

# Board's Report

## To the Members, DB Infomedia Private Limited

Your Directors have pleasure in presenting the 3<sup>rd</sup> Annual Report together with the Balance Sheet and the Statement of Profit and Loss of the Company for the year ended 31<sup>st</sup> March, 2018.

### Financial Highlights

The financial results of your Company for the year ended on 31<sup>st</sup> March, 2018 are as under:

PARTICULARS	₹ in Mn.)	
	2017-18	2016-17
Income	1.30	0.09
Expenditure	4.45	24.71
<b>Loss for the period before tax</b>	<b>(4.45)</b>	<b>(24.62)</b>
Less: Tax (including deferred tax)	-	-
<b>Loss after tax</b>	<b>(4.45)</b>	<b>(24.62)</b>
<b>Net worth</b>	<b>(2.35)</b>	<b>2.09</b>

### Review of Performance

Your Company has successfully completed 3 years of its existence. It could generate revenue of ₹ 1.30 million during the third year and also could keep a strict check on its overheads. The Company managed to run its website [www.postpickle.com](http://www.postpickle.com) ensuring a commensurate performance.

The Board of Directors is positive about the Company's future prospects and is putting all efforts to flourish its business.

### Future Prospects

Your Company aims at creating interesting and engaging content with ideation and distributing content to relevant users. It expects to do well in coming years with focused attention on user experience.

### Dividend

In view of losses for the year under review, your Directors do not recommend any dividend for the financial year 2017-18. Further, there is no question of transferring any amount to the reserves of the Company in view of the loss incurred during FY 2017-18.

### Report on Performance of Subsidiaries, Associates and Joint Venture Companies

The Company's wholly-owned subsidiary viz. I Media Corp Limited has incurred loss of ₹ 1.34 million (before tax). The Company is committed to put in best efforts to improve revenues in coming quarters.

### Loans from Directors

During the year under review, the Company has not borrowed any amount from its Directors.

### Directors

As per Articles of Association of the Company, directors are not liable to retire by rotation.

Mr. Rajeev Chaturvedi and Mr. Manoj Garg, Directors of the Company continue to lead the Company's business operations. There were no new appointments to or cessations from the Board during the year.

### Board Meetings

During the year under review, the Board met 5 (Five) times on 17<sup>th</sup> May, 2017, 17<sup>th</sup> August, 2017, 2<sup>nd</sup> September, 2017, 24<sup>th</sup> November, 2017 and 4<sup>th</sup> January, 2018. The intervening gap between the meetings was well within the limits prescribed under the Companies Act, 2013.

Both the directors were present at all the 5 meetings held during the year.

The Company has complied with the applicable Secretarial Standards in respect of all the above Board Meetings.

### Extract of Annual Return

The extract of the Annual Return in Form MGT 9 is annexed as 'Annexure A' with this Report.

### Directors' Responsibility Statement

Pursuant to requirements under Section 134(3)(c) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- that in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2018, the applicable accounting

standards had been followed, along with proper explanation relating to material departures;

2. that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2018 and of the losses of the Company for the year ended as on that date;
3. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the directors had prepared the annual accounts for the year ended 31<sup>st</sup> March, 2018, on a "going concern" basis;
5. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Statutory Auditors

At the 2<sup>nd</sup> Annual General Meeting ("AGM") of the Company held on 29<sup>th</sup> September, 2017, the members of the Company had approved the appointment of M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) as the Statutory Auditors of the Company for a period of 5 years from the conclusion of 2<sup>nd</sup> Annual General Meeting till the conclusion of 7<sup>th</sup> Annual General Meeting (subject to ratification by the shareholders at every Annual General Meeting, as prescribed).

However, during the year under review, the Parliament of India has enacted The Companies (Amendment) Act, 2017 whereby ratification of appointment of auditors at every AGM under Section 139(1) has been done away with. Due to the enforcement of this amendment by the Ministry of Corporate Affairs during the year under review, henceforth, it is no longer necessary to seek ratification of the appointment of the Auditors by the shareholders at every AGM.

However, the Board wishes to inform the shareholders that the Statutory Auditors viz. M/s. Price Waterhouse Chartered Accountants LLP have confirmed that their appointment is still within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for holding such position of auditorship within the meaning of Section 139 of the said Act.

### Auditors' Report

The Auditors' Report does not contain any qualifications, reservations or adverse remarks.

### Reporting of frauds by Statutory Auditors under Section 143 (12)

The Statutory Auditors have neither come across any instance of fraud by the Company, or on the Company by its officers or employees during the year, nor have they been informed of any such case by the management.

### Internal Controls Systems

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and to ensure that all transactions are authorized, recorded and reported correctly and adequately. These systems ensure that financial transactions are carried out, archived and reported in an accurate and lawful manner.

### Deposits

Your Company has not invited and / or accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time.

### Details under Section 186 of the Companies Act, 2013

Full particulars of loans and guarantees given and investments made under Section 186 of the Companies Act, 2013 have been given separately in the financial statements of the Company read with Note No. 17 in the Notes to Accounts which may be read in conjunction with this Report.

### Related Party Transactions

All related party transactions entered into during the financial year were in the ordinary course of business and at arm's length basis. There were no materially significant related party transactions entered into by the Company within the meaning of Section 188 of the Companies Act, 2013. Hence, Form AOC-2 is not applicable to the Company.

### Risk Management Policy

Your Company places key emphasis on the risk management and believes in establishing a structured and disciplined approach to risk management. Your Company has subscribed to and adopted the Risk Management policy framed by its Holding Company viz. D. B. Corp Limited. Your Company reviews various business and operational risks as laid down in the plan and considers instituting proper control procedures to mitigate the same.

### Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Since your Company does not own any manufacturing facility, the Company was not required to take any steps with regard to conservation of energy, technology absorption or other related items as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.



There were neither foreign exchange earnings nor any foreign exchange outgo during the year under consideration.

### Particulars of Employees

Your Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### Prevention of Sexual Harassment at Workplace

During the year, no complaints on sexual harassment were received by the Company.

