Tesseract Imaging Private Limited

Financial Statements

2019-20

Independent Auditor’s Report

To the Members of
Tesseract Imaging Private Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Tesseract Imaging Private Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2020, and 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 significant accounting policies and other explanatory information (herein after referred to as “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 Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit of the Financial Statement in accordance with the Standards on Auditing (SA’s) as 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 together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on Financial Statement.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the Financial Statements and auditors’ report thereon

The Company’s board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board’s Report including Annexure to Board’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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor’s report, 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

Responsibility of Management for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors is 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 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.

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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

   i. 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;

   ii. 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;

   iii. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   iv. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, as amended;

   v. On the basis of the written representations received from the directors of the company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

   vii. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration, if any, paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

      (a) The Company does not have any pending litigations which has impact on financial position in its Financial Statements.

      (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For Patil Mhatre & Pol LLP
Chartered Accountants
(Firm's Reg No.-136420W)

Tejashree Pol
Partner
Membership No. 122116

Date : April 3, 2020
Place : Navi Mumbai
UDIN : 20122116AAAAAD9510

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **Tesseract Imaging Private Limited** for the year ended March 31 2020)

i. In respect of its fixed assets:

 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

 (b) The Company has a programme of verification of fixed assets in phased periodic manner to cover all items of fixed assets which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

 (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Order is not applicable.

ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material

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. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Therefore, reporting under clause (v) of the Order is not applicable.

vi. The Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for the business activities carried out by the company. Thus reporting under clause (vi) of the Order is not applicable.

vii. According to the information and explanations given to us, in respect of statutory dues:

 (a) The Company has generally been regular in depositing undisputed statutory dues of provident fund, income-tax, goods and service tax, value added tax, profession tax cess and other material statutory dues applicable to it to the appropriate authorities except the delays in remittance of provident fund dues from December-2019 to February-2020 of Rs. 453,008 which could be deposited by the company only in March-2020 on completion of registration formalities.

 (b) There were no undisputed amounts payable in respect of provident fund, income-tax, goods and service tax, value added tax, profession tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

 (c) There were no disputed dues in respect of provident fund, income-tax, goods and service tax, value added tax, profession tax and cess and other material statutory dues.

viii. The Company has not issued any debentures. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings from financial institutions, banks or government.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanations provided by the management, the managerial remuneration, if any, has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. According to the information and explanations provided by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us, the Company has made preferential allotment of shares during the year and all the relevant rules and regulations of the Act have been complied and the amount raised have been used for the purpose for which the funds were raised

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Patil Mhatre & Pol LLP
Chartered Accountants
(Firm's Reg No.-136420W)

Tejashree Pol
Partner
Membership No. 122116

Date : April 3, 2020
Place : Navi Mumbai
UDIN : 20122116AAAAAD9510

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(vi) under 'Report on other legal and regulatory requirements' section of our report of even date to the members of **Tesseract Imaging Private Limited** for the year ended March 31 2020)

Report on the internal financial controls over financial reporting 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 Tesseract Imaging 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.

Responsibility of Management for the Financial Statements

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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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 internal financial controls system over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls system over financial reporting with reference to these financial statements 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 Patil Mhatre & Pol LLP
Chartered Accountants
(Firm's Reg No.-136420W)

