

**Colorful Media Private Limited**  
**Financial Statements**  
**2019-20**

# Independent Auditor's Report

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## TO THE MEMBERS OF COLORFUL MEDIA PRIVATE LIMITED

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Colorful Media Private Limited ('the Company')**, which comprise the Balance Sheet as at 31<sup>st</sup> March 2020, 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. (hereinafter referred to as "the Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the financial position of the Company as at 31<sup>st</sup> March 2020 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### 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 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 Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued there under. 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.

That Board of Directors is also responsible for overseeing the Company's financial reporting process.

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### Auditor's Responsibility for the Audit of the Financial Statements

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

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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies act, 2013, 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.

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, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure A** statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Further to our comment in the Annexure A, 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 (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with Ind AS prescribed under Section 133 of the Act read with relevant rules there under;
  - e. On the basis of the written representations received from the directors of the Company as on 31<sup>st</sup> March, 2020, taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164(2) of the Act;

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- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”;
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197 (16) of the Act;
- In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 of the act is not applicable to the company since no managerial remuneration is paid / provided.
- 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 Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts.
  - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

**For Pathak H.D. & Associates LLP**

Chartered Accountants

Firm Registration No. 107783W/W100593

**Gopal Chaturvedi**

Partner

Membership No. 090903

UDIN : 20090903AAAABE9464

Place : Mumbai

Date : 19/04/2020

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**“Annexure A” to the Independent Auditor’s Report**

**(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Colorful Media Private Limited on the financial statements for the year ended 31<sup>st</sup> March 2020)**

- (i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) are not applicable to the Company.
- (ii) The Company does not have any inventory that requires physical verification. Therefore, the provisions of paragraph 3 (ii) of the Order are not applicable to the Company.
- (iii) The Company has not 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. Therefore, the provision of paragraph 3 (iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanation given to us, the Company has not made any loan, investment, and guarantees to any person specified under section 185 and section 186 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iv) of the Order are not applicable to the Company.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) According to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act in respect of Company’s products. Therefore, the provisions of paragraph 3(vi) of the Order are not applicable to the Company.
- (vii) (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Goods and Service Tax, Custom Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at March 31, 2020 for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there are no dues in respect of Income Tax, Goods and service tax, Customs Duty sand other material statutory dues that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and on the basis of information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us the Company has not paid or provided managerial remuneration therefore requisite approvals mandated by the provision of section 197 read with Schedule V to the Act is not applicable.
- (xii) The Company is not Nidhi Company as per Companies Act 2013. Therefore, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) The provisions of Section 177 of the Companies Act 2013 are not applicable to the Company as it does not fulfil the criteria specified in the Section 177 of Companies Act 2013. In our opinion all transactions with related parties are in compliance with section 188 of Companies Act, 2013 where applicable and details have been disclosed in financial statements, as required by the applicable Indian accounting standards.

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- (xiv) During the year, the Company has not made any preferential allotment or private- placement of shares or fully or partly convertible debentures. Therefore, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

**For Pathak H.D. & Associates LLP**

Chartered Accountants

Firm Registration No. 107783W/W100593

**Gopal Chaturvedi**

Partner

Membership No. 090903

UDIN : 20090903AAAABE9464

Place : Mumbai

Date : 19/04/2020

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**“Annexure B” to the Independent Auditor’s Report**

**Referred to in paragraph 2(f) under the heading “ Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Colorful Media Private Limited on the financial statements for the year ended 31<sup>st</sup> March 2020.**

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

We have audited the internal financial controls over financial reporting of Colorful Media Private Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Pathak H.D. & Associates LLP**