### Material Changes and Commitments

There are no material changes and commitments that emerged post the year under review and are outstanding as on the date of this report.

### General

Your Directors state that no disclosure is required in respect of the following matters as there were no transactions in relation thereto, during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of sweat equity shares / Employees Stock Option Scheme.

3. Non-exercise of voting rights directly by the employees in respect of shares purchased under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

### Significant and Material Orders passed by the Regulators

There are no significant and material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

### Acknowledgement

Your Directors wish to express their grateful appreciation for the valuable co-operation and support received from the Company's bankers, business associates, customers, suppliers and shareholders during the year under review and look forward to the same in greater measure in coming years.

For and on behalf of the Board of Directors of

### DB Infomedia Private Limited

#### Rajeev Chaturvedi

Director  
DIN: 06478140

#### Manoj Garg

Director  
DIN: 00809382

Place: Bhopal

Date: 15<sup>th</sup> May, 2018

# Annexure A

## FORM NO. MGT – 9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS

i. CIN	U74300MP2015PTC033850
ii. Registration Date	16/02/2015
iii. Name of the Company	DB Infomedia Private Limited
iv. Category / Sub-Category of the Company	Company having Share Capital / Non-Govt. Company
v. Address of the Registered office and contact details	Office Block 1A, 5 <sup>th</sup> Floor, DB City Corporate Park, Arera Hills, Opp. M.P. Nagar, Zone – I, Bhopal – 462016, Madhya Pradesh. Tel No: 0755-6665622
vi. Whether listed company	No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
NO BUSINESS ACTIVITY DURING THE YEAR.			

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	D. B. Corp Limited Plot No. 280, Sarkhej-Gandhinagar Highway, Nr. YMCA Club, Makarba, Ahmedabad – 380051, Gujarat.	L22210GJ1995PLC047208	Holding	100%	2(46)
2.	I Media Corp Limited 6, Press Complex, MP Nagar, Zone I, Bhopal 462011.	U64202MP2006PLC018676	Subsidiary	100%	2(87)

### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as a percentage of Total Equity)

#### i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
(1) INDIAN									
a. Individual /HUF	0	60	60	0.01%	0	60	60	0.01%	0.00%
b. Central Govt.	0	0	0	0	0	0	0	0	N.A.
c. State Govt.(s)	0	0	0	0	0	0	0	0	N.A.
d. Bodies Corporate	0	1050440	1050440	99.99%	0	1050440	1050440	99.99%	0.00%
e. Banks / FIs	0	0	0	0	0	0	0	0	N.A.
f. Any Other	0	0	0	0	0	0	0	0	N.A.
<b>Sub-Total A(1) :</b>	<b>0</b>	<b>1050500</b>	<b>1050500</b>	<b>100.00%</b>	<b>0</b>	<b>1050500</b>	<b>1050500</b>	<b>100.00%</b>	<b>0.00%</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) FOREIGN									
a. NRIs - Individuals	0	0	0	0	0	0	0	0	N.A.
b. Others – Individuals	0	0	0	0	0	0	0	0	N.A.
c. Bodies Corporate	0	0	0	0	0	0	0	0	N.A.
d. Banks / FIs	0	0	0	0	0	0	0	0	N.A.
e. Any Other	0	0	0	0	0	0	0	0	N.A.
<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N.A.</b>
<b>Total Shareholding of Promoters A=A(1)+A(2)</b>	<b>0</b>	<b>1050500</b>	<b>1050500</b>	<b>100.00%</b>	<b>0</b>	<b>1050500</b>	<b>1050500</b>	<b>100.00%</b>	<b>0.00%</b>
<b>B. PUBLIC SHAREHOLDING</b>									
1. INSTITUTIONS									
a. Mutual Funds	0	0	0	0	0	0	0	0	N.A.
b. Banks / FIs	0	0	0	0	0	0	0	0	N.A.
c. Central Govt.	0	0	0	0	0	0	0	0	N.A.
d. State Govt.(s)	0	0	0	0	0	0	0	0	N.A.
e. Venture Capital Funds	0	0	0	0	0	0	0	0	N.A.
f. Insurance Companies	0	0	0	0	0	0	0	0	N.A.
g. FIs / FPIs	0	0	0	0	0	0	0	0	N.A.
h. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	N.A.
i. Others (specify)	0	0	0	0	0	0	0	0	N.A.
<b>Sub-Total B(1) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N.A.</b>
2. NON-INSTITUTIONS									
a. Bodies corporate									
i. Indian	-	-	-	-	-	-	-	-	N.A.
ii. Overseas	-	-	-	-	-	-	-	-	N.A.
b. Individuals									
i. Individual shareholders holding nominal share capital up to ₹1 lakh	0	0	0	0	0	0	0	0	0.00%
ii. Individual shareholders holding nominal share capital in excess of ₹1 lakh	0	0	0	0	0	0	0	0	N.A.
c. Others (specify)	0	0	0	0	0	0	0	0	N.A.
<b>Sub-Total B(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total Public Shareholding B=B(1)+B(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	N.A.
<b>Grand Total (A+B+C) :</b>	<b>0</b>	<b>1050500</b>	<b>1050500</b>	<b>100.00%</b>	<b>0</b>	<b>1050500</b>	<b>1050500</b>	<b>100.00%</b>	<b>0.00%</b>

## ii. Shareholding of the Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of shares pledged / encumbered to total shares	
1	D. B. Corp Limited*	1050500	100.00%	Nil	1050500	100.00%	Nil	0.00%
	<b>Total</b>	<b>1050500</b>	<b>100.00%</b>	<b>Nil</b>	<b>1050500</b>	<b>100.00%</b>	<b>Nil</b>	<b>0.00%</b>

\*Shareholding includes shares held along with nominee shareholders of D. B. Corp Limited

## iii. Change in Promoters' Shareholding

Sr. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year			
	Date wise Increase (+) / Decrease (-) in Promoters' Shareholding during the year			
	At the end of the year			

N.A.

#### iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No. For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year				
Date wise Increase (+) / Decrease (-) in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity, etc)				
At the end of the year				

N.A

#### v. Shareholding of Directors and Key Managerial Personnel \*

Sr. No. For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year				
Date wise Increase (+) / Decrease (-) in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc)				
At the end of the year				

N.A

\* None of the Directors hold any shares in the Company. Also, the provisions of Section 203 of the Companies Act, 2013 are not applicable. Hence, the Company has not appointed any KMP.

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	36,71,099	-	36,71,099
<b>Total (i+ii+iii)</b>	-	<b>36,71,099</b>	-	<b>36,71,099</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	-	-	-
• Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	36,71,099	-	36,71,099
<b>Total (i+ii+iii)</b>	-	<b>36,71,099</b>	-	<b>36,71,099</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Company does not pay any remuneration and / or sitting fees to any of its Directors.

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

SR. NO.	PARTICULARS OF REMUNERATION	Name of MD/WTD/ Manager		Total Amount
1.	Gross Salary			
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961			
b.	Value of perquisites under Section 17(2) of the Income Tax Act, 1961			
	c.	Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961		
2.	Stock Options			
3.	Sweat Equity			
4.	Commission			
	- as a % of Profit			
	- others, specify			
5.	Others, please specify			
	<b>Total (A)</b>			
	Ceiling as per the Act			

**B. Remuneration to other Directors**

SR. NO.	PARTICULARS OF REMUNERATION	Names of Directors		Total Amount
1.	<b>INDEPENDENT DIRECTORS</b>			
	- Fee for attending Board / Committee Meetings			
	- Commission			
	- Others, please specify			
	<b>Total (1)</b>			
2.	<b>OTHER NON-EXECUTIVE DIRECTORS</b>			
	- Fee for attending Board / Committee Meetings			
	- Commission			
	- Others, please specify			
	<b>Total (2)</b>			
	<b>Total B = (1+2)</b>			
	<b>Total Managerial Remuneration</b>			
	Overall Ceiling as per the Act			

**C. Remuneration to Key Managerial Personnel other than MD / Manager/ WTD**

SR. NO.	PARTICULARS OF REMUNERATION	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1.	Gross Salary				
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961				
b.	Value of perquisites under Section 17(2) of the Income Tax Act, 1961				
	c.	Profit in lieu of salary under Section 17(3) of the Income Tax Act, 1961			
2.	Stock Options				
3.	Sweat Equity				
4.	Commission				
	- as a % of Profit				
	- others, please specify				
5.	Others, please specify				
	<b>Total</b>				

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

TYPE	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

NIL

For and on behalf of the Board of Directors of  
**DB Infomedia Private Limited**

**Rajeev Chaturvedi**  
Director  
DIN: 06478140

**Manoj Garg**  
Director  
DIN: 00809382

Place: Bhopal  
Date: 15<sup>th</sup> May, 2018



# Independent Auditors' Report

TO THE MEMBERS OF DB INFOMEDIA PRIVATE LIMITED

## Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying financial statements of DB Infomedia Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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.

## Management's Responsibility for the Ind AS Financial Statements

2. 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 Ind AS financial statements to 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 specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

## Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of loss and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

## Emphasis of Matter

9. We draw your attention to Note 24 to the financial statements regarding the losses incurred during the previous years and no business operations during the current year. The operations of the company are contingent upon the financial support extended by the parent company. Our opinion is not qualified in respect of this matter.

**Other Matter**

10. The Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 17, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

11. 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order.

12. 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 Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the

directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

- 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 A.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - i. The Company does not have any pending litigations as at March 31, 2018 which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2018.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
  - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

**Priyanshu Gundana**

Place: Mumbai

Partner

Date : May 16, 2018

Membership Number: 109553

## Annexure A to Independent Auditors' Report

Referred to in paragraph 12 (f) of the Independent Auditors' Report of even date to the members of DB Infomedia Private Limited on the financial statements as of and for the year ended March 31, 2018

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

1. We have audited the internal financial controls over financial reporting of DB Infomedia Private Limited ("the Company") as of March 31, 2018 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

2. 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

3. 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

6. 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 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

7. 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

8. 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, 2018, 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 **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

**Priyanshu Gundana**

Place: Mumbai

Partner

Date : May 16, 2018

Membership Number: 109553

## Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of DB Infomedia Private Limited on the financial statements as of and for the year ended March 31, 2018

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
  - (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
  - (c) The Company does not own any immovable properties as disclosed in Note 6(a) on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said 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 Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including service tax and goods and service tax with effect from July 01, 2017, with the appropriate authorities.
  - (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service-tax, or goods and service tax which have not been deposited on account of any dispute.
- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended). Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and

accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.

- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, 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-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

Place: Mumbai  
Date : May 16, 2018

**Priyanshu Gundana**  
Partner  
Membership Number: 109553

# Balance Sheet

as at March 31, 2018

(₹ in thousand)

	Notes	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3 (a)	1,928.93	3,065.37
Intangible assets	3 (b)	6.25	7.93
Financial assets			
Investments	4	11,229.14	11,229.14
Other assets	6	-	249.70
		<b>13,164.32</b>	<b>14,552.14</b>
<b>Current Assets</b>			
Financial assets			
Cash and cash equivalents	5	127.31	220.49
Other assets	6	-	1,991.41
		<b>127.31</b>	<b>2,211.90</b>
<b>Total</b>		<b>13,291.63</b>	<b>16,764.04</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	7	10,505.00	10,505.00
Other Equity			
Equity component of Compound Financial Instruments		57,977.37	57,977.37
Retained earnings		(70,840.96)	(66,388.02)
<b>Total equity attributable to equity holders</b>		<b>(2,358.59)</b>	<b>2,094.35</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial liabilities			
Long-term borrowings	8	11,334.57	10,122.63
<b>Current liabilities</b>			
Financial liabilities			
Other financial liabilities	9	4,315.65	4,493.87
Other liabilities	10	-	53.19
		<b>4,315.65</b>	<b>4,547.06</b>
<b>Total</b>		<b>13,291.63</b>	<b>16,764.04</b>
<b>Summary of significant accounting policies</b>	<b>2</b>		