Tejashree Pol
Partner
Membership No. 122116

Date : April 3, 2020
Place : Navi Mumbai
UDIN : 20122116AAAAAD9510

Balance Sheet as at 31st March 2020

(Rs. in Thousand)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
ASSETS				
Non-current assets				
(i) Property, plant and equipment (net)	3	8,416.07	122.25	133.18
(ii) Intangible assets	3	582.02	727.52	227.52
(iii) Intangible Assets under development	4	46,235.33	-	-
(iv) Non-current assets	5	15.28	301.20	27.60
TOTAL NON CURRENT ASSETS		**55,248.70**	**1,150.97**	**388.30**
Current assets				
(i) Inventories	6	-	403.18	151.74
(ii) Financial assets				
(a) Trade receivables	7	-	189.52	-
(b) Cash and cash equivalents	8	28,563.39	395.66	93.99
(c) Loans	9	200.00	-	-
(iii) Other current assets	10	5,277.46	-	35.31
TOTAL CURRENT ASSETS		**34,040.85**	**988.36**	**281.04**
TOTAL ASSETS		**89,289.55**	**2,139.33**	**669.34**
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	11	100.00	100.00	100.00
Instruments entirely equity in nature	11	31.75	-	-
Other equity				
Reserves and surplus	12	85,149.19	(11,138.07)	(1,237.03)
TOTAL EQUITY		**85,280.94**	**(11,038.07)**	**(1,137.03)**
LIABILITIES				
Non-current liabilities				
Provisions	13	1,112.66	-	-
TOTAL NON CURRENT LIABILITIES		**1,112.66**	**-**	**-**
Current liabilities				
Financial liabilities				
(i) Borrowings	14	-	3,369.04	1,806.37
(ii) Trade payables due to:	15			
Micro and small enterprise		-	-	-
Other than micro and small enterprise		1,948.29	7,304.60	-
Other current liabilities	16	931.99	2,503.76	-
Provisions	17	15.67	-	-
TOTAL CURRENT LIABILITIES		**2,895.95**	**13,177.40**	**1,806.37**
TOTAL LIABILITIES		**4,008.61**	**13,177.40**	**1,806.37**
TOTAL EQUITY AND LIABILITIES		**89,289.55**	**2,139.33**	**669.34**
See accompanying notes forming part of the financial statements	**1 to 33**			

As per our report of even date

For Patil Mhatre & Pol LLP
Chartered Accountants
Firm Reg No: 136420W

Tejashree Pol
Partner
Membership No: 122116

Place: Navi Mumbai
Date: April 3, 2020

For and on behalf of the Board of Directors

Kshitij Marwah
Director
DIN: 07028072

Jyotindra Thacker
Additional Director
DIN: 00006678

Ashish Lodha
Additional Director
DIN: 06617851

Place: Mumbai
Date: April 3, 2020

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

(Rs. in Thousand)

	Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
I.	**Income**		-	-
	Sale of goods		-	948.91
	Income from services		-	3,228.53
	Less: GST recovered		-	611.39
	Revenue from operations	**18**	**-**	**3,566.05**
II.	Other income	**19**	173.75	47.19
	TOTAL REVENUE (A)		**173.75**	**3,613.24**
III.	**Expenses:**			
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	**20**	403.18	(251.43)
	Employee benefits expense	**21**	-	9,600.60
	Depreciation and amortization expense	**3**	15.10	33.92
	Other expenses	**22**	3,448.98	4,131.19
	TOTAL EXPENSES (B)		**3,867.26**	**13,514.28**
IV.	**Loss before tax (A-B)**		**(3,693.49)**	**(9,901.04)**
V.	**Tax Expense:**			
	Current tax		-	-
	Deferred tax		-	-
VI.	**Loss after tax (V - VI)**		**(3,693.49)**	**(9,901.04)**
Earnings per equity share of Rs. 10 each				
Basic (Rs)		**29**	(369.35)	(990.10)
Diluted (Rs)		**29**	(287.54)	(990.10)
See accompanying notes forming part of the financial statements		**1 to 33**		

As per our report of even date

For Patil Mhatre & Pol LLP
Chartered Accountants
Firm Reg No: 136420W

Tejashree Pol
Partner
Membership No: 122116

Place: Navi Mumbai
Date: April 3, 2020

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Additional Director
DIN: 06617851

Place: Mumbai
Date: April 3, 2020

Statement of changes in Equity for the year ended March 31, 2020

A Equity share capital

(Rs. in Thousand)

Particulars	**Amount**
Balance as at April 1, 2018	100.00
Change during the year 2018-19	-
Balance as at March 31, 2019	100.00
Change during the year 2019-20	-
Balance as at March 31, 2020	100.00

B Instruments entirely equity in nature

(Rs. in Thousand)

Particulars	**Amount**
Balance as at April 1, 2018	-
Change during the year 2018-19	-
Balance as at March 31, 2019	-
Change during the year 2019-20	31.75
Balance as at March 31, 2020	31.75

C Other equity

(Rs. in Thousand)

Particulars	**Securities premium**	**Retained earnings**	**Total**
Balance as at March 31, 2018	-	(1,237.03)	(1,237.03)
Loss for the year	-	(9,901.04)	(9,901.04)
Balance as at March 31, 2019	-	(11,138.07)	(11,138.07)
Loss for the year	-	(3,693.49)	(3,693.49)
Issue of compulsorily convertible preference shares	99,980.75	-	99,980.75
Balance as at March 31, 2020	99,980.75	(14,831.56)	85,149.19