Chartered Accountants

Firm Registration No. 107783W/W100593

**Gopal Chaturvedi**

Partner

Membership No. 090903

UDIN : 20090903AAAABE9464

Place : Mumbai

Date : 19/04/2020



## Balance Sheet as at 31st March, 2020

	Notes	As at 31st March, 2020	Amount in Rupees As at 31st March, 2019
<b>ASSETS</b>			
<b>Non-Current Investments</b>			
Financial Assets			
Investments	1	382 82 54 270	382 82 54 270
Other Non-Current Assets	2	1 063	1,063
<b>Total Non-Current Assets</b>		<b>382 82 55 333</b>	<b>382 82 55 333</b>
<b>Current Assets</b>			
Financial Assets			
Investments	3	15 26 327	14 36 107
Trade Receivables	4	-	3 60 000
Cash and Cash Equivalents	5	50 735	98 149
<b>Total Current Assets</b>		<b>15 77 062</b>	<b>18 94 256</b>
<b>Total Assets</b>		<b>382 98 32 395</b>	<b>383 01 49 589</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	7	1 00 000	1 00 000
Other Equity	8	382 96 87 882	382 96 61 386
<b>Total Equity</b>		<b>382 97 87 882</b>	<b>382 97 61 386</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Financial Liabilities			
Trade Payables Dues to	9		
Micro and Small Enterprises		-	-
Other than Micro and Small Enterprises		5 310	3 54 000
Other Current Liabilities	10	33 040	33 040
Provisions	11	6 163	1 163
<b>Total Current Liabilities</b>		<b>44 513</b>	<b>3 88 203</b>
<b>Total Equity and Liabilities</b>		<b>382 98 32 395</b>	<b>383 01 49 589</b>

Significant Accounting Policies

See accompanying Notes to the Financial Statements 1 to 22

As per our Report of even date

**For Pathak H.D. & Associates LLP**

Chartered Accountants

Firm Registration No. 107783W/W100593

**Gopal Chaturvedi**

Partner

Membership No. 090903

Place: Mumbai

Date : April 19, 2020

**For and on behalf of the Board of Directors**

**L V Merchant**

Director

**Venkataraman Ramachandran**

Director

## Statement of Profit and Loss for the year ended 31st March, 2020

		<i>Amount in Rupees</i>	
	Notes	2019-20	2018-19
<b>Income</b>			
Revenue from Operations	12	4 40 640	3 60 000
Other Income	13	90 220	1 34 143
<b>Total Income</b>		<b>5 30 860</b>	<b>4 94 143</b>
<b>Expenses</b>			
Purchase of traded goods	14	4 32 000	3 54 000
Other expenses	15	67 364	1 65 924
<b>Total Expenses</b>		<b>4 99 364</b>	<b>5 19 924</b>
<b>Profit / (Loss) before tax</b>		<b>31 496</b>	<b>( 25 781)</b>
<b>Tax expense:</b>			
Current tax		5 000	100
Taxes for earlier years		-	1 063
Net tax expense		5 000	1 163
<b>Profit / (Loss) for the year</b>		<b>26 496</b>	<b>( 26 944)</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>26 496</b>	<b>( 26 944)</b>
<b>Earnings per equity share of face value of ₹ 10 each</b>			
(a) Basic	16	2.65	(2.69)
(b) Diluted	16	0.00	(2.69)

Significant Accounting Policies

See accompanying Notes to the Financial Statements 1 to 22

As per our Report of even date  
**For Pathak H.D. & Associates LLP**  
Chartered Accountants  
Firm Registration No. 107783W/W100593

**Gopal Chaturvedi**  
Partner  
Membership No. 090903

Place: Mumbai  
Date : April 19, 2020

**For and on behalf of the Board of Directors**

**L V Merchant**  
Director

**Venkataraman Ramachandran**  
Director

## Statement of Changes in Equity for the year ended 31st March, 2020

*Amount in Rupees*

### A. Equity Share Capital

Balance as at 1st April, 2018	Changes during the year 2018-19	Balance as at 31st March, 2019	Changes during the year 2019-20	Balance as at 31st March, 2020
1 00 000	-	1 00 000	-	1 00 000

### B. Other Equity

Particulars	Instrument classified as Equity (Refer note. 8)	Reserves and Surplus	Total
		Retained Earnings	
<b>As on 31st March, 2019</b>			
Balance at the beginning of the reporting period i.e. 1st April, 2018	386 58 37 670	(3 61 49 340)	382 96 88 329
Total Comprehensive Income for the year	-	( 26 944)	( 26 944)
<b>Balance at the end of the reporting period i.e. 31st March, 2019</b>	<b>386 58 37 670</b>	<b>(3 61 76 284)</b>	<b>382 96 61 386</b>

