

B S R & Associates LLP

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of SmartCooky Internet Limited

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **SmartCooky Internet Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income / (loss)), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, 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.

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. Those Standards 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.

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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 auditor's 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.

We are also responsible to 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

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 31 March 2018, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 1 to the financial statements, which explains that the Company is in the process of making future business plans and identifying alternative sources of funding to run its operations. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as going concern.

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

- d) The going concern matter described under the Emphasis of matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- e) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
- f) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- g) With respect to the adequacy of the internal financial controls with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations as on 31 March 2018 which would impact its financial position;
 - ii. The Company does not have any long-term contracts including derivative contracts outstanding as at 31 March 2018;
 - iii. The Company does not have any due on account of the Investor Education and Protection Fund; and
 - iv. The disclosures in the Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited financial statements for the period ended 31 March 2017 have been disclosed – Refer to Note no. 30 to the Ind AS financial statements.

For B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/ W-100024



Rakesh Dewan
Partner
Membership number: 092212

Place: Gurugram
Date: 11 May 2018

Annexure A referred to in our Independent Auditor's Report of even date to the members of SmartCooky Internet Limited on the financial statements for the year ended 31 March 2018.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year. As informed to us the discrepancies noticed on such verification were not material and have been properly dealt with in the books of accounts. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us, the Company does not hold any immovable property in its name. Accordingly, paragraph 3(i)(c) of the Order is not applicable to the Company.
- (ii) According to the information and explanations given to us, the Company does not hold any physical inventory. Accordingly, paragraph 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, 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 paragraph 3 (iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not entered into any transaction related to any loans, investments, guarantees, and securities to which the provisions of section 185 and 186 of the Companies Act, 2013 are applicable. Accordingly, the provisions of paragraph 3 (iv) of the Order are not applicable to the Company.
- (v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, service tax, goods and services tax, income-tax, cess and other statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise, duty of customs, value added tax, and employees' state insurance.



According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, service tax, goods and services tax, income-tax, cess and other material statutory dues were in arrears as at 31 March 2018, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, service tax, goods and services tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, the Company did not have any outstanding dues to any financial institutions, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, there has been no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to information and explanations given to us and on the basis of our examination of the records of the Company, the company has not paid any managerial remuneration as stipulated under the provisions of section 197 read with Schedule V to the Companies Act, 2013. Accordingly, paragraph 3 (xi) of the Order is not applicable.
- (xii) According to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him covered by Section 192 of the Act. Accordingly, paragraph 3(xv) of the Order is not applicable.



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- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/ W-100024



Rakesh Dewan

Partner

Membership number: 092212

Place: Gurugram
Date: 11 May 2018

Annexure B to the Independent Auditor's Report of even date on the financial statements of SmartCooky Internet Limited for the year ended 31 March 2018

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

We have audited the internal financial controls with reference to financial statements of **SmartCooky Internet Limited** ("the Company") as of 31 March 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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to 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 with reference to 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 unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to 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, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the ICAI.

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/ W-100024



Rakesh Dewan

Partner

Membership number: 092212

Place: Gurugram
Date: 11 May 2018

SmartCooky Internet Limited
Balance Sheet as at 31 March 2018

(All amounts in INR, unless otherwise stated)				
Note	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016	
Assets				
Non-current assets				
Property, plant and equipment	3	254,054	475,192	736,464
Capital work-in progress		-	-	1,578,798
Intangible assets	4	200,000	200,000	-
Income tax assets(net)	5	107,642	107,642	193,497
Total non-current assets		561,696	782,834	2,508,759
Current assets				
Financial assets				
Cash and cash equivalents	6	16,057	195,030	6,457,578
Bank balances other than cash and cash equivalents mentioned above	7	-	-	19,000,000
Other financial assets	8	-	-	175,475
Other current assets	9	22,776	25,824	4,152,925
Total current assets		38,833	220,854	29,785,978
Total assets		600,529	1,003,688	32,294,737
Equity and liabilities				
Equity				
Equity share capital	10	522,510	522,510	522,510
Other equity	11	38,943	(14,078,891)	14,732,234
Total equity		561,453	(13,556,381)	15,254,744
Liabilities				
Non-current liabilities				
Provisions	12(a)	-	-	471,533
Total non-current liabilities		-	-	471,533
Current liabilities				
Financial liabilities				
Trade payables	13	39,076	14,550,715	11,845,107
Other financial liabilities	14	-	-	3,647,046
Provisions	12(b)	-	-	22,682
Other current liabilities	15	-	9,354	1,053,625
Total current liabilities		39,076	14,560,069	16,568,460
Total liabilities		39,076	14,560,069	17,039,993
Total equity and liabilities		600,529	1,003,688	32,294,737