As per our report of even date

For Patil Mhatre & Pol LLP
Chartered Accountants
Firm Reg No: 136420W

Tejashree Pol
Partner
Membership No: 122116

Place: Navi Mumbai
Date: April 3, 2020

For and on behalf of the Board of Directors

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Ashish Lodha
Additional Director
DIN: 06617851

Place: Mumbai
Date: April 3, 2020

Cash Flow Statement for the year ended March 31, 2020

(Rs. in Thousand)

Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
A:	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net loss before tax as per statement of profit and loss	(3,693.49)	(9,901.04)
	Adjusted for:		
	(Profit) / Loss on sale / discard of property, plant and equipment (net)	113.33	-
	Depreciation / amortisation and depletion expense	15.10	33.92
	Operating profit before working capital changes	(3,565.06)	(9,867.12)
	Adjusted for:		
	Trade and other receivables	(5,287.94)	(154.20)
	Inventories	403.18	(251.44)
	Trade and other payables	(5,799.76)	9,808.36
	Cash generated from operations	(14,249.58)	(464.40)
	Taxes paid (net)	285.92	(273.60)
	Net cash flow from operating activities	**(13,963.66)**	**(738.00)**
B:	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment and other intangible assets	(54,512.07)	(523.00)
	Net cash flow (used in) investing activities	**(54,512.07)**	**(523.00)**
C:	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of share capital to non controlling interest	1,00,012.50	-
	Repayment of borrowing - current	(3,369.04)	(41.00)
	Proceeds of borrowing - current		1,603.67
	Net cash from / (used in) financing activities	**96,643.46**	**1,562.67**
	Net increase / (decrease) in cash and cash equivalents	28,167.73	301.67
	Opening balance of cash and cash equivalents	395.66	93.99
	Closing balance of cash and cash equivalents (Refer note 8)	**28,563.39**	**395.66**

As per our report of even date

For Patil Mhatre & Pol LLP
Chartered Accountants
Firm Reg No: 136420W

Tejashree Pol
Partner
Membership No: 122116

Place: Navi Mumbai
Date: April 3, 2020

For and on behalf of the Board of Directors

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Additional Director
DIN: 06617851

Place: Mumbai
Date: April 3, 2020

Notes to Financial Statements for the year ended March 31, 2020

1 Corporate information

Tesseract Imaging Private Limited (the Company) was incorporated on March 19, 2015. The Company's parent is Reliance Industries Limited. The status of the company is changed to public limited company vide resolution passed in general meeting dated March 20, 2020, pursuant to which the name of the company is changed to 'Tesseract Imaging Limited'. Company is engaged in the business of creating augmented reality, mixed reality, virtual reality headsets, glasses and cameras which aims to create a new spatial computing platform with applications across media, entertainment, productivity, learning, retail and gaming.

2 Significant accounting policies:

2.1 Basis of preparation and presentation of financial statements

The financial statements have been prepared on an accrual basis under the historical cost convention except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

The financial statements of the company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013. Upto the year ended March 31, 2019, the company has prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "previous GAAP". These financial statements are Company's first Ind AS Financial Statements. Refer note E for the first-time adoption principles.The financial statements are presented in Indian Rupees which is the Company's functional currency and rounded of to nearest thousand's ('000) except otherwise indicated.

2.2 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.

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 to the entity and the cost can be measured reliably.

Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. The useful lives of the different category of assets are as under:

Assets	Useful life
Office Equipments	5 years
Computers	3 years

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. Intangible assets

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

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 to the entity and the cost can be measured reliably.

Other indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Intangible assets under development.

Notes to Financial Statements for the year ended March 31, 2020

Gains or losses arising from derecognition of an intangible asset 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.

The Company's intangible assets include assets with finite useful lives which are amortised on a straight-line basis over the period of their expected useful lives.

The useful lives of intangible assets are as under:

Assets	**Useful life**
Softwares	3 years

The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at each reporting date.

c. Research and development expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss.

Development costs are capitalized as an intangible asset if it can be demonstrated that prescribed capitalisation criteria are met, the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the company and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

d. Inventory

Items of inventories are measured at lower of cost and net realisable value aher providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of finished goods, work-in-progress, raw materials, chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis.

e. Impairment of non-financial assets- property, plant and equipment and intangible assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment, goodwill and other intangible assets or group of assets, called cash generating units (CGU), may be impaired. If any such indication exists or when annual impairment testing is required the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

f. Provisions

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

g. Employee benefits expense

Short-term employee benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Notes to Financial Statements for the year ended March 31, 2020

Post-employment benefits:

(i) Defined contribution plans

The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

(ii) Defined benefit plans

The Company pays gratuity to the employees who have completed five years of service with the company at the time of resignation / superannuation. The gratuity is paid at 15 days salary for every completed year of service as per the Payment of Gratuity Act 1972. This is an unfunded plan.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the other Comprehensive Income.

h. Tax expenses

The tax expense for the period comprises current and deferred income tax. Tax expense is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity; in which case, the related tax expense is also recognised in other comprehensive income or equity respectively.