The above Balance sheet should be read in conjunction with the accompanying notes

As per our report of even date

 For **Price Waterhouse Chartered Accountants LLP**  
 Firm registration number: FRN012754N/N500016

**Priyanshu Gundana**  
 Partner  
 Membership No. 109553

 Place: Mumbai  
 Date: May 16, 2018

 For and on behalf of the Board of Directors of  
**DB Infomedia Private Limited**
**Rajeev Chaturvedi**  
 Director  
 DIN : 06478140

**Manoj Garg**  
 Director  
 DIN : 00809382

**Pooja Mandave**  
 Company Secretary

 Place: Bhopal  
 Date: May 15, 2018

# Statement of Profit and Loss

for the year ended March 31, 2018

(₹ in thousand)

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
<b>Income</b>			
Revenue from operations	11	-	93.00
Other income	12	1.30	0.00
<b>Total income</b>		<b>1.30</b>	<b>93.00</b>
<b>Expenses</b>			
Employee benefit expenses	13	-	6,912.33
Depreciation and amortisation expenses	3 (a) and (b)	1,138.12	1,234.27
Finance costs	15	1,211.94	4,021.27
Other expenses	14	2,104.18	12,547.11
<b>Total expense</b>		<b>4,454.24</b>	<b>24,714.98</b>
<b>Loss for the year</b>		<b>(4,452.94)</b>	<b>(24,621.98)</b>
<b>Attributable to:</b>			
Equity holders		<b>(4,452.94)</b>	<b>(24,621.98)</b>
<b>Other comprehensive Income</b>		-	-
<b>Total comprehensive income for the year</b>			
<b>Attributable to:</b>			
Equity holders		<b>(4,452.94)</b>	<b>(24,621.98)</b>
<b>Loss per equity share</b>	16		
<b>Nominal value of share ₹ 10 (March 31, 2017: ₹ 10)</b>			
Basic and Diluted		(4.24)	(99.38)
<b>Summary of significant accounting policies</b>	2		

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes

As per our report of even date

For **Price Waterhouse Chartered Accountants LLP**  
Firm registration number: FRN012754N/N500016

**Priyanshu Gundana**  
Partner  
Membership No. 109553

Place: Mumbai  
Date: May 16, 2018

For and on behalf of the Board of Directors of  
**DB Infomedia Private Limited**

**Rajeev Chaturvedi**  
Director  
DIN : 06478140

**Manoj Garg**  
Director  
DIN : 00809382

**Pooja Mandave**  
Company Secretary

Place: Bhopal  
Date: May 15, 2018



# Statement of Change in Equity

for the year ended March 31, 2018

A. Equity share capital (Refer Note 7)

		(₹ in thousand)
Particulars		Amount
<b>Balance as at April 01, 2016</b>		<b>505.00</b>
Changes in equity share capital		10,000.00
<b>Balance as at March 31, 2017</b>		<b>10,505.00</b>
Changes in equity share capital		-
<b>Balance as at March 31, 2018</b>		<b>10,505.00</b>

B. Other equity

				(₹ in thousand)
Particulars	Equity component of compound financial instrument	Reserve and surplus	Total	
		Retained earnings		
<b>As at March 31, 2016</b>	<b>10,081.64</b>	<b>(41,766.04)</b>		<b>(31,684.40)</b>
Loss for the year	-	(24,621.98)		(24,621.98)
Conversion of Compulsorily convertible debentures ("CCD")	(9,996.50)	-		(9,996.50)
680,000 7.5% redeemable preference share	57,892.23	-		57,892.23
<b>As at March 31, 2017</b>	<b>57,977.37</b>	<b>(66,388.02)</b>		<b>(8,410.65)</b>
Loss for the year	-	(4,452.94)		(4,452.94)
<b>As at March 31, 2018</b>	<b>57,977.37</b>	<b>(70,840.96)</b>		<b>(12,863.59)</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

As per our report of even date

For **Price Waterhouse Chartered Accountants LLP**  
Firm registration number: FRN012754N/N500016

**Priyanshu Gundana**  
Partner  
Membership No. 109553

Place: Mumbai  
Date: May 16, 2018

For and on behalf of the Board of Directors of  
**DB Infomedia Private Limited**

**Rajeev Chaturvedi**  
Director  
DIN : 06478140

**Manoj Garg**  
Director  
DIN : 00809382

**Pooja Mandave**  
Company Secretary

Place: Bhopal  
Date: May 15, 2018

# Statement of Cash Flow

for the year ended March 31, 2018

(₹ in thousand)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>A. Cash flow from operating activities</b>		
Loss for the year	(4,452.94)	(24,621.98)
<b>Adjustments to reconcile loss for the period to net cash flows</b>		
Loss on sale / disposal of property, plant and equipments (net)	-	998.27
Finance costs	1,211.94	4,021.27
Depreciation and amortisation expenses	1,138.12	1,234.27
Deposit and other balances written off	2,034.91	-
<b>Operating loss before working capital changes</b>	<b>(67.96)</b>	<b>(18,368.17)</b>
<b>Changes in working capital</b>		
Decrease in other current / non - current assets	-	519.65
Increase / (decrease) in other financial liabilities	11.47	(1,030.34)
Decrease in other current liabilities	(36.69)	(342.89)
<b>Cash used in operations</b>	<b>(25.21)</b>	<b>(853.58)</b>
<b>Net cash used in operating activities (A)</b>	<b>(93.18)</b>	<b>(19,221.75)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipments	-	(88.86)
Proceeds from sale of property, plant and equipments	-	77.19
Purchase of shares in subsidiary company	-	(11,229.14)
<b>Net cash used in investing activities (B)</b>	<b>-</b>	<b>(11,240.81)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from short-term borrowings	-	19,500.00
Repayment of short-term borrowings	-	(56,400.00)
Proceeds from issue of preference shares	-	68,000.00
Finance cost	-	(1,439.40)
<b>Net cash generated from financing activities (C)</b>	<b>-</b>	<b>29,660.60</b>
<b>Net decrease in cash and cash equivalents (A)+(B)+(C)</b>	<b>(93.18)</b>	<b>(801.96)</b>
Cash and cash equivalents at the beginning of the year	220.49	1,022.45
Cash and cash equivalents at the end of the year	127.31	220.49
<b>Net decrease in cash and cash equivalents</b>	<b>(93.18)</b>	<b>(801.96)</b>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date