<b>As on 31st March, 2020</b>			
Balance at the beginning of the reporting period i.e. 1st April, 2019	386 58 37 670	(3 61 76 284)	382 96 61 386
Total Comprehensive Income for the year	-	26 496	26 496
<b>Balance at the end of the reporting period i.e. 31st March, 2020</b>	<b>386 58 37 670</b>	<b>(3 61 49 788)</b>	<b>382 96 87 882</b>

As per our Report of even date  
**For Pathak H.D. & Associates LLP**  
 Chartered Accountants  
 Firm Registration No. 107783W/W100593

**Gopal Chaturvedi**  
 Partner  
 Membership No. 090903

Place: Mumbai  
 Date : April 19, 2020

**For and on behalf of the Board of Directors**

**L V Merchant**  
 Director

**Venkataraman Ramachandran**  
 Director

## Cash Flow Statement for the year ended 31st March, 2020

	<i>Amount in Rupees</i>	
	2019-20	2018-19
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before tax as per Statement of Profit and Loss	31 496	( 25 781)
Adjusted for:		
<b>Realise gain on sale of investments</b>	-	( 33 975)
Unrealised gain on investment	( 90 220)	( 1 00 168)
Operating loss before working capital changes	( 58 724)	( 1 59 924)
Adjusted for:		
<b>Trade and Other Payables</b>	( 3 48 690)	2 38 064
Trade and Other Receivables	3 60 000	( 3 60 000)
<b>Cash (used in)/ generated from operations</b>	( 47 414)	( 2 81 860)
<b>Taxes paid (Net)</b>	-	( 1 063)
<b>Net cash flow used in operating activities</b>	( 47 414)	( 2 82 923)
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Purchase of Investments</b>	-	(950,000)
<b>Sale of investment</b>	-	12 26 025
<b>Profit on sale of investmetns</b>	-	33 975
<b>Net cash flow from investing activities</b>	-	3 10 000
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>	-	-
Net cash flow used in financing activities	-	-
Net (Decrease) in Cash and Cash equivalents	( 47 414)	27 077
Opening Balance of Cash and Cash equivalents	98 149	71 072
Closing Balance of Cash and Cash equivalents	50 735	98 149

As per our Report of even date  
**For Pathak H.D. & Associates LLP**  
 Chartered Accountants  
 Firm Registration No. 107783W/W100593

**Gopal Chaturvedi**  
 Partner  
 Membership No. 090903

Place: Mumbai  
 Date : April 19, 2020

**For and on behalf of the Board of Directors**

**L V Merchant**  
 Director

**Venkataraman Ramachandran**  
 Director

## Notes To Financial Statements for the Year Ended 31st March, 2020

### A CORPORATE INFORMATION

Colorful Media Private Limited (“the Company”) is a private limited company incorporated in India on 27th December, 2010, having its registered office at 13th Floor, Maker Chambers IV, 222, Nariman Point, Mumbai - 400021 Maharashtra, India. The Company is engaged in the business of trading and has also made investments.

### B SIGNIFICANT ACCOUNTING POLICIES

#### B.1 BASIS OF PREPARATION AND PRESENTATION

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

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

Company’s financial statements are presented in Indian Rupees (₹) which is its functional currency.

#### B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### (a) Property, plant and equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably.

Depreciation on property, plant and equipment is provided using written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

##### (b) Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

##### (c) Contingencies

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

##### (d) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in statement of profit or loss, except to the extent that it relates to items recognised in the comprehensive income.

###### i) Current tax

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

###### ii) Deferred tax

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

## Notes To Financial Statements for the Year Ended 31st March, 2020

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

### (e) Revenue recognition

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

Revenue from contracts with customers includes sale of goods and services. Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

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

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

In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

### Interest income

Interest Income from a Financial Assets is recognised using effective interest rate method.