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 at the balance sheet date.

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.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are re-assessed at the each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability will be 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.

i. Foreign currency transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

The Company do not hold any non-monetary items denominated in foreign currencies.

j. Revenue recognition

Revenue from sale of goods 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.

Notes to Financial Statements for the year ended March 31, 2020

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 from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Interest income from financial assets is recognised using effective interest rate.

k. Cash and cash equivalents

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

l. Financial instruments

Financial asset:

(i) Initial recognition and measurement

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

(ii) Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is 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.

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

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by bothcollecting 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. The company do not hold any financial assets to be measured at FVTOCI.

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

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

d) Impairment of financial assets

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

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

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

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

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Notes to Financial Statements for the year ended March 31, 2020

Financial liabilities:

(i) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost.

(ii) Subsequent measurement

Financial liabilities are 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.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or realise the asset and settle the liability simultaneously.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged, cancelled or expires

m. Earning 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.

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

n. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current

A liability is current when

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

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

2.3 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions

Notes to Financial Statements for the year ended March 31, 2020

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 next financial years

a. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

b. Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

2.4 First time adoption of Ind AS

The Company has adopted Ind AS with effect from April 1, 2019 with comparatives being restated. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III to the Companies Act, 2013. The transition from previous GAAP to Ind AS did not have any material impact on the financial statements of the company.

Exceptions from retrospective application of Ind AS

Derecognition of financial assets and financial liabilities:

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date.

Impairment of financial assets:

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition.

Deemed cost:

Ind AS 101 allows a first time adopter to continue with the carrying value for all its property, plant and equipment and Intangible Assets as recognised in its previous GAAP financials on the date of transition. The Company has opted for this exemption and decided to carry its property, plant and equipment and intangible assets at carrying value as per Indian GAAP on the date of transition i.e. April 1, 2019.

Notes to Financial Statements for the year ended March 31, 2020

3. Property, plant and equipment, capital work-in-progress and intangible assets

(Rs. in Thousand)

Particulars	Gross Block							Depreciation							Net Block		
	As at April 1, 2018	Additions	Sale/Adj.	As at March 31, 2019	Additions	Sale/Adj.	As at March 31, 2020	As at April 1, 2018	Additions	Sale/Adj.	As at March 31, 2019	For the Year	Sale/Adj.	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Property, plant and equipment																	
Owned Assets:																	
Office equipment	164.88	23.00		187.88	1,768.23	187.88	1,768.23	31.70	33.92	-	65.62	142.46	74.55	133.53	1,634.70	122.25	133.18
Computers				-	7,723.08		7,723.08				-	941.71		941.71	6,781.37	-	-
Total (A)	**164.88**	**23.00**	**-**	**187.88**	**9,491.31**	**187.88**	**9,491.31**	**31.70**	**33.92**	**-**	**65.62**	**1,084.17**	**74.55**	**1,075.24**	**8,416.07**	**122.25**	**133.18**
Intangible assets																	
Patents	227.52	500.00		727.52	-	-	727.52				-	145.50	-	145.50	582.02	727.52	227.52
Total (B)	**227.52**	**500.00**	**-**	**727.52**	**-**	**-**	**727.52**	**-**	**-**	**-**	**-**	**145.50**	**-**	**145.50**	**582.02**	**727.52**	**227.52**
Total (A + B)	**392.40**	**523.00**	**-**	**915.40**	**9,491.31**	**187.88**	**10,218.83**	**31.70**	**33.92**	**-**	**65.62**	**1,229.67**	**74.55**	**1,220.74**	**8,998.09**	**849.77**	**360.70**
Less: transferred to intangible assets under development				-	-	-	-				-	1,214.57	-	-	-	-	-
Grand Total	**392.40**	**523.00**	**-**	**915.40**	**9,491.31**	**187.88**	**10,218.83**	**31.70**	**33.92**	**-**	**65.62**	**15.10**	**74.55**	**1,220.74**	**8,998.09**	**849.77**	**360.70**
Previous year	**177.40**	**215.00**		**392.40**	**523.00**	**-**	**915.40**	**11.51**	**20.19**		**31.70**	**33.92**	**-**	**65.62**	**849.78**	**360.70**	**165.89**

4 Intangible assets under development

Company is developing a technology for augmented reality, mixed reality, virtual reality headsets, glasses and cameras which aims to create a new spatial computing platform with applications across media, entertainment, productivity, learning, retail and gaming. The cost incurred on the development of the technology is being capitalised under Intangible assets under development.

