. 60,308.16 thousand during the current financial year which led to erosion of the net worth of Company. The Holding Company has infused additional share capital subsequent to the Balance Sheet date.
- b) Note 2.6 of the financial statements, which states that, the Company has submitted application with Reserve Bank of India online on September 13, 2022 to rectify the factual error to register the foreign shareholding subscribed in the Memorandum of Association with RBI through its Authorized Dealer, which got regularized on September 16, 2022.

- c) Note 8.3 of the financial statements, which states that “The Company is in the process of compiling and assimilating the relevant information from its suppliers about their coverage under the Micro, Small and Medium Development Act, 2006. Hence, disclosures in the financial statements have been made to the extent the information is available with the Company.”

Our opinion is not modified in respect of these matters.

### **Other Information**

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

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

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

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

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

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, the financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to reporting on the adequacy of the "internal financial control with reference to the financial statements of the Company and the operating effectiveness of such control", refer to our separate report in "**Annexure B**"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with requirements of Section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, Section 197 of the Act related to the managerial remuneration not applicable.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has no pending litigations which has impact on its financial position.  
– Refer Note 35 to the financial statements.
  - ii. The Company does not have any material foreseeable losses on long term contracts including derivative contracts requiring provision under the applicable law or accounting standards.
  - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. According to information and explanations given to us and based on our examination of the records of the Company, the Company has not declared or paid dividend hence the provisions of section 123 are not applicable.

**For KALYANIWALLA & MISTRY LLP  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 104607W / W100166**

Damarla Sai  
Venkata  
Ramana

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**Sai Venkata Ramana Damarla  
Partner**

**Membership Number: 107017  
UDIN: 22107017AWHSNF7752**

Place: Mumbai

Date: September 28, 2022

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2022.

### **Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020:**

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
  
(B) The Company is maintaining proper records of intangible assets showing full particulars.
- (b) As explained to us, the Property, Plant and Equipment are physically verified by the management at periodic intervals. The Property, Plant and Equipment have been physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not own immovable property. Accordingly, paragraph 3 (i) (c) of the order is not applicable.
- (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has not made any investment in, provided any guarantee or security or granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties Therefore, the provisions of sub-clause (a) to (f) of paragraph 3(iii) of the Order are not applicable to the Company for the current year.
- iv. In our opinion and according to the information and explanations given to us and the records examined by us, in respect the Company has not advanced any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3 (iv) of the Order are not applicable to the Company.



- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods & Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities, wherever applicable and there are no such outstanding dues as at March 31, 2022, for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanation given to us and the records examined by us, there are no material dues of Income Tax, Sales Tax, Service Tax, Goods and Service tax (GST), duty of Customs, Duty of Excise and Value added tax which have not been deposited on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- ix. (a) The Company has not taken any loans or other borrowings from any lender, i.e., banks, financial institutions and government. The Company has taken external commercial borrowings from its Holding Company wherein interest of Rs. 5,000.83 thousand was due for payment on March 31, 2022 (Refer 4 and Note 8 of the financial statements). However, the said interest is not paid till the date of this audit report. As informed, the said borrowing is not covered in the category of lender. Hence, reporting under clause 3(ix)(a) of the Order for amount of default in repayment of principal and interest is not applicable.  
  
(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.  
  
(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.  
  
(d) On an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis. Hence, reporting under clause 3(ix)(d) of the Order is not applicable.



- (e) The Company does not have any subsidiaries or joint venture or associates and hence the question of commenting whether the company has taken any funds during the year to meet the obligations of subsidiaries or joint venture or associates does not arise. Hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company does not have any subsidiaries or joint venture or associates and hence the question of commenting whether the company has raised the loans during the year on pledge of securities held in subsidiaries or joint venture or associates does not arise and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions of paragraph 3(x)(a) of the Order are not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) The Vigil mechanism is not mandated by the Companies Act, 2013 for the Company, as represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. The Company is a private limited company; hence the provisions of section 177 of the Act are not applicable. The Company has complied with the provisions of section 188 and the details of transactions with the related parties have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The company is not required to have Internal audit system as per section 138 of the companies Act, 2013. Hence, the provisions of paragraph 3(xiv) (a) and (b) of the Order are not applicable.
- xv. According to the information and explanation given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Hence the provisions of Section 192 of the Act are not applicable.

- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses amounting to Rs. 60,308.16 thousand during the financial year covered by our audit. The Company has not incurred any cash losses in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors of the Company during the year and no issues, objections or concerns were raised by the outgoing auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The company is not required to spent towards Corporate Social Responsibility. Hence, reporting under clause 3(xx) (a) and (b) of the Order is not applicable.

**For KALYANIWALLA & MISTRY LLP**  
**CHARTERED ACCOUNTANTS**  
**Firm Reg. No. 104607W / W100166**

Damarla Sai

Venkata Ramana

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**Sai Venkata Ramana Damarla**

**Partner**

**Membership Number: 107017**

**UDIN: 22107017AWHSNF7752**

Place: Mumbai

Date: September 28, 2022

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2022.

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

We have audited the internal financial controls with respect to financial statements of **QYOU MEDIA INDIA PRIVATE LIMITED** ("the Company") as of March 31, 2022, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with respect to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with respect to financial statement and their operating effectiveness.

Our audit of internal financial controls with respect to financial statement included obtaining an understanding of internal financial controls with respect to financial statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with respect to Financial Statement**

A Company's internal financial control with respect to financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with respect to financial statement includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with respect to Financial Statement**

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with respect to financial statement and such internal financial controls with respect to financial statement were operating effectively as at March 31, 2022, based on the internal control with respect to financial statement 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 ICAI.