### Dividend income

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

### (f) Financial instruments

#### (I) Financial Assets

##### Initial recognition and measurement:

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

##### Subsequent measurement:

#### i) Financial assets measured at amortised cost (AC)

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

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

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

## Notes To Financial Statements for the Year Ended 31st March, 2020

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

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

### iv) Investment in subsidiaries, associates and joint ventures:

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

#### Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

- a) Financial assets at amortised cost
- b) Financial assets measured at fair value through Other Comprehensive income

The Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses historical loss experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

## (II) Financial liabilities

#### Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

#### Subsequent measurement:

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

### (g) Earnings per share

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

### C Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

## Notes To Financial Statements for the Year Ended 31st March, 2020

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**i) Recoverability of trade receivables:**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**ii) Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

**iii) Fair value measurement**

For estimates relating to fair value of financial instruments refer note 21 of financial statements



## Notes To Financial Statements for the Year Ended 31st March, 2020

1	Non-current Investments	<i>Amount in Rupees</i>			
		As at 31st March, 2020		As at 31st March, 2019	
		Units	Amount	Units	Amount
	<b>Investments classification at cost</b>				
	<b>In Equity shares - Quoted, fully paid up</b>				
	Network18 Media & Investments Limited of ₹ 5 each	12,75,28,287	361 88 98 610	12,75,28,287	361 88 98 610
	TV18 Broadcast Limited of ₹ 2 each	1,04,20,173	20 84 05 660	1,04,20,173	20 84 05 660
			<u>382 73 04 270</u>		<u>382 73 04 270</u>
	<b>In Preference shares of Fellow Subsidiary</b>				
	<b>- Unquoted, fully paid up</b>				
	6% Non-Cumulative Optionally Convertible Preference shares of RB Holdings Private Limited of ₹ 10 each	95,000	9 50 000	95,000	9 50 000
	<b>Total</b>		<u>382 82 54 270</u>		<u>382 82 54 270</u>
	Aggregate amount of quoted investments		<u>382 73 04 270</u>		<u>382 73 04 270</u>
	Market Value of quoted investments		250 26 98 765		489 71 70 330
	Aggregate amount of unquoted investments		9 50 000		9 50 000
	Aggregate provision for impairment in value of Investments		-		-
1.1	<b>Category-wise Non-current Investments</b>				
	Financial assets measured at cost		<u>382 82 54 270</u>		<u>382 73 04 270</u>
	<b>Total</b>		<u>382 82 54 270</u>		<u>382 73 04 270</u>
2	<b>Other Non-Current Assets</b>				
	(Unsecured and considered good)				
				<i>Amount in Rupees</i>	
			As at	As at	
			31st March, 2020	31st March, 2019	
	Advance payment of taxes		<u>1 063</u>	<u>1 063</u>	
	<b>Total</b>		<u>1 063</u>	<u>1 063</u>	
3	<b>Current Investments</b>				
	<b>Investments classification at Fair value through Profit and Loss (FVTPL)</b>				
	<b>In Mutual Fund-Unquoted</b>				
	ICICI Prudential Liquid - Direct plan growth	5,195.45	15 26 327	5,195.45	14 36 107
	<b>Total</b>		<u>15 26 327</u>		<u>14 36 107</u>
	Aggregate amount of unquoted investments		<u>15 26 327</u>		<u>14 36 107</u>
	Market Value of unquoted investments		15 26 327		14 36 107
3.1	<b>Category-wise current investments</b>				
	Financial assets measured at Fair value through Profit and Loss (FVTPL)		<u>15 26 327</u>		<u>14 36 107</u>