(Rs. in Thousand)

Particulars	As at April 1, 2018	Additions	Sale/Adj.	As at March 31, 2019	Additions	Sale/Adj.	As at March 31, 2020
Capitalisation of:							
(ii) Employee benefits expense	-	-	-	-	35,650.51	-	35,650.51
(ii) Depreciation and amortization expense	-	-	-	-	1,214.57	-	1,214.57
(iii) Development cost	-	-	-	-	3,971.54	-	3,971.54
(iv) Establishment expenses	-	-	-	-	5,398.70	5,398.70	
Total	**-**	**-**		**-**	**46,235.33**		**46,235.33**
Previous year	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Notes to Financial Statements for the year ended March 31, 2020

5 Other non current assets
(Unsecured, considered good) **(Rs. in Thousand)**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advance income tax (net of provision) (refer note 24)	15.28	301.20	27.60
	15.28	**301.20**	**27.60**

6 Inventories **(Rs. in Thousand)**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Raw material	-	-	151.74
Finished goods	-	403.18	-
	-	**403.18**	**151.74**

7 Trade Receivables
(Unsecured and considered good) **(Rs. in Thousand)**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Trade receivables	-	189.52	-
	-	**189.52**	**-**

8 Cash and cash equivalents **(Rs. in Thousand)**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
a. Balances with banks			
In current accounts	27,362.89	395.47	61.68
In deposit accounts (with a maturity of 12 months)	1,200.00	-	-
b. Cash in hand	0.50	0.19	32.30
Cash and cash equivalents as per balance sheet	**28,563.39**	**395.66**	**93.98**
Cash and cash equivalents as per cash flow statement	**28,563.39**	**395.66**	**93.98**

9 Loan - current
(Unsecured and considered good) **(Rs. in Thousand)**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Loan to employees	200.00	-	-
	200.00	**-**	**-**

10 Other current assets
(Unsecured and considered good) **(Rs. in Thousand)**

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Prepaid expenses	1,472.07	-	-
Advances to vendor	590.10	-	25.00
Deposit	13.00	-	-
Balance with government authorities	3,202.29	-	10.31
	5,277.46	**-**	**35.31**

Notes to Financial Statements for the year ended March 31, 2020

11 Share Capital

(a) Equity share capital

(Rs. in Thousand)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Authorised capital			
30,000 (Previous years - 10,000) equity shares of Rs. 10 each	300.00	100.00	100.00
Issued, subscribed and paid up capital			
10,000 (Previous years - 10,000) equity Shares of Rs. 10 each	100.00	100.00	100.00
	100.00	**100.00**	**100.00**

(b) Instruments entirely equity in nature

(Rs. in Thousand)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Authorised capital			
50,000 (Previous years - Nil) Preference shares of Rs. 10 each	500.00	-	-
Issued, subscribed and paid up capital			
3,175 (Previous year: Nil) Compulsorily Convertible Preference Shares of Rs. 10	31.75	-	-
	31.75	**-**	**-**

11.1 Details of shares held by holding company

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
(a) Equity share:			
Jio Platforms Limited (holding company)	8,995	-	-
(b) Compulsorily convertible preference shares:			
Jio Platforms Limited (holding company)	3,175	-	-

11.2 Details of shareholding more than 5%

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	No. of shares	% held	No. of shares	% held	No. of shares	% held
(a) Equity share:						
Jio Platforms Limited	8,995	89.95	-	-	-	-
Kshitij Marwah	1,000	10.00	9,999	99.99	9,999	99.99
(b) Compulsorily convertible preference shares:						
Jio Platforms Limited	3,175	100.00	-	-	-	-

11.3 Reconciliation of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
(a) Equity share:			
Shares at the beginning of the year	10,000	10,000	10,000
Add: Issued during the year	-	-	-
Shares at the end of the year	**10,000**	**10,000**	**10,000**
(b) Compulsorily convertible preference shares:			
Shares at the beginning of the year	-	-	-
Add: Issued during the year	3,175	-	-
Shares at the end of the year	**3,175**	**-**	**-**

Notes to Financial Statements for the year ended March 31, 2020

11.4 Rights, preferences and restrictions attached to shares

(a) Equity share:

The Company has only one class of equity shares having par value of Rs.10 each and the holder of the equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

(b) Compulsorily convertible preference shares(CCPS):

CCPS carry a dividend right to be paid in cash at par with the holders of any equity shares, which shall be cumulative in nature. CCPS holders shall entitle to the number of votes equal to the number of whole or fractional Equity Shares into which such CCPS holder could have been converted. There initial conversion ratio is CCPS shall be 1:1.