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W /W-100024



Rakesh Dewan
Partner
Membership Number: 092212

Place: Gurugram
Date: 11 May 2018

For and on behalf of the Board of Directors of
SmartCooky Internet Limited



Suparna Singh
CEO, NDTV Group

Place: New Delhi
Date: 9 May 2018



Saupav Banerjee
Co-CEO, NDTV Group

Place: New Delhi
Date: 9 May 2018



Kawaljit Singh Bedi
Director
DIN : 07279693

Place: New Delhi
Date: 11 May 2018



Ravi Chatterjee
Director
DIN : 07284184

Place: New Delhi
Date: 9 May 2018



Ravi Asawa
Director &
CFO, NDTV Group
DIN : 06743962

Place: New Delhi
Date: 9 May 2018

SmartCooky Internet Limited
Statement of Profit and Loss for the year ended 31 March 2018

		(All amounts in INR, unless otherwise stated)	
	Note	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Income			
Revenue from operations	16	14,258,419	480,876
Other income	17	-	416,382
Total income		14,258,419	897,258
Expenses			
Cost of services	18	-	1,358,903
Employee benefit expenses	19	14,405,536	31,927,915
Depreciation and amortisation expense	20	93,510	477,033
Operations and administration expenses	21	45,875	8,695,696
Marketing, distribution and promotion expenses		-	371,633
Total expenses		14,544,921	42,831,180
Loss for the year		(286,502)	(41,933,922)
Other comprehensive income / (loss) for the year		-	-
Total comprehensive income / (loss) for the year		(286,502)	(41,933,922)
Earnings/(loss) per equity share			
Basic earning / (loss) per share (INR)	25	(5.48)	(802.55)
Diluted earnings / (loss) per share (INR)	25	(5.48)	(802.55)

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W /W-100024

For and on behalf of the Board of Directors of
SmartCooky Internet Limited



Rakesh Dewan
Partner
Membership Number: 092212

Place: Gurugram
Date: 11 May 2018



Suparna Singh
CEO, NDTV Group

Place: New Delhi
Date: 9 May 2018



Anurag Banerjee
Co-CEO, NDTV Group

Place: New Delhi
Date: 9 May 2018



Kawaljit Singh Bedi
Director
DIN : 07279693

Place: New Delhi
Date: 11 May 2018



Anil Chatterjee
Director
DIN : 07284184

Place: New Delhi
Date: 9 May 2018



Ravi Asawa
Director &
CFO, NDTV Group
DIN : 06743962

Place: New Delhi
Date: 9 May 2018

SmartCooky Internet Limited
Statement of Cash Flows for the year ended 31 March 2018

	(All amounts in INR, unless otherwise stated)	
	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Cash flow from operating activities		
Loss for the year	(286,502)	(41,933,922)
Adjustments to reconcile profits/(loss) before tax to net cash flows:		
Depreciation and amortization expense	93,510	477,033
Gain on sale / disposal of property, plant and equipment	-	(250)
Share based payment expense	14,404,336	13,122,797
Interest income	-	(407,399)
Liabilities for operating expenses written back	(14,258,419)	(272,475)
Impairment loss on intangible asset	-	2,202,841
Provision for doubtful advances	-	2,685,024
Cash used in operations before working capital changes	(47,075)	(24,126,351)
Working capital adjustments		
Change in other current