## Notes To Financial Statements for the Year Ended 31st March, 2020

4 Trade Receivables (Unsecured and considered good)	<i>Amount in Rupees</i>	
	As at 31st March, 2020	As at 31st March, 2019
Trade receivables	-	3 60 000
	<u>-</u>	<u>3 60 000</u>
	<u>-</u>	<u>3 60 000</u>
	<u>-</u>	<u>3 60 000</u>
5 Cash and Cash equivalents	<i>Amount in Rupees</i>	
	As at 31st March, 2020	As at 31st March, 2019
Balance with Banks		
- in current accounts	50 735	98 149
<b>Total</b>	<u>50 735</u>	<u>98 149</u>
	<u>50 735</u>	<u>98 149</u>
	<u>50 735</u>	<u>98 149</u>
6 Taxation	<i>Amount in Rupees</i>	
	Year ended 31st March, 2020 Amount	Year ended 31st March, 2019 Amount
Income tax recognised in Statement of Profit and Loss		
Current tax	5 000	100
Deferred tax	-	-
<b>Total income tax expenses recognised in the current year</b>	<u>5 000</u>	<u>100</u>
	<u>5 000</u>	<u>100</u>
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax	31 496	( 25 781)
Applicable Tax Rate	15.60%	34.61%
Computed Tax Expense	4 913	( 8 922)
Tax Effect of :		
Income not taxable	( 90 220)	( 1 00 168)
Expenses disallowed	90 307	1 09 190
Current Tax Provision (A)	<u>5 000</u>	<u>100</u>
Incremental Deferred Tax Liability on account of PPE	-	-
Incremental Deferred Tax Asset on account of Financial Assets & Other items	-	-
Deferred Tax Provision (B)	<u>-</u>	<u>-</u>
Tax Expenses recognised in Statement of Profit and Loss (A+B)	<u>5 000</u>	<u>100</u>
Effective Tax Rate	15.88%	0.00%
	<u>15.88%</u>	<u>0.00%</u>

## Notes To Financial Statements for the Year Ended 31st March, 2020

7 Equity Share capital	<i>Amount in Rupees</i>			
	As at 31st March, 2020		As at 31st March, 2019	
	Units	Amount	Units	Amount
<b>Authorized Share Capital</b>				
Equity Shares of ₹ 10 each	10,000	1 00 000	10,000	1 00 000
		<u>1 00 000</u>		<u>1 00 000</u>
<b>Issued, subscribed and paid up capital</b>				
Equity Shares of ₹ 10 each fully paid up	10,000	1 00 000	10,000	1 00 000
<b>Total</b>		<u>1 00 000</u>		<u>1 00 000</u>

The Company has only one class of equity shares having face value of ₹10 each share. Each holder of equity share is entitled to one vote per share held. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and right issue. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion of their shareholding.

### Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31st March, 2020	As at 31st March, 2019
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	10,000	10,000
Add : Shares issued during the year	-	-
<b>Equity Shares at the end of the year</b>	<u>10,000</u>	<u>10,000</u>

### Details of shareholders holding more than 5% shares of the Company:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	% held	No. of Shares	% held	No. of Shares
Sanchar Content Private Limited * (On behalf of Independent Media Trust)	100.00%	10,000	100.00%	10,000
<b>Total</b>	<u>100.00%</u>	<u>10,000</u>	<u>100.00%</u>	<u>10,000</u>

\* Includes shares held by nominees of Sanchar Content Private Limited

As per the records of the Company, including the register of shareholder / member and other declaration, if any, received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares

There are no bonus shares issued, shares issued for consideration other than cash and share brought back during the period of five years immediately preceding the reporting date.

## Notes To Financial Statements for the Year Ended 31st March, 2020

8 Other Equity	<i>Amount in Rupees</i>			
	As at 31st March, 2020		As at 31st March, 2019	
	Amount	Amount	Amount	Amount
<b>Instrument classified as Equity</b>				
(a) Zero Coupon Optionally Fully Convertible <sup>(1)</sup> Debentures		378 58 87 670		378 58 87 670
(b) Zero Coupon Compulsory Convertible <sup>(2)</sup> Debentures		7 99 50 000		7 99 50 000
<b>Retained Earnings</b>				
Opening balance	(3 61 76 284)		(3 61 49 340)	
Add: Total Comprehensive Income for the year	(26 496)		(26 944)	
		<u>(3 61 49 788)</u>		<u>(3 61 76 284)</u>
<b>Total</b>		<u><b>382 96 87 882</b></u>		<u><b>382 96 61 386</b></u>

### Note:

- Zero coupon optionally fully convertible debentures (ZOFCD) Units 3,78,58,877 (previous year Units 3,78,58,877)  
Conversion at any time after 2 years from the date of allotment at the option of the Company (Issuer). Each ZOFCD is convertible into 10 Equity shares of the Company. Early conversion at any time after allotment of the ZOFCDs by giving one month notice. These ZOFCDs are held by Sanchar Content Private Limited (On behalf of Independent Media Trust).
- Zero coupon compulsory convertible debentures (ZCCCD) Units 7,99,500 (Previous year Units 7,99,500)  
Conversion at the option of the Company (Issuer) not later than April 30, 2024. Each ZCCCD is convertible into 10 Equity shares of the Company. These ZCCCDs are held by Sanchar Content Private Limited (On behalf of Independent Media Trust).