12 Other equity
Reserves and surplus:

(Rs. in Thousand)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**	**As at April 1, 2018**
Securities premium:			
Opening balance	-	-	-
Add: Issue of shares during the year	99,980.75	-	-
Closing balance	**99,980.75**	**-**	**-**
Retained earnings:			
Opening balance	(11,138.07)	(1,237.03)	(372.46)
Add: Loss for the current year	(3,693.49)	(9,901.04)	(864.57)
Closing balance	**(14,831.56)**	**(11,138.07)**	**(1,237.03)**
	85,149.19	**(11,138.07)**	**(1,237.03)**

13 Provisions - non current

(Rs. in Thousand)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**	**As at April 1, 2018**
Provision for employee benefits	1,112.66	-	-
	1,112.66	**-**	**-**

14 Borrowings - current

(Rs. in Thousand)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**	**As at April 1, 2018**
Loans and advances from related parties - unsecured	-	3,369.04	1,806.37
	-	**3,369.04**	**1,806.37**

15 Trade payables

(Rs. in Thousand)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**	**As at April 1, 2018**
Total outstanding dues of micro and small enterprises	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	1,948.29	7,304.60	
	1,948.29	**7,304.60**	**-**

Notes to Financial Statements for the year ended March 31, 2020

16 Other current liabilities

(Rs. in Thousand)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**	**As at April 1, 2018**
Other payables			
(i) Statutory remittances (contributions to PF, withholding taxes etc.)	931.99	2,298.73	
(ii) Advances from customers	-	205.03	
	931.99	**2,503.76**	**-**

17 Provisions - current

(Rs. in Thousand)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**	**As at April 1, 2018**
Provision for employee benefits	15.67	-	-
	15.67	**-**	**-**

18 Revenue from operations

(Rs. in Thousand)

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Sale of goods	-	830.01
Income from services		2,736.04
	-	**3,566.05**

19 Other income

(Rs. in Thousand)

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Interest on fixed deposit	-	-
Trade advance written back	173.75	-
Other non-operating income	-	8.09
Exchange gain	-	39.10
	173.75	**47.19**

20 Changes in inventories of finished goods, work-in-progress and stock-in-trade

(Rs. in Thousand)

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Inventories at the end of year		
Finished goods		403.18
Stock in trade		-
(A)	-	403.18
Inventories at the start of year		
Finished goods	403.18	
Stock in trade	-	151.75
(B)	403.18	151.75
(A - B)	**403.18**	**(251.43)**

Notes to Financial Statements for the year ended March 31, 2020

21 Employee benefit expenses

(Rs. in Thousand)

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Salaries, allowances etc.	34,282.41	9,061.85
Contribution to provident fund and other funds (refer note 26)	311.84	-
Gratuity	400.81	-
Staff welfare expenses	655.45	538.75
	35,650.51	9,600.60
Less: transferred to intangible assets under development	35,650.51	-
	-	**9,600.60**

22 Other expenses

(Rs. in Thousand)

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Development Cost		
Purchases	2,635.67	1,572.31
Shipment cost	161.21	-
Subscription and licenses	848.14	89.77
Development and printing services	326.52	-
	3,971.54	1,662.08
Less: transferred to intangible assets under development	3,971.54	-
(A)	**0.00**	**1,662.08**
Establishment expenses		
Rent	-	432.00
Electricity expenses	-	109.58
Legal and professional fees	2,234.79	261.50
Recruitment fees	1,189.17	-
Payment to auditor (refer note 23)	1,037.00	42.22
Travelling and conveyance	2,267.39	893.20
Advertisement and business promotion	1,115.58	98.70
Telephone and communication	26.18	14.13
Office maintenance	141.24	236.08
Loss on sale or discard of property, plant and equipment	113.33	-
Rates and taxes	325.73	230.77
Printing and stationary	256.46	2.75
Bank charges	115.37	0.49
Fright outward	-	102.55
Miscellaneous	25.44	45.14
	8,847.68	2,469.11
Less: transferred to intangible assets under development	5,398.70	-
(B)	**3,448.98**	**2,469.11**
(A + B)	**3,448.98**	**4,131.19**