**For KALYANIWALLA & MISTRY LLP**  
**CHARTERED ACCOUNTANTS**  
**Firm Reg. No. 104607W / W100166**

Damarla Sai

Venkata Ramana

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**Sai Venkata Ramana Damarla**  
**Partner**

**Membership Number: 107017**  
**UDIN: 22107017AWHSNF7752**  
Place: Mumbai  
Date: September 28, 2022

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2022**

(Rs. in thousand)

Particulars	Note No.	(Rs. in thousand)	
		As at March 31, 2022	As at March 31, 2021
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	2	8,499.83	8,499.83
(b) Reserves and Surplus	3	(58,785.52)	5,609.12
		<u>(50,285.69)</u>	<u>14,108.95</u>
<b>Non - Current Liabilities</b>			
(a) Long Term Borrowings	4	2,57,744.14	-
(b) Deferred Tax Liabilities (Net)	5	-	56.86
(c) Long Term Provisions	6	90.47	-
		<u>2,57,834.61</u>	<u>56.86</u>
<b>Current Liabilities</b>			
(a) Trade Payables	7		
(i) Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		37,652.94	33,299.40
(b) Other Current Liabilities	8	1,23,778.47	17,139.59
(c) Short-term Provisions	9	4.57	1,848.73
		<u>1,61,435.98</u>	<u>52,287.71</u>
<b>TOTAL</b>		<u><b>3,68,984.91</b></u>	<u><b>66,453.52</b></u>
<b>II. ASSETS</b>			
<b>Non - Current Assets</b>			
(a) Property, Plant and Equipment and Intangibles	10		
(i) Property, Plant and Equipment		8,303.63	1,056.22
(ii) Intangible asset		20,784.75	0.00
(b) Long Term Loans and Advances	11	4,531.51	86.31
(c) Other Non Current Assets	12	7,640.30	1,386.00
		<u>41,260.18</u>	<u>2,528.53</u>
<b>Current Assets</b>			
(a) Trade receivables	13	1,27,197.40	4,782.09
(b) Cash and Cash Equivalents	14	30,562.58	6,832.56
(c) Short Term Loans and Advances	15	1,69,698.22	52,272.28
(d) Other Current Assets	16	266.52	38.06
		<u>3,27,724.72</u>	<u>63,924.99</u>
<b>TOTAL</b>		<u><b>3,68,984.91</b></u>	<u><b>66,453.52</b></u>

**Significant Accounting Policies**

1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date  
For Kalyaniwalla & Mistry LLP  
Chartered Accountants

Firm Registration No.: 104607W/W100166

Damarla Sai Venkata Ramana

Sai Venkata Ramana Damarla

Partner

Membership No. 107017

Place: Mumbai

Date: September 28, 2022

For and on behalf of the Board of Directors of  
Qyou Media India Private Limited

CURT WAYNE MARVIS

Curt Wayne Marvis

Director

DIN : 08231593

Place: USA

Date: September 28, 2022

KRISHNA RAJGOPAL MENON L MENON

Krishna Rajgopal Menon

Director

DIN : 08606385

Place: Mumbai

Date: September 28, 2022

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022**

		(Rs. in thousand)	
Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Revenue from operations	17	5,06,119.93	71,897.03
II. Other income	18	354.02	-
<b>III. Total Income (I + II)</b>		<b>5,06,473.95</b>	<b>71,897.03</b>
<b>IV. Expenses</b>			
Cost of Services rendered	19	3,42,415.84	44,886.27
Employee Benefits Expenses	20	95,909.01	287.52
Finance costs	21	5,275.14	-
Depreciation and amortisation expenses	10	4,215.80	216.24
Other expenses	22	1,23,182.12	19,066.86
<b>Total Expenses</b>		<b>5,70,997.91</b>	<b>64,456.89</b>
<b>V. Profit / (Loss) before Tax (III - IV)</b>		<b>(64,523.96)</b>	<b>7,440.14</b>
<b>VI. Tax Expense</b>			
(1) Current Tax		-	2,025.00
(2) Prior Period Tax Adjustments		(72.46)	
(3) Deferred Tax		(56.86)	47.06
<b>VII. Total Tax Expenses</b>		<b>(129.32)</b>	<b>2,072.06</b>
<b>VIII. Profit/(Loss) for the year (V - VII)</b>		<b>(64,394.64)</b>	<b>5,368.08</b>
<b>IX. Earnings per equity share:</b>	23		
Basic & Diluted (Rs)		(75.76)	21.73
(Face Value Rs. 10/- per share)			
<b>Significant Accounting Policies</b>	1		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date  
**For Kalyaniwalla & Mistry LLP**  
**Chartered Accountants**

Firm Registration No.: 104607W/W100166

**Damarla Sai Venkata Ramana**

Digitally signed by Damarla Sai Venkata Ramana  
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 Date: 2022.09.28 21:43:48 +05'30'

**Sai Venkata Ramana Damarla**  
 Partner

Membership No. 107017

Place: Mumbai

Date: September 28, 2022

For and on behalf of the Board of Directors of  
**Qyou Media India Private Limited**

**CURT WAYNE MARVIS**

Digitally signed by CURT WAYNE MARVIS  
 Date: 2022.09.28 20:20:55 +05'30'