9 Trade Payables	<i>Amount in Rupees</i>	
	As at 31st March, 2020	As at 31st March, 2019
	Amount	Amount
Micro and Small Enterprises	-	-
Other than Micro and Small Enterprises	5 310	3 54 000
<b>Total</b>	<u><b>5 310</b></u>	<u><b>3 54 000</b></u>

There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2020.

10 Other Current Liabilities	<i>Amount in Rupees</i>	
	As at 31st March, 2020	As at 31st March, 2019
Other payables *	33 040	33 040
<b>Total</b>	<u><b>33 040</b></u>	<u><b>33 040</b></u>

\* provisions for revenue expenditure

## Notes To Financial Statements for the Year Ended 31st March, 2020

11 Provisions	<i>Amount in Rupees</i>	
	As at 31st March, 2020	As at 31st March, 2019
Provision for taxation	6 163	6 163
<b>Total</b>	<b>6 163</b>	<b>6 163</b>
12 Revenue from operations	<i>Amount in Rupees</i>	
	2019-20	2018-19
Sale of traded goods	4 40 640	3 60 000
<b>Total</b>	<b>4 40 640</b>	<b>3 60 000</b>
13 Other Income	<i>Amount in Rupees</i>	
	2019-20	2018-19
Realised gain on sale of investments	-	33 975
Unrealised gain on investments	90 220	1 00 168
<b>Total</b>	<b>90 220</b>	<b>1 34 143</b>
14 Purchase of traded goods	<i>Amount in Rupees</i>	
	2019-20	2018-19
Cost of goods sold	4 32 000	3 54 000
<b>Total</b>	<b>4 32 000</b>	<b>3 54 000</b>
15 Other expenses	<i>Amount in Rupees</i>	
	2019-20	2018-19
DP AMC Charges	885	885
Bank Charges	10	121
Legal and professional expenses	27 010	1 28 918
Payment to Auditor ( Refer details below)	33 040	33 040
Other Establishment Expenses	6 419	2 960
<b>Total</b>	<b>67 364</b>	<b>1 65 924</b>
<b>Payment to Auditor as:</b>		
Statutory Audit Fees	33 040	33 040
<b>Total</b>	<b>33 040</b>	<b>33 040</b>

## Notes To Financial Statements for the Year Ended 31st March, 2020

16 Earnings per share (EPS)	<i>Amount in Rupees</i>	
	2019-20	2018-19
Net Profit / (Loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders	26 496	( 26 943)
Weighted Average number of Equity Shares used as denominator for calculating basic EPS	10000	10,000
<b>Effect of dilution:</b>		
Weighted average number of equity shares upon conversion		
Zero Coupon Optionally Fully Convertible Ddebentures	378,588,767	378,588,767
Zero Coupon Compulsory Convertible Debentures	7,995,000	7,995,000
Weighted Average number of Equity Shares used as denominator for calculating diluted EPS	386,593,767	386,593,767
Basic Earnings per Share	2.65	(2.69)
Diluted Earnings per Share *	0.0001	(2.69)
Face value per Equity Share	10	10

\* Diluted earnings per share is same as basic earnings per share, since the potential equity shares are anti dilutive.