Notes to Financial Statements for the year ended March 31, 2020

23 Payment to auditor comprises:
(Exclusive of Service Tax/GST) **(Rs. in Thousand)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Audit fees for the current year	600.00	42.22
Fees for limited review	437.00	-
	1,037.00	**42.22**

24 Advance income tax (net of provision)

(Rs. in Thousand)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
At start of year	301.20	27.60	27.60
Charge for the year - current tax	-	-	
Tax paid (net) during the year	(285.92)	273.60	-
At end of year	**15.28**	**301.20**	**27.60**

25 There are no Micro and Small enterprises to whom the Company owes dues which are outstanding at the balance sheet date. The disclosure regarding micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

(Rs. in Thousand)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Amounts remaining unpaid to any supplier as at the year end		
(i) Principal	-	-
(ii) Interest	-	-
Total interest paid in terms of Section 16 of the MSMED Act	-	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
Amount of interest accrued and remaining unpaid as at the year end	-	-
Amount of interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

26 Disclosures under Ind AS 19 - Employee Benefits

(a) Defined contribution plan

The contributions recognised in the Statement of Profit and Loss during the year are as under:

(Rs. in Thousand)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Employer's contribution to provident fund	311.84	-
	311.84	**-**

The Company's Provident Fund is exempted under Section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

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

(b) Defined benefit plan (unfunded)

(i) Reconciliation of opening and closing balances of defined benefit obligation

(Rs. in Thousand)

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Defined benefit obligation at beginning of the year	400.81	-
Add: On acquisition / transfer	-	-
Current service cost	-	-
Interest cost	-	-
Actuarial (gain) / loss	-	-
Benefits paid	-	-
Defined benefit obligation at end of the year	400.81	-

(ii) Expenses recognised during the year

(Rs. in Thousand)

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
In income statement	-	-
Current service cost	400.81	-
Interest cost	-	-
Net Cost		
In other comprehensive income	-	-
Actuarial (gain) / Loss	-	-
Net (income)/ expense for the year recognised in OCI	400.81	-

(iii) Actuarial assumptions

(Rs. in Thousand)

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Discount rate (per annum)	6.70%	NA
Rate of escalation in salary (per annum)	7.00%	NA

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant actors including supply and demand in the employment market. The above information is certified by the actuary

(iv) Sensitivity analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

(Rs. in Thousand)

Particulars	**For the year ended March 31, 2020**		**For the year ended March 31, 2019**	
	Decrease	**Increase**	**Decrease**	**Increase**
Change in discounting rate (delta effect of +/- 1%)	519.00	311.92	NA	NA
Change in rate of salary increase (delta effect of +/- 1%)	310.17	519.42	NA	NA
Change in rate of employee turnover (delta effect of +/- 1%)	419.52	383.44	NA	NA

Notes on Financial Statements for the period ended 31st March 2020

These plans typically expose the Company to actuarial risks such as: Investment risk, interest risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

27 Related party disclosure as per Ind As 24

A) List of related parties with whom transactions have taken place and relationships:

1 Ultimate holding company:
Reliance Industries Limited (from May 7, 2019)

2 Holding company:
a) Jio Platforms Limited (from March 31, 2020)
b) Reliance Industrial Investments and Holdings Limited (from May 7, 2019 to March 30, 2020)

3 Fellow subsidiaries:
Reliance Retail Limited (from May 7, 2019)
Reliance Industrial Investments and Holdings Limited (from March 31, 2020)

4 Key Management Personnel
Kshitij Marwah (Director)
Jyotindra Thacker (Additional Director from December 18, 2019)
Ashish Lodha (Additional Director from January 9, 2020)
Dolly Rateshwar (Director upto December 18, 2019)

Note: Related parties have been identified by the management and it is based on representation from management and information available with the Company

B) Summary of the transactions with related parties (excluding reimbursements) is as follows:

(Rs. in Thousand)