For **Price Waterhouse Chartered Accountants LLP**  
Firm registration number: FRN012754N/N500016

**Priyanshu Gundana**  
Partner  
Membership No. 109553

Place: Mumbai  
Date: May 16, 2018

For and on behalf of the Board of Directors of  
**DB Infomedia Private Limited**

**Rajeev Chaturvedi**  
Director  
DIN : 06478140

**Manoj Garg**  
Director  
DIN : 00809382

**Pooja Mandave**  
Company Secretary

Place: Bhopal  
Date: May 15, 2018

# Notes

## to the Financial Statements as at and for the year ended March 31, 2018

### 1. Nature of operations:

DB Infomedia Private Limited (the 'Company') is a Company registered under the Companies Act, 2013 (the 'Act') and is limited by shares. The Company is engaged in the business of operating, managing and hosting websites / personal pages or otherwise providing audio-visual content in the domain of entertainment.

The Company's registered office is office Block 1A, 5<sup>th</sup> Floor, DB City Corporate Park, Arera Hills, Opp. M.P. Nagar, Zone-I, Bhopal-462042, Madhya Pradesh, India.

### 2. Significant Accounting Policies:

#### 2.1 Basis of accounting and preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements have been prepared under the historical cost basis except for certain financial assets and liabilities that have been measured at fair value (refer accounting policy regarding financial instruments). The financial statements have been prepared on a going concern basis (also refer Note no. 24).

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands with two decimal as per the requirement of Schedule III, unless otherwise stated.

#### Current versus 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:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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 held primarily for the purpose of trading
- 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

#### 2.2 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Repair and maintenance costs are recognised in profit or loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

#### 2.3 Intangible assets :

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

# Notes

## to the Financial Statements as at and for the year ended March 31, 2018

### 2.4 Depreciation and amortization

The Company provides depreciation on property, plant and equipment using the straight line method at the rates computed based on the estimated useful lives of the assets as estimated by the management, which are equal to the corresponding rates prescribed in Schedule II to the Act. Further, Company provides amortization of intangible asset using the straight line method at the rates computed based on the estimated useful life of the assets as estimated by the management.

The Company has used the following lives to provide depreciation and amortisation on fixed assets:

Category	Useful lives (in years)
Office equipment	5
Furniture and fixtures	10
Electrical fittings and coolers	10
Computers and Servers	3 and 6
Computer Software	6

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.

### 2.5 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, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ('CGU') fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When 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 a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling

price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, wherever applicable, a long term growth rate is calculated and applied to projected future cash flows after the fifth year.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

### 2.6 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### Where the Company is the lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

### 2.7 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sales tax / value added tax (VAT), service tax and goods and service tax is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

# Notes

## to the Financial Statements as at and for the year ended March 31, 2018

The specific recognition criteria described below must also be met before revenue is recognised.

### Portal and wireless revenue

Revenue is recognised as and when the related services are rendered as per the terms of agreement and are disclosed net of trade discounts.

### 2.8 Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### 2.9 Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenses, when an employee renders the related service.

### 2.10 Income taxes

#### Current income tax

Current income tax liabilities are measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit and loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are

subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

# Notes

## to the Financial Statements as at and for the year ended March 31, 2018

### 2.11 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

### 2.12 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. Where there is a possible obligation or a present obligation and the likelihood of the outflow of resources is remote, no provision or disclosure is needed.

### 2.13 Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

### 2.14 Earnings per equity share ('EPS')

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the

weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

### 2.15 Cash and cash equivalents

Cash and cash equivalent in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 2.16 Financial instruments

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

#### Financial assets

##### Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

##### Subsequent measurement

##### Financial assets at amortised cost

For purposes of subsequent measurement, financial assets which include debt instruments are measured at amortised cost.

#### Financial liabilities

##### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables, or as derivatives financial instruments, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

# Notes

to the Financial Statements as at and for the year ended March 31, 2018

## **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

## **2.17 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## **2.18 Significant accounting judgments, estimates and assumptions:**

### **Significant judgement:**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses,

assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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.

## **Estimates**

### **Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets.

### **Operating lease commitments – Company as lessee**

The Company has entered into commercial property leases for its offices and premises. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

## Notes

to the Financial Statements as at and for the year ended March 31, 2018

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

(₹ in thousand)

Particulars	Office equipments	Furniture and fixtures	Electric fittings, fans and coolers	Computers	Total
<b>Gross block value as at March 31, 2016</b>	<b>1,809.41</b>	<b>1,350.68</b>	<b>513.15</b>	<b>2,779.94</b>	<b>6,453.18</b>
Additions during the year	53.49	-	-	35.37	88.86
Deletion during the year	(53.40)	(1,090.63)	(36.66)	(92.10)	(1,272.79)
<b>Gross block value as at March 31, 2017</b>	<b>1,809.50</b>	<b>260.05</b>	<b>476.49</b>	<b>2,723.21</b>	<b>5,269.25</b>
Additions during the year	-	-	-	-	-
Deletion during the year	-	-	-	-	-
<b>Gross block value as at March 31, 2018</b>	<b>1,809.50</b>	<b>260.05</b>	<b>476.49</b>	<b>2,723.21</b>	<b>5,269.25</b>
<b>Accumulated depreciation as at March 31, 2016</b>	<b>313.17</b>	<b>90.35</b>	<b>47.69</b>	<b>717.41</b>	<b>1,168.62</b>
Depreciation for the year	345.25	85.35	47.07	754.91	1,232.58
Accumulated depreciation on disposals	(15.79)	(128.27)	(5.59)	(47.67)	(197.32)
<b>Accumulated depreciation as at March 31, 2017</b>	<b>642.63</b>	<b>47.43</b>	<b>89.17</b>	<b>1,424.65</b>	<b>2,203.88</b>
Depreciation for the year	340.86	24.60	45.04	725.94	1,136.44
<b>Accumulated depreciation as at March 31, 2018</b>	<b>983.49</b>	<b>72.03</b>	<b>134.21</b>	<b>2,150.59</b>	<b>3,340.32</b>
<b>Net block as at March 31, 2017</b>	<b>1,166.87</b>	<b>212.62</b>	<b>387.32</b>	<b>1,298.56</b>	<b>3,065.37</b>
<b>Net block as at March 31, 2018</b>	<b>826.01</b>	<b>188.02</b>	<b>342.28</b>	<b>572.62</b>	<b>1,928.93</b>