17 The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable

### 18 Related Parties Disclosures

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

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

Name of Related Party	Relationship
Independent Media Trust	Enterprise exercising control
Reliance Industries Limited Reliance Industrial Investments and Holdings Limited	Beneficiary/ Protector of Independent Media Trust
RB Holdings Private Limited	Fellow Subsidiary Company

ii) Transactions during the year with related parties:

Particulars	Beneficiary/ Protector of Independent Media Trust	Fellow Subsidiary Company	Total
<b>Investments</b>			
RB Holdings Private Limited	-	-	-
	(-)	( 9 50 000)	( 9 50 000)
<b>Professional fees</b>			
Reliance Industries Limited	-	-	-
	( 1 19 478)	(-)	( 1 19 478)
Reliance Industrial Investments and Holdings Limited	23,010	-	23,010
	( 9 440)	(-)	( 9 440)
<b>Balances as on 31st March, 2020</b>			
<b>Investments</b>			
RB Holdings Private Limited	-	9 50 000	9 50 000
	(-)	( 9 50 000)	( 9 50 000)

(Figures in brackets represents figures for previous years)

## 19 Segment Information

The Company has identified two reportable segments viz. Finance & Investments and Trading. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting..

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment.

Segment assets and segment liabilities represent assets and liabilities in respective segments.

i) Primary Segment Information :

*Amount in Rupees*

Sr No	Particulars	Finance & Investments		Trading		Total	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
1	<b>Segment Revenue</b>						
	Turnover	90 220	1 34 143	4 40 640	3 60 000	5 30 860	4 94 143
2	<b>Segment results before Interest and Taxes</b>	22 856	( 31 781)	8 640	6 000	31 496	( 25 781)
	Less: Interest expense	-	-	-	-	-	-
	Add : Interest Income	-	-	-	-	-	-
	Profit before tax	22 856	( 31 781)	8 640	6 000	31 496	( 25 781)
	Current Tax	5 000	1 163	-	-	5 000	1 163
	Net profit after tax	17 856	( 32 944)	8 640	6 000	26 496	( 26 944)
3	<b>Other Information</b>						
	Segment Assets	382 98 32 395	383 01 49 589	-	-	382 98 32 395	383 01 49 589
	Segment Liabilities	44 513	3 88 203	-	-	44 513	3 88 203
	Capital Expenditure	-	-	-	-	-	-
	Depreciation	-	-	-	-	-	-

ii) Since all the operations of the Company are conducted within India, as such there is no separate reportable geographical segment.

## 20 Capital Management

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The company manages its capital structure and make adjustment in light of changes in business condition. The overall strategy remains unchanged as compare to last year.

**21 Financial Instruments****Valuation**

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

**Fair Valuation Measurement hierarchy***Amount in Rupees*

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	Carrying Amount	Level of input used in		Carrying Amount	Level of input used in	
		Level 1	Level 2		Level 1	Level 2
<b>Financial Assets</b>						
<b>At Amortised Cost</b>						
Investments *	-	-	-	-	-	-
Trade Receivables	-	-	-	3 60 000	-	-
Cash and Bank balance	50 735	-	-	98 149	-	-
<b>At FVTPL</b>						
Investments	15 26 327	-	15 26 327	14 36 107	-	14 36 107
<b>At FVTOCI</b>	-	-	-	-	-	-
<b>Financial Liabilities</b>						
<b>At Amortised Cost</b>						
Trade Payables	5 310	-	-	354,000	-	-
<b>At FVTPL</b>	-	-	-	-	-	-
<b>At FVTOCI</b>	-	-	-	-	-	-

\* Excludes financial assets measured at Cost (Refer note 1.1)

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Credit risk**

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company.

It arises from cash and cash equivalents, financial instruments and from credit exposures relating to outstanding receivables.

The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities.

**Liquidity risk**

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Company manages liquidity risk by maintaining adequate reserves and matching maturity profiles of financial assets and financial liabilities.

**22 Approval of Financial Statements**

The Financial statements were approved for issue by the Board of Directors on April 19, 2020

As per our Report of even date

**For Pathak H.D. & Associates LLP**

Chartered Accountants

Firm Registration No. 107783W/W100593

**Gopal Chaturvedi**

Partner

Membership No. 090903

**For and on behalf of the Board of Directors**

**L V Merchant**

Director

**Venkataraman Ramachandran**

Director

Place: Mumbai

Date : April 19, 2020