Particulars	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
(i) Reliance Retail Limited		
Purchase of property plant and equipment	1,207.64	-
Communication expenses	6.75	-
Purchases	5.43	-
Office maintenance	2.43	-
Deposit amount given	1.50	-
(ii) Reliance Jio Infocom Limited		
Communication exp.	1.80	-
Deposit amount given	11.50	-
(iii) Reliance Industrial Investments and Holdings Limited		
Issue of Preference shares at premium	1,00,012.50	-
(iv) Kshitij Marwah		
Repayment of borrowing - current	3,369.04	41.00
Proceeds of borrowing - current	-	1,603.67

Notes on Financial Statements for the period ended 31st March 2020

C) Balances as at March 31, 2020

(Rs. in Thousand)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**	**As at April 1, 2018**
(i) Reliance Retail Limited			
Deposit receivable under other current asset	1.50	-	-
(ii) Reliance Jio Infocom Limited			
Deposit receivable under other current asset	0.01	-	-
(iii) Kshitij Marwah			
Borrowings(current) payable	-	3,369.04	1,806.37

28 Financial instruments

A Capital management

The capital structure of the Company consists of equity share capital, compulsorily convertible preference shares, and accumulated reserves. The Company is not subject to any externally imposed capital requirements. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions, and interest rates environment.

B Financial instruments

B.1 *Fair value hierarchy*

(Rs. in Thousand)

Particulars	**As at March 31, 2020**				**As at March 31, 2019**				**As at April 1, 2018**			
	Carrying amount	**Level 1**	**Level 2**	**Level 3**	**Carrying Amount**	**Level 1**	**Level 2**	**Level 3**	**Carrying Amount**	**Level 1**	**Level 2**	**Level 3**
Financials Assets:												
At Amortised Cost												
Trade Receivable					189.52				-			
Cash and Cash Equivalents	28,563.39				395.66				93.99			
Other financial assets	200.00				-				-			
Financial Liabilities:												
At Amortised Cost												
Borrowings					3,369.04				1,806.37			
Trade Payables	1,948.29				7,304.60				-			
Other financial liabilities												

The Company considers that the carrying amounts of financial assets and financial liabilities at amortised cost approximate their fair values.

B.2 *Financial risk management*

The Company's business activities expose it to a variety of financial risks, namely foreign currency risk, credit risk, and liquidity risk. The following table summarises the risks, its source, and its management

Risk	***Source of Exposure***	***Management***
Foreign Currency Risk	Exchange Rate Fluctuation	Sensitivity Analysis
Credit Risk	Trade Receivables	Aging Analysis
Liquidity Risk	Borrowings	Rolling Cash Flow Forecasts

Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. Exposure can arise on account of the various assets and liabilities which are denominated in currencies other than INR, being the functional currency of the Company.

Notes on Financial Statements for the period ended 31st March 2020

Since there were no balances outstanding as payable or receivable for the years ended, sensitivity analysis is not given for.

Credit Risk:

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

Liquidity Risk:

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date. The Company maintains sufficient cash and other liquid funds to ensure that it will have funds to meet its liabilities when due without incurring unacceptable losses.

The amounts disclosed below are the contractual undiscounted cash flows and considers interest payable in the future periods, if any.

(Rs. in Thousand)

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Upto 1 year	1 to 5 Years	Upto 1 year	1 to 5 Years	Upto 1 year	1 to 5 Years
Borrowings			3,369.04		1,806.37	

29 Earnings per share

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Face value of shares (Rs)	10.00	10.00
Basic earnings per share (Rs)	(369.35)	(990.10)
Net loss for the year (Rs in thousand)	(3,693.49)	(9,901.04)
Weighted average no. of equity shares	10,000	10,000
Diluted earnings per share (Rs)	(287.54)	(990.10)
Net loss for the year (Rs in thousand)	(3,693.49)	(9,901.04)
Weighted average no. of equity shares	12,845	10,000

30 Deferred tax assets

Deferred tax assets in respect of timing differences have not been recognised because it is not considered probable that future taxable profit will be available against which they can be realised.

31 First-time adoption of Ind AS

The transition from previous GAAP to Ind AS did not have any material impact on the financial statements of the company.

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

33 The Financial Statements were approved for issue by the Board of Directors on April 3, 2020.

As per our report of even date

For Patil Mhatre & Pol LLP
Chartered Accountants
Firm Reg No: 136420W

Tejashree Pol
Partner
Membership No: 122116

Place: Navi Mumbai
Date: April 3, 2020

For and on behalf of the Board of Directors

Kshitij Marwah
Director
DIN: 07028072

Jyotindra Thacker
Additional Director
DIN: 00006678

Ashish Lodha
Additional Director
DIN: 06617851

Place: Mumbai
Date: April 3, 2020