### 3(b) Intangible assets:

(₹ in thousand)

Particulars	Computer software	Total
<b>Gross block value as at March 31, 2016</b>	<b>10.63</b>	<b>10.63</b>
Additions during the year	-	-
<b>Gross block value as at March 31, 2017</b>	<b>10.63</b>	<b>10.63</b>
Additions during the year	-	-
Deletion during the year	-	-
<b>Gross block value as at March 31, 2018</b>	<b>10.63</b>	<b>10.63</b>
<b>Accumulated amortisation as at March 31, 2016</b>	<b>1.01</b>	<b>1.01</b>
Amortisation for the year	1.69	1.69
<b>Accumulated amortisation as at March 31, 2017</b>	<b>2.70</b>	<b>2.70</b>
Amortisation for the year	1.68	1.68
<b>Accumulated amortisation as at March 31, 2018</b>	<b>4.38</b>	<b>4.38</b>
<b>Net block as at March 31, 2017</b>	<b>7.93</b>	<b>7.93</b>
<b>Net block as at March 31, 2018</b>	<b>6.25</b>	<b>6.25</b>



## Notes

to the Financial Statements as at and for the year ended March 31, 2018

Financial assets:

4. Investments:

Particulars	(₹ in thousand)	
	March 31, 2018	March 31, 2017
<b>Non-trade investments (fully paid up, valued at cost unless stated otherwise)</b>		
<b>In Subsidiaries</b>		
Unquoted investment in equity shares:		
1,122,914 (March 31, 2017: 1,122,914) equity shares of ₹ 10/- each of I Media Corp Ltd.	11,229.14	11,229.14
	<b>11,229.14</b>	<b>11,229.14</b>

5. Cash and cash equivalents:

Particulars	(₹ in thousand)	
	March 31, 2018	March 31, 2017
<b>Balances with banks:</b>		
On current account	127.31	220.49
	<b>127.31</b>	<b>220.49</b>

6. Other assets:

(Unsecured, considered good unless stated otherwise)

Particulars	(₹ in thousand)			
	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
<b>a. Security deposits:</b>				
Deposit with others	-	249.70	-	-
	-	<b>249.70</b>	-	-
<b>b. Other loans and advances :</b>				
Balances with statutory / government authorities	-	-	-	1,111.74
Advances recoverable in cash or kind or for value to be received	-	-	-	879.67
	-	<b>249.70</b>	-	<b>1,991.41</b>

7. Share capital:

Particulars	(₹ in thousand)	
	March 31, 2018	March 31, 2017
<b>Authorised shares:</b>		
4,100,000 ( March 31,2017: 4,100,000) equity shares of ₹ 10 each	41,000.00	1,000.00
1,000,000 (March 31, 2017: 1,000,000) 7.5% non-cumulative redeemable preference shares of ₹ 100 each	100,000.00	140,000.00
	<b>141,000.00</b>	<b>141,000.00</b>
<b>Issued, subscribed and fully paid-up shares</b>		
1,050,500 equity shares (March 31, 2017: 1,050,500) of ₹ 10 each fully paid up [refer note (a) and (b) below]	10,505.00	10,505.00
	<b>10,505.00</b>	<b>10,505.00</b>

# Notes

## to the Financial Statements as at and for the year ended March 31, 2018

### (a) Reconciliation of number of shares outstanding at the beginning and at the end of the year

#### Equity shares:

Particulars	March 31, 2018		March 31, 2017	
	Nos. in Thousands	Amount	Nos. in Thousands	Amount
<b>Equity shares</b>				
At the beginning of the year	1,050.50	10,505.00	50.50	505.00
Shares Issued during the year	0.00	0.00	1,000.00	10,000.00
<b>Outstanding at the end of the year</b>	<b>1,050.50</b>	<b>10,505.00</b>	<b>1,050.50</b>	<b>10,505.00</b>

(₹ in thousand)

### (b) Terms/ rights attached to each class of shares

#### Equity shares

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

The Company has converted debentures of ₹ 1 crore into 10,00,000 equity shares of face value of ₹ 10 each for the value of ₹ 1 crore.

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

### (c) Details of shares held by holding company and shareholders holding more than 5% shares of the Company

Name of Shareholders	March 31, 2018		March 31, 2017	
	Nos. in Thousands	% of holding	Nos. in Thousands	% of holding
<b>Equity share of ₹ 10 each fully paid</b>				
D. B. Corp Limited, the holding company and it's nominees	1,050.50	100.00	1,050.50	100.00

### 8. Long-term borrowings:

Particulars	March 31, 2018		March 31, 2017	
	Nos. in Thousands	% of holding	Nos. in Thousands	% of holding
681,000 (March 31, 2017: 681,000) 7.5% redeemable preference share of ₹ 100 each*				
	11,334.57		10,122.63	
	<b>11,334.57</b>		<b>10,122.63</b>	

(₹ in thousand)

\*The Company has issued only one class of 7.5% redeemable preference shares having face value of ₹ 100 per share which are redeemable at par, at any time at the option of shareholder but before completion of 20 years from date of issue. Each shareholder is entitled to one vote per share.