**Curt Wayne Marvis**  
 Director

DIN : 08231593

Place: USA

Date: September 28, 2022

**KRISHNA RAJGOPAL MENON**

Digitally signed by KRISHNA RAJGOPAL MENON  
 Date: 2022.09.28 20:26:21 +05'30'

**Krishna Rajgopal Menon**  
 Director

DIN : 08606385

Place: Mumbai

Date: September 28, 2022



**QYOU MEDIA INDIA PRIVATE LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022**

Particulars	For the year ended March 31, 2022	(Rs. in thousand) For the year ended March 31, 2021
<b>A CASH FROM OPERATING ACTIVITIES</b>		
<b>Profit / (Loss) before tax</b>	(64,523.96)	7,440.14
Adjustments for :		
Depreciation and Amortisation Expenses	4,215.80	216.24
Finance Costs	5,275.14	-
Interest Income	(354.02)	-
Foreign Exchange Fluctuations	8,262.27	-
<b>Operating Profit / (Loss) before Working Capital changes</b>	<b>(47,124.77)</b>	<b>7,656.38</b>
<b>Movements in Working Capital:</b>		
Trade receivables	(1,22,415.31)	(4,701.03)
Long Term Loans and Advances	-	(1,199.69)
Other Non Current Assets	(14,516.57)	-
Short Term Loans and Advances	(1,17,425.94)	(52,233.77)
Other Current Assets	(228.45)	-
Trade Payable	4,353.55	33,698.93
Other Current Liabilities & Provisions	1,06,638.89	16,391.92
Short Term Provisions	(1,844.17)	1,796.99
Long Term Provisions	90.47	-
<b>Cash generated from Operating Activities</b>	<b>(1,92,472.31)</b>	<b>1,409.74</b>
Less: Direct taxes received / (paid)	(4,372.74)	(2,025.00)
<b>Net Cash from Operating Activities (A)</b>	<b>(1,96,845.05)</b>	<b>(615.26)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(32,247.95)	(1,124.38)
Interest Income	354.02	-
<b>Net Cash generated from/(used in) Investment Activities (B)</b>	<b>(31,893.93)</b>	<b>(1,124.38)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share application Money	-	8,399.83
Interest on ECB	(5,275.14)	-
ECB	2,57,744.14	-
<b>Net Cash from Financing Activities (C)</b>	<b>2,52,469.00</b>	<b>8,399.83</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>23,730.02</b>	<b>6,660.19</b>
<b>Cash and Cash equivalents (opening)</b>	6,832.56	172.37
<b>Cash and Cash equivalents (closing)</b>	30,562.58	6,832.56
<b>Net increase in cash and cash equivalents</b>	<b>23,730.02</b>	<b>6,660.19</b>

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS) 3 on "Cash Flow Statements" and presents cash flows by operating, investing and financing activities.
- Figures in bracket are outflows/deductions.
- Figures of the previous year have been regrouped/ rearranged wherever necessary to make it comparable to the current year presentation.

**As per our report of even date**  
**For Kalyaniwalla & Mistry LLP**  
**Chartered Accountants**

Firm Registration No.: 104607W/W100166

**Damarla Sai Venkata Ramana**

Digitally signed by Damarla Sai Venkata Ramana  
DN: cn=Personal, 2.5.4.20=95690185b6251d9702e60151bdfabc39d61b09de741bb740d934acd2a1063, postalCode=421501, st=Maharashtra, serialNumber=6953310d41d09464bb985e6d04ced3e8d17f71e8cccf5c0dd19446b9b121a, cn=Damarla Sai Venkata Ramana  
Date: 2022.09.28 21:46:04 +05'30'

**Sai Venkata Ramana Damarla**  
Partner

Membership No. 107017

Place : Mumbai

Date: September 28, 2022

**For and on behalf of the Board of Directors of**  
**QYOU MEDIA INDIA PRIVATE LIMITED**

**CURT WAYNE MARVIS**

Digitally signed by CURT WAYNE MARVIS  
Date: 2022.09.28 20:21:20 +05'30'

**Curt Wayne Marvis**  
Director

DIN : 08231593

Place: USA

Date: September 28, 2022

**KRISHNA RAJGOPAL MENON**

Digitally signed by KRISHNA RAJGOPAL MENON  
Date: 2022.09.28 20:26:42 +05'30'

**Krishna Rajgopal Menon**  
Director

DIN: 08606385

Place: Mumbai

Date: September 28, 2022

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

**1 Corporate Information:**

Qyou Media India Private Limited, company incorporated in India under the provisions of the Companies Act, 2013. Corporate Identity Number is U22219MH2018FTC314401. The company is interalia engaged in the business of broadcasting television channel, buy, sell, procure, commission, films, entertainment, information, software (Programme) for their exhibition, distribution and dissemination on TV channels.

**A SIGNIFICANT ACCOUNTING POLICIES:**

**i) Basis of preparation of Financial Statements**

The financial statements of the Company have been prepared on accrual basis under the historical cost convention and on going concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 and amendment thereto and the relevant provisions of the Companies Act, 2013 ('the Act').

**ii) Use of estimates**

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (and disclosures of contingent liabilities and the reported income and expenses during the year. The Management believes that the estimates used in preparation the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialised.

**iii) Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products/services and the time between the acquisition of assets for processing and their realisation 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.

**iv) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest on Investment is booked on time proportion basis considering the amounts invested and the rate of interest.

**v) Expenditure**

Expenses are accounted for on accrual basis and provisions are made for all known losses and liabilities.

**vi) Property, Plant and Equipment**

Property, Plant and Equipment ("PPE") are stated at cost less accumulated depreciation and impairment loss (if any). The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its location and working condition for the intended use.

**vii) Depreciation and Amortisation**

Depreciation has been provided on the straight line method, pro rata to the period of use, over the useful life as prescribed in Schedule II of the Companies Act, 2013.

Office Improvements are depreciated over the lease period or over its useful life if the useful life is less than the lease period.

Intangible Assets are amortized over the 3 years period starting from the month in which the show is aired, amortization in the ratio of 50 : 25 : 25.

**viii) Investments**

Investments are classified as current or long term based on the management contention at the time of purchase. Long Term Investment are shown at cost. However when there is decline other than temporary in the value of long term investment, the carrying amount is reduced to recognize the decline. Current Investment are stated at lower of cost or market value.

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

**ix) Borrowing Costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset one that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

**x) Taxes on income**

Tax expense comprises of current tax 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 and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the balance sheet date.

Deferred income taxes reflect the impact of current year 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 balance sheet date.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences 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 realised. In situations where the Company 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 realised against future taxable profits.

**xi) Foreign exchange transactions and translations**

**Initial Recognition:**

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

**Conversion:**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

**Exchange differences:**

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

**xii) Provisions and Contingencies:**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted reflect the current best estimates.

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

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

**xiii) Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items), as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares).

Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**xiv) Employee Benefits**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

The Company operates a defined benefit plan for its employees viz., gratuity. The costs of providing benefits under the plan are determined based on actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for defined benefit plan are recognised in full in the period in which they occur in the statement of profit and loss.

The Company does not have policy of encashment of accumulated leaves at end of a period. Accumulated leaves are only allowed to be carried forward to next period upto a limit specified by the company for that period.

**xv) Cash and Cash Equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**xvi) Events occurring after the Balance sheet date**

Events occurring after the Balance sheet date are considered up to the date of finalization of accounts, wherever material.

**xvii) Leases**

Operating lease payments are recognised in the statement of profit and loss on a straight line basis over the lease term.

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(Rs. in thousand)

**Note 2 - Share Capital**

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Authorised</b>		
9,30,000 (9,30,000) Equity Shares of Rs. 10/- each	9,300.00	9,300.00
	<b>9,300.00</b>	<b>9,300.00</b>
<b>Issued, Subscribed and Paid up</b>		
8,49,983 (8,49,983) Equity Shares of Rs. 10/- each, fully paid up	8,499.83	8,499.83
<b>TOTAL</b>	<b>8,499.83</b>	<b>8,499.83</b>

**Note 2.1**

There is no movement in the number of equity shares outstanding during the year ended March 31, 2022 and March 31, 2021.

**Note 2.2**

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled for one vote per share. Accordingly, all equity shares rank equally with regards to dividends and shares in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder's of equity shares will be entitled to receive the residual assets of the Company after distribution of all preferential amounts in proportion to the number of equity shares held.

**Note 2.3**

**Details of shareholders holding more than 5% of equity shares:**

Name of Shareholders	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	%	No. of Shares	%
Qyou Media Inc* ("the Holding Company")	7,47,985	88	7,47,985	88
Sunder Solomon Aaron	84,998	10	84,998	10
Kaplan Wright Family Trust	17,000	2	17,000	2

\* Including 1 share held by Krishna Menon

**Note 2.4**

**Details of Shares held by the Promoters are as under:**

Name of Promoter	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	%	No. of Shares	%
Qyou Media Inc*	7,47,985	88	7,47,985	88

**Note 2.5**

Subsequent to the Balance Sheet date, the Holding Company has infused capital to the extent of Rs.75,600.00 thousand by increasing the paid up share capital from Rs. 8,499.83 thousand to Rs. 84,099.83 thousand.

**Note 2.6**

The Company has submitted application with Reserve Bank of India ("RBI") online on September 13, 2022 to rectify the factual error to register the foreign shareholding subscribed in the Memorandum of Association ("MOA") with RBI through its Authorised Dealer. The details of Qyou Media Holdings Inc., Canada should have been registered with the RBI as the subscribed and shareholder instead of the Holding Company. Abiding by the same, the shares were in principal allotted to the Qyou Media Holdings Inc. which was filed with Registrar of Companies - Mumbai. However, post incorporation, Qyou Media Holdings Inc. assigned unconditionally rights to the Holding Company for the MOA subscribed shares since it was unable to infuse money towards subscribed shares considering it did not have a bank account and KYC for fund infusion and hence, while filing FCGPR it was stated with detailed clarification that shares are allotted to Holding Company. The same got regularized on September 16, 2022.

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

	(Rs. in thousand)	
	As at March 31, 2022	As at March 31, 2021
<b>Note 3 - Reserve &amp; Surplus</b>		
<b><u>Surplus in the statement of Profit and Loss</u></b>		
Opening Balance	5,609.12	241.04
Add: Net Profit/(Loss) for the year	(64,394.64)	5,368.08
<b>TOTAL</b>	<b>(58,785.52)</b>	<b>5,609.12</b>

**Note 4 - Long Term Borrowings**

**Unsecured**

External Commercial Borrowings

	2,57,744.14	-
<b>TOTAL</b>	<b>2,57,744.14</b>	<b>-</b>

**Note 4.1**

The Company has availed a external commercial borrowing ("ECB") from Qyou Media Inc., Canada ("the Holding Company") amounting to USD \$ 4,800.00 thousand equivalent to Rs. 3,55,000.00 thousand for working capital purposes having interest rate of 6 month LIBOR +350 basis point, i.e., 3.5% p.a payable at yearly intervals.