### 9. Other financial liabilities:

Particulars	March 31, 2018		March 31, 2017	
	Nos. in Thousands	% of holding	Nos. in Thousands	% of holding
Accrued expenses	153.45		367.15	
Payable to holding company [refer note 17 (b)]	4,162.20		4,126.72	
	<b>4,315.65</b>		<b>4,493.87</b>	

(₹ in thousand)

### 10. Other liabilities:

Particulars	March 31, 2018		March 31, 2017	
	Nos. in Thousands	% of holding	Nos. in Thousands	% of holding
<b>Other payables:</b>				
Statutory liabilities	-		53.19	
	-		<b>53.19</b>	

(₹ in thousand)

## Notes

to the Financial Statements as at and for the year ended March 31, 2018

11. Revenue from operations:

Particulars	₹ in thousand)	
	Year ended March 31, 2018	Year ended March 31, 2017
Portal revenue	-	93.00
	-	<b>93.00</b>

12. Other income

Miscellaneous income	1.30	0.00
	<b>1.30</b>	<b>0.00</b>

13. Employee benefit expenses:

Salaries, wages and bonus	-	6,199.94
Contribution to provident fund and other contribution plans	-	321.48
Workmen and staff welfare expenses	-	390.91
	-	<b>6,912.33</b>

14. Other expenses:

Subcontracting charges	-	2,992.15
Survey expenses	-	2,785.95
Rent (refer note 21)	-	1,603.87
Video recording expenses	-	1,366.87
Traveling and conveyance	-	744.47
Online subscription charges	-	813.69
Communication expenses	-	342.58
Legal and professional charges *	61.66	148.13
Business promotion expenses	-	22.02
Electricity and water charges	-	241.83
Repair and maintenance:-		
Machinery	-	0.55
Others	-	89.30
Loss on sale / disposal of property, plant and equipment (net)	-	998.27
Deposit and other balances written off	2,034.91	-
Miscellaneous expenses	7.61	397.43
	<b>2,104.18</b>	<b>12,547.11</b>

\* Auditors' remuneration (included in legal and professional charges above)

<b>As Auditor</b>		
Audit fees	50.00	50.00
	<b>50.00</b>	<b>50.00</b>

15. Finance costs:

Interest expense:		
On other	1,211.94	4,021.27
	<b>1,211.94</b>	<b>4,021.27</b>

# Notes

## to the Financial Statements as at and for the year ended March 31, 2018

### 16. Loss per equity share

Particulars	March 31, 2018	March 31, 2017
Net loss for the year / period (₹ in thousand)	(4,452.94)	(24,621.98)
Weighted average number of equity shares outstanding for EPS (nos in thousands)	1050.50	247.76
Weighted average number of equity shares outstanding for diluted EPS (nos in thousands)	1050.50	247.76
Basic earnings per share (₹)	(4.24)	(99.38)
Diluted earnings per share (₹)	(4.24)	(99.38)
Face value per share (₹)	10	10

### 17. Related party disclosure

#### (a) Following is the list of related parties:

Particulars	Related parties
<b>Related parties where control exists</b>	
Holding Company	D. B. Corp Limited
Subsidiary Company	I Media Corp Limited (with effect from January 19, 2017)
<b>Related parties with whom transaction have taken place during the year</b>	
Holding Company	D. B. Corp Limited

#### (b) Details of transactions with related parties:

Particulars	Transactions for the year ended		Amount payable as at	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
<b>D. B. Corp Limited</b>				
Interest expenses	-	4,019.66	(3,671.10)	(3,671.10)
Subscription of equity shares	-	-	-	-
Subscription of preference shares	-	68,000.00	-	-
Conversion of 0.01% compulsorily convertible debentures	-	10,000.00	-	-
Purchase of equity of IMCL	-	11,229.14	-	-
Loan taken from holding company	-	19,500.00	-	-
Loan repaid to holding company	-	(56,400.00)	-	-
Other outstanding balances	34.60	94.45	(584.67)	(550.07)

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. These transactions are approved by the board of directors. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Company has not recorded any impairment of receivables relating to amounts owed by related parties during the year ended March 31, 2018. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

### 18. Segment information

The company is exclusively engaged in the business of operating, managing and hosting websites / personal pages, which, in the context of Accounting Standard 108 on Segment Reporting is considered to constitute a single primary segment. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities and total cost incurred to acquire segment assets are all as reflected in the financial statements for the year ended March 31, 2018 and as on that date.

## Notes

to the Financial Statements as at and for the year ended March 31, 2018

### 19. Dues to micro and small enterprises

The Company does not have any dues outstanding to the Micro and Small Enterprises as defined in Micro, Small and Medium Enterprise Development Act, 2006. The identification of Micro, Small and Medium Enterprises is based on information available with the management regarding the status of these parties.

### 20. Operating lease (for assets taken on lease):

Rentals in respect of operating leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

a) The Company has taken office premises under operating lease agreements. This is renewable on mutual consent.

b) Lease payments recognized for the year are ₹ Nil (March 31, 2017 ₹ 1,603.87 thousand).

There are no restrictions imposed in these lease agreements. There are no purchase options. There are no sub leases.

### 21. Employee Benefits

The Company has no obligation other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenses, when an employee renders the related service. Contribution towards provident fund for March 31, 2018 is ₹ Nil (March 31, 2017 ₹ 321.48 thousand).