During the year, the Company has draw down ECB amounting to USD \$ 3,400.00 thousand equivalent to Rs. 2,57,744.14 thousand with interest due at 3.5% p.a. payable on or before 31st March of every year till the date of repayment of draw down.

**Note 4.2**

**Repayment Schedule:**

(Amount in thousand)

Draw Down			Repayment of Principal		
Month	Year	Amount in (USD)	Month	Year	Amount in (USD)
June 10, 2021	2021	1,625.00	March 31, 2025	2025	650.00
July 31, 2021	2021	550.00	September 30, 2025	2025	450.00
September 30, 2021	2021	550.00	March 31, 2026	2026	450.00
January 31, 2022	2022	675.00	September 30, 2026	2026	450.00
June 30, 2022	2022	425.00	March 31, 2027	2027	450.00
September 30, 2022	2022	425.00	September 30, 2027	2027	475.00
December 31, 2022	2022	275.00	March 31, 2028	2028	475.00
March 31, 2023	2023	275.00	September 30, 2028	2028	675.00
			March 31, 2029	2029	725.00
<b>Total</b>		<b>4,800.00</b>			<b>4,800.00</b>

**Note 4.3**

The Company is not declared wilful defaulter by any bank or financial institution or other lender.

**Note 4.4**

The Company has not borrowed any loans from banks or financial institutions on the basis of security of current assets. Hence, the Company is not required to submit any quarterly returns or statements of current assets with banks or financial institutions.

**Note 4.5**

The Company has not borrowed any loans from banks or financial institutions. Hence there are no charges pending to be registered with Registrar of Companies.

**Note 5 - Deferred Tax Liabilities (Net)**

**Disclosure under Accounting Standard -22 on 'Accounting for Taxes on Income'**

**Deferred Tax Liability**

Depreciation on Fixed Assets	56.86	56.86
Less : Reversal of Deferred Tax Liability	(56.86)	-
<b>TOTAL</b>	<b>-</b>	<b>56.86</b>

**Note 5.1**

Deferred Tax Assets are not recognized as there is no virtual certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised. Also, basis the current year losses, income tax provision is not created for the current year.

**Note 6 - Long Term Provisions**

Provision for Employee Benefits

	90.47	-
<b>TOTAL</b>	<b>90.47</b>	<b>-</b>

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

	(Rs. in thousand)	
	As at March 31, 2022	As at March 31, 2021
<b>Note 7 - Trade Payables</b>		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	37,652.94	33,299.40
<b>TOTAL</b>	<b>37,652.94</b>	<b>33,299.40</b>

**Note 7.1**

**(i) Ageing as at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Others	-	37,640.90	12.04	-	-	37,652.94
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	-	<b>37,640.90</b>	<b>12.04</b>	-	-	<b>37,652.94</b>

**(ii) Ageing as at March 31, 2021**

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Others	-	33,299.40	-	-	-	33,299.40
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	-	<b>33,299.40</b>	-	-	-	<b>33,299.40</b>

**Note 8 - Other Current Liabilities**

Interest accrued and due on borrowings	5,000.83	-
Statutory Dues (Refer Note 8.1)	75,286.49	2,844.85
Capital Creditors	1,009.09	-
Payables to Employees	1,352.91	30.70
Bonus Payable	19,021.74	-
Advance from Customers	197.53	13,560.68
Other Payables	21,909.88	703.36
<b>TOTAL</b>	<b>1,23,778.47</b>	<b>17,139.59</b>

**Note 8.1 :** There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

**Note 8.2 :** Advance from Customer includes advance received from related party of Rs. Nil (PY: Rs. 13,560.68 thousand)

**Note 8.3 :**

Under the Micro, Small and Medium Enterprises Development Act, 2006, which came into force on October 02, 2006, the Company is required to make certain disclosures relating to Micro, Small and Medium Enterprise. The Company is in the process of compiling and assimilating the relevant information from its suppliers about their coverage under the Act. Hence, disclosures have been made to the extent the information is available with the Company.

Particulars	March 31, 2022	March 31, 2021
Dues remaining unpaid	12.60	-
Principal	12.60	-
Interest	-	-
Interest paid in terms of Section 16 of MSMED Act	-	-
Amount of payments made to supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year without adding interest specified under MSMED Act	-	-
Amount of interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the Act	-	-

**Note 9 - Short-Term Provisions**

Provision for Employee Benefits	4.57	-
Provision for Income Tax (Net of Tax Deducted at Source)	-	1,848.73
<b>TOTAL</b>	<b>4.57</b>	<b>1,848.73</b>



**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

**Note 10 - Property, Plant and Equipments and Intangibles**

**(i) Property, Plant and Equipment**

(Rs. in thousand)

Particulars	Gross Block				Depreciation				Net Block	
	As At April 01, 2021	Additions	Deletions	As At March 31, 2022	As At April 01, 2021	For the Year	Adjustments / (Deductions) during the year	As At March 31, 2022	As At March 31, 2022	As At March 31, 2021
Computers	1,247.38	5,811.51	-	<b>7,058.89</b>	222.14	786.99	-	<b>1,009.13</b>	<b>6,049.76</b>	1,025.24
Office Equipments	31.00	506.22	-	<b>537.22</b>	0.02	17.77	-	<b>17.79</b>	<b>519.43</b>	30.98
Office Improvements	-	1,850.00	-	<b>1,850.00</b>	-	115.56	-	<b>115.56</b>	<b>1,734.44</b>	-
<b>Total</b>	<b>1,278.38</b>	<b>8,167.73</b>	-	<b>9,446.11</b>	<b>222.16</b>	<b>920.33</b>	-	<b>1,142.48</b>	<b>8,303.63</b>	<b>1,056.22</b>
Previous Year	<b>154.00</b>	<b>1,124.38</b>	-	<b>1,278.38</b>	<b>5.92</b>	<b>216.24</b>	-	<b>222.16</b>	<b>1,056.22</b>	-

**(ii) Intangible assets**

(Amount in Rs. )

Particulars	Gross Block				Amortisation				Net Block	
	As At April 01, 2021	Additions	Deletion	As At March 31, 2022	As At April 01, 2021	For the Year	Adjustment	As At March 31, 2022	As At March 31, 2022	As At March 31, 2021
Owned Content - Hasi ka Hahakar	-	8,950.00	-	<b>8,950.00</b>	-	1,118.75	-	<b>1,118.75</b>	<b>7,831.25</b>	-
Owned Content - Jurm ka Chehra (JKC)	-	5,804.60	-	<b>5,804.60</b>	-	2,176.73	-	<b>2,176.73</b>	<b>3,627.88</b>	-
Owned Content - Balam Pichkari	-	4,000.00	-	<b>4,000.00</b>	-	-	-	-	<b>4,000.00</b>	-
Owned Content - Gyarah Din	-	3,825.00	-	<b>3,825.00</b>	-	-	-	-	<b>3,825.00</b>	-
Owned Content - Mummy Wala Pyar	-	1,500.62	-	<b>1,500.62</b>	-	-	-	-	<b>1,500.62</b>	-
<b>Total</b>	-	<b>24,080.22</b>	-	<b>24,080.22</b>	-	<b>3,295.48</b>	-	<b>3,295.48</b>	<b>20,784.75</b>	-
Previous Year	-	-	-	-	-	-	-	-	-	-

**Note 10.1 :** The Company doesnot have any immovable property as at the reporting period.

**Note 10.2 :** The Company has not done revaluation on its Property, Plant and Equipments during the year

**Note 10.2 :** The Company doesnot have any Capital Work in Progress or Intangible assets under development during the reporting period

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

		(Rs. in thousand)				
		As at March 31, 2022	As at March 31, 2021			
<b>Note 11 - Long Term Loans and Advances</b>						
(Unsecured, Considered Good)						
Advance Tax and Tax Deducted Source (Net)		4,531.51	86.31			
<b>TOTAL</b>		<b>4,531.51</b>	<b>86.31</b>			
<b>Note 12 - Other Non Current Assets</b>						
Security Deposit		7,640.30	1,386.00			
<b>TOTAL</b>		<b>7,640.30</b>	<b>1,386.00</b>			
<b>Note 13 - Trade Receivables</b>						
(Unsecured, Considered Good)						
		1,27,197.40	4,782.09			
<b>TOTAL</b>		<b>1,27,197.40</b>	<b>4,782.09</b>			
<b>Note 13.1</b>						
<b>(i) Ageing as at March 31, 2022</b>						
Particulars	Outstanding for following periods					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivable - considered good	1,27,197.03	0.37	-	-	-	1,27,197.40
Undisputed Trade receivable - considered doubtful	-	-	-	-	-	-
Disputed Trade receivable - considered good	-	-	-	-	-	-
Disputed Trade receivable - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>1,27,197.03</b>	<b>0.37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,27,197.40</b>
<b>(ii) Ageing as at March 31, 2021</b>						
Particulars	Outstanding for following periods					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivable - considered good	4,782.09	-	-	-	-	4,782.09
Undisputed Trade receivable - considered doubtful	-	-	-	-	-	-
Disputed Trade receivable - considered good	-	-	-	-	-	-
Disputed Trade receivable - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>4,782.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,782.09</b>
<b>Note 14 - Cash and Cash Equivalents</b>						
Cash on Hand		11.91	117.73			
Balances with Banks :						
In Current Accounts		24,935.67	6,714.83			
In Fixed Deposits with maturity less than 3 months		5,615.00	-			
<b>TOTAL</b>		<b>30,562.58</b>	<b>6,832.56</b>			
<b>Note 15 - Short Term Loans and Advances</b>						
(Unsecured, Considered Good)						
Input Goods and Service Tax		91,693.27	14,378.83			
Prepaid Expenses		78,004.96	37,893.45			
<b>TOTAL</b>		<b>1,69,698.22</b>	<b>52,272.28</b>			
<b>Note 16 - Other Current Assets</b>						
Title Registration Charges		69.75	-			
Accrued interest on fixed deposit		112.16	-			
Advance from Suppliers		84.61	38.06			
<b>TOTAL</b>		<b>266.52</b>	<b>38.06</b>			

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(Rs. in thousand)