### 22. Financial Instruments – Fair value and risk management

#### A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(₹ in thousand)

March 31, 2018	Note No.	Carrying amount			Total
		FVTPL	FVTOCI	Amortised Cost	
<b>Financial assets</b>					
(i) Cash and Cash Equivalent	5	-	-	127.31	127.31
		-	-	<b>127.31</b>	<b>127.31</b>
<b>Financial liabilities</b>					
(i) Long Term Borrowings	8	-	-	11,334.57	11,334.57
(ii) Other financial liabilities	9	-	-	4,315.65	4,315.65
		-	-	<b>15,650.22</b>	<b>15,650.22</b>

# Notes

to the Financial Statements as at and for the year ended March 31, 2018

(₹ in thousand)

March 31, 2017	Note No.	Carrying amount			Total
		FVTPL	FVTOCI	Amortised Cost	
<b>Financial assets</b>					
(i) Cash and Cash Equivalent	5	-	-	220.49	220.49
		-	-	<b>220.49</b>	<b>220.49</b>
<b>Financial liabilities</b>					
(i) Long Term Borrowings	8	-	-	10,122.63	10,122.63
(ii) Other financial liabilities	9	-	-	4,493.87	4,493.87
		-	-	<b>14,616.50</b>	<b>14,616.50</b>

## B. Measurement of fair values

### i) Valuation processes

The Management of the Company carries out the valuation of financial assets and liabilities required for financial reporting purposes.

### ii) Fair value hierarchy

No financial instruments are recognised and measured at fair value.

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values. The carrying amounts of cash and cash equivalents, borrowings and other financial liabilities are considered to be the same as their fair values due to their short term nature.

## C. Financial Risk management

### i) Risk management framework

The Company's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk and market risk. The Company's management have the ultimate responsibility for managing these risks. The Company has a mechanism to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's management are supported by the finance team that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

### ii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company uses other publicly available financial information to rate its financial institutions. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved periodically. Credit risk arises from balances with banks and financial institutions.

### Cash and cash equivalents

The Company is exposed to credit risks arising on cash and cash equivalents. The Company believes that its credit risk in respect to cash & cash equivalents is insignificant as funds are kept in current account with financial institutions.

## Notes

to the Financial Statements as at and for the year ended March 31, 2018

### iii) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company maintained a cautious funding strategy as supported by the holding company time to time. This was the result of cash delivery from the business. Any cash flow required to service the financing of financial liabilities will be provided by the holding company in case there is a shortage of own cash flows. Accordingly, low liquidity risk is perceived.

#### Maturities of financial liabilities

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance sheet date:

(₹ in thousand)

Contractual maturities of financial liabilities March 31, 2018	Note	Carrying amount	Less than 12 months	More than 12 months	Total
<b>Non-derivative financial liabilities</b>					
Long Term Borrowings	8	11,334.57	-	11,334.57	11,334.57
Other financial liabilities	9	4,315.65	4,315.65	-	4,315.65
<b>Total Non-derivative financial liabilities</b>		<b>15,650.22</b>	<b>4,315.65</b>	<b>11,334.57</b>	<b>15,650.22</b>

(₹ in thousand)

Contractual maturities of financial liabilities March 31, 2017	Note	Carrying amount	Less than 12 months	More than 12 months	Total
<b>Non-derivative financial liabilities</b>					
Long Term Borrowings	8	10,122.63	-	10,122.63	10,122.63
Other financial liabilities	9	4,493.87	4,493.87	-	4,493.87
<b>Total Non-derivative financial liabilities</b>		<b>14,616.50</b>	<b>4,493.87</b>	<b>10,122.63</b>	<b>14,616.50</b>

### iv) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and its revenue generating and operating activities.

#### a) Interest rate risk

The Company has redeemable preference shares and does not have any other borrowings. The fair value of the liability component of preference shares has been recognised as long term borrowings on initial recognition. The liability component of preference shares is the present value of the contractual stream of future cash flows discounted at the market rate of interest that would have been applied to an instrument of comparable credit quality with substantially the same cash flows, on the same terms, but without the conversion option. Hence Interest rate risk is not there.

#### b) Currency risk

The company does not have any assets/liabilities, which are denominated in a currency other than the functional currency of the entity. Hence currency risk is not there.

# Notes

## to the Financial Statements as at and for the year ended March 31, 2018

### 23. Capital Management

The Company determines the capital requirements based on its financial performance. The funding requirements are met through operating cash flows generated and supported by the holding company. For the purpose of Company's Capital Risk Management, "Capital" includes issued equity share capital and all other equity reserves attributable to its shareholders.

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to maximise shareholder's values.

The capital structure of the Company is based on management's assessment of the appropriate balance of key elements in order to meet its strategic and day-to day needs. The Company considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company maintains a stable and strong capital structure with a focus on total equity so as to maintain shareholders and creditors confidence and to sustain future development and growth of its business. The Company takes appropriate steps in order to maintain, or if necessary adjust, its capital structure.

### 24. Going Concern

The Company has incurred losses during previous years and did not have any business operations during the current year, which has impacted the net-worth of the Company as of March 31, 2018. Having regard to the approved business plans and cash flow projections, and considering the support from D. B. Corp Limited, the Holding Company, to meet its financial obligations as and when they fall due for a period of not less than twelve months from the date of signing the Financial Statements for the year ended March 31, 2018, the Financial Statements have been prepared on going concern basis and no adjustments have been made to write down the assets to net realisable value.

### 25. Disclosure On Specified Bank Notes (SBN's)

The Company neither maintains any cash balances nor undertakes any cash transactions for the purpose of carrying out its operations. There are no transactions of specified bank notes, within the meaning of notification number S.O. 3407(E) of the Government of India, Ministry of Finance, Department of Economic Affairs, dated November 8, 2016, during the period from November 8, 2016 to December 30, 2016.

Accordingly, disclosure in the financial statements regarding specified bank notes as envisaged in Notification G.S.R 308(E) dated March 30, 2017, is not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**  
Firm registration number: FRN012754N/N500016

**Priyanshu Gundana**  
Partner  
Membership No. 109553

Place: Mumbai  
Date: May 16, 2018

For and on behalf of the Board of Directors of  
**DB Infomedia Private Limited**

**Rajeev Chaturvedi**  
Director  
DIN : 06478140

**Manoj Garg**  
Director  
DIN : 00809382

**Pooja Mandave**  
Company Secretary

Place: Bhopal  
Date: May 15, 2018