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Note 17 - Revenue from Operations</b>		
(a) Sale of Services		
Sales - Local	4,29,465.90	8,763.86
Sales - Export	75,463.23	63,133.18
(b) Other Operating Revenue	1,190.81	-
<b>TOTAL</b>	<b>5,06,119.93</b>	<b>71,897.03</b>
<b>Note 18 - Other Income</b>		
Interest on:		
Fixed Deposits with Bank	349.00	-
Income Tax Refund	5.02	-
<b>TOTAL</b>	<b>354.02</b>	<b>-</b>
<b>Note 19 - Cost of Services</b>		
Content Expenses	64,754.03	10,822.50
Carriage Fees	2,77,661.81	34,063.77
<b>TOTAL</b>	<b>3,42,415.84</b>	<b>44,886.27</b>
<b>Note 20 - Employee Benefit Expenses</b>		
Salaries	75,375.67	195.30
Bonus	19,021.74	-
Contribution to Provident and Other Funds	891.42	-
Gratuity Expenses	95.04	-
Staff Welfare Expenses	525.14	92.22
<b>TOTAL</b>	<b>95,909.01</b>	<b>287.52</b>
<b>Note 21 - Finance Cost</b>		
Interest on External Commercial Borrowings	5,275.14	-
<b>Total</b>	<b>5,275.14</b>	<b>-</b>
<b>Note 22 - Other Expenses</b>		
Power and Fuel	381.72	113.41
Rent	4,857.69	2,283.94
Advertisement/Marketing Expenses	40,042.66	1,416.00
Sales Commission	17,695.77	-
Cloud Payout Charges	4,342.49	-
Commission Charges	3,063.97	-
Repairs and Maintenance	815.97	94.70
Legal, Professional Fees & Consultancy Charges	34,579.56	5,773.80
Audit Fees (Refer Note 22.1)	695.00	150.00
Software Expenses	71.58	76.62
Rates and Tax	104.73	58.31
Royalty	1,879.41	1,879.41
Insurance Expenses	425.58	150.00
Internet Expenses	137.75	3,178.76
Travelling & Conveyance Expenses	919.15	236.74
Promotion Expenses	1,457.53	2,316.94
Foreign Exchange Fluctuations	8,262.27	-
Hiring Charges	937.45	-
Donation	11.00	-
Sundry Balances written off	-	21.73
Miscellaneous Expenses	2,500.85	1,316.52
<b>Total</b>	<b>1,23,182.12</b>	<b>19,066.86</b>
<b>Note 22.1</b>		
Payment to Auditors :		
Audit Fees	450.00	150.00
Other Matters	245.00	-
<b>Total</b>	<b>695.00</b>	<b>150.00</b>

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(Rs. in thousand)

**Note 23 - Earnings per Share:**

The Company reports earnings per shares (EPS) in accordance with AS 20, on 'Earnings per Share' issued by ICAI. Basic EPS is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Particulars	Current Year	Previous Year
Profit / (Loss) after tax (Rs.)	(64,394.64)	5,368.08
Weighted Number of Shares	8,49,983	2,47,036
<b>Basic &amp; Diluted EPS</b>	<b>(75.76)</b>	<b>21.73</b>

**Note 24 - Disclosure under Accounting Standard -18 on "Related Party Disclosure"**

**(A) Names of related parties and nature of relationship**

(Disclosures have been made to the extent of information available.)

**(i) Holding Company**

Qyou Media Inc.

**(ii) Other related party relationships where transaction have taken place during the year:**

**(a) Associate Enterprise**

Qyou USA Inc.

**(b) Key Managerial Personnel**

Curt Wayne Marvis

Krishna Rajgoopal Menon

**(iii) Transactions during the year and balances outstanding as on March 31, 2022, with related parties were as follows:**

Name	Transactions	March 31, 2022	March 31, 2021
<b>During the year:</b>			
Qyou Media Inc	Service Fees	70,781.61	53,663.20
	External Commercial Borrowings	2,57,744.14	-
	Interest on External Commercial Borrowings	5,275.14	-
	Royalty	1,879.41	1,879.41
Qyou USA Inc	Service Fees	4,681.62	9,469.98
<b>Outstanding Balances:</b>			
Qyou Media Inc	Other Payable	-	8,886.88
	External commercial borrowing	2,62,744.97	-
Qyou USA Inc	Other Payable	-	4,673.80

**Note 25 - Disclosure under Accounting Standard -17 on "Segment Reporting"**

The Company operates only in one business segment, i.e, broadcasting television channel, buy, sell, procure, commission, films, entertainment, distribution and dissemination on TV channel, hence separate reporting for "Segment Reporting" is not applicable.

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

**Note 26 - Disclosure under AS-15 (Revised 2005)**

The Company provides for Employees' Gratuity, a defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Gratuity Act or as per Company's policy whichever is beneficial to the employees.

Following table sets out the status of the gratuity provided and the amounts recognised in the Company's financial statements as at March 31, 2022:

	<b>(Rs. in thousand)</b>
	<b>For the year ended March 31, 2022</b>
<b><u>Change in present value of obligation</u></b>	
Opening Present Value of obligation	-
Interest Cost	-
Service Cost	95.04
Benefits Paid	-
Transfer (Out) / In	-
Actuarial (gain) / loss on obligation	-
Closing Present Value of obligation	<b>95.04</b>
<b><u>Change in plan assets</u></b>	
Opening fair value of plan assets	-
Expected return on plan assets	-
Contributions	-
Benefits paid	-
Actuarial gain / (loss) on plan assets	-
Closing fair value of plan assets	-
<b>Total Actuarial gain / (Loss) to be recognised</b>	<b>95.04</b>
<b>Amount recognised in the Balance Sheet:</b>	
Liability as at year end	95.04
Fair Value of plan assets as at the year end	-
Net Obligation as at the year end	<b>95.04</b>
<b>Net gratuity cost for the year</b>	
Current Service Cost	95.04
Interest Cost	-
Expected return on plan assets	-
Net Actuarial (gain)/ loss to be recognised	-
Past Service Cost	-
<b>Net gratuity cost</b>	<b>95.04</b>
<b>Assumptions used in accounting for the gratuity plan:</b>	
Discount Rate	4.4%
Salary escalation rate	10%
Expected rate of return on plan assets	-

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

(Rs. in thousand)

**Note 27 - Disclosure under Accounting Standard - 19 on 'Leases'**

The lease rentals in respect of office space charged during the period and maximum obligations on non-cancellable operating leases payable as per the rentals stated in the lease agreement are given in accordance with the Accounting Standard (AS-19) on "Leases" issued by the Institute of Chartered Accountants of India.

Lease Payments	Current Year Rs.	Previous Year Rs.
Lease Rent paid during the year	4,857.69	2,283.94
Future lease obligation		
(i) Not later than 1 year	9,473.15	2,824.36
(ii) later than 1 year but not later than 5 years	38,394.42	11,445.52

**Note 28 - Expenditure in Foreign Currency**

Particulars	March 31, 2022		March 31, 2021	
	USD	INR	USD	INR
Royalty	24.41	1,879.41	24.41	1,879.41
Interest on External Commercial Borrowings	69.59	5,275.14	-	-
<b>Total</b>		<b><u>7,154.55</u></b>		<b><u>1,879.41</u></b>

**Note 29- Earnings in Foreign Currency**

Particulars	Currency	March 31, 2022		March 31, 2021	
		Value	INR	Value	INR
Income from Operations	USD	77.47	5,872.43	126.27	9,469.98
	CAD Dollar	1,166.33	70,781.61	925.23	53,663.20
<b>Total</b>			<b><u>76,654.03</u></b>		<b><u>63,133.18</u></b>

**Note 30 -Details of Unhedged Foreign Currency Exposure**

Particulars	Currency	March 31, 2022		March 31, 2021	
		Value	INR	Value	INR
Interest on External Commercial Borrowings	USD	65.97	5,000.83	-	-
External Commercial Borrowings*		2,012.50	1,52,561.79		
<b>Total</b>			<b><u>1,57,562.62</u></b>		<b><u>-</u></b>

\* The Company hedged foreign currency exposure on external commercial borrowing to the extent of USD 1,387.50 thousand

**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

**Note 31 - Other Regulatory Disclosures as per Schedule III**

- i) There are no loans or advances in the nature of loans are granted to KMPs, Promoters, Directors or any related parties.
- ii) There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the Rules made thereunder.
- iii) There were no transactions with struck off companies under Section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the reporting year.
- iv) The requirements of Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017 are not applicable to the company.
- v) The requirements of Section 230 to 237 of the Companies Act, 2013 are not applicable to the company.
- vi) The company has not advanced or loaned or invested (either from borrowed funds or share premium or any other source of funds) to other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or like on or behalf of the Ultimate Beneficiaries.
- vii) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall either directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- viii) The Company has no such transactions which are not recorded in books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) The Company have not traded or invested in Crypto Currency or Virtual Currency during the year.
- x) The applicable ratios are calculated and disclosed below

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance	Reason for Variance
Return on capital employed:	Profit before Tax	Capital Employed (Equity)	128.31%	52.73%	143.33%	Increase in the volume of business operations
Net Profit:	Profit after Tax	Net Sales	-12.72%	7.47%	-270.41%	Increased cost of operations due to increase in volume of business has led to negative net profit
Current Ratio:	Current Assets	Current Liabilities	2.03	1.13	79.45%	Investment in Content Asset & High AR are factor contributing to increase in Current ratio
Return on Equity ratio:	Net Profit after tax	Shareholders Equity	128.06%	38.05%	236.57%	Increase in the volume of business operations
Net Capital turnover ratio:	Net Sales	Average working capital	5.86	21.04	-72.17%	Increase in working capital investment has led to decline in the % of variance
Trade receivable turnover ratio:	Net credit sales	Average accounts receivable	7.67	29.36	-73.87%	Increase in average AR has led to decline in ratio for current year
Trade payable turnover ratio:	Net credit purchase	Average trade payable	9.65	2.67	261.21%	Increase in the volume of business operations



**QYOU MEDIA INDIA PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

**Note 32 - Code of Social Security, 2020**

The Indian Parliament has approved the Code on Social Security, 2020 (“Code”) which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact and will record any related impact in the period once the Code becomes effective.

**Note 33 -**

The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, receivables, advances, property plant and equipment, Intangibles etc as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information. Having reviewed the underlying data and based on current estimates, the Company does not expect any material impact on the carrying amount of these assets and liabilities. The impact of COVID-19 on the Company's financials statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions. The Company has also evaluated the impact of the same on the aforementioned risks i.e. credit risk, liquidity risk, market risk, currency risk and interest risk and does not foresee any material impact on account of the same.

**Note 34 -**

The Company has incurred cash losses to the extent of Rs. 60,308.16 thousand during the current financial year which led to erosion of the net worth of Company. The Holding Company has infused additional share capital subsequent to the Balance Sheet date (Refer Note 2.5).

**Note 35 -**

	<b>Current Year</b>	<b>Previous Year</b>
	<b>Rs.</b>	<b>Rs.</b>
Contingent Liabilities	-	-

**Note 36 -**

(i) The Opening balances are being taken as per the previous year's accounts which were audited by a firm of Chartered Accountants other than Kalyaniwalla and Mistry LLP.

(ii) Balances of trade receivable, advances, trade payable, other liabilities and assets are subject to confirmation / reconciliation adjustment, if any.

(iii) All amounts are stated in Rupees in thousand in accordance with amendments to schedule III notification dated March 24, 2021.

(iv) Figures for the previous year have been regrouped and / or reclassified wherever necessary to conform to the current year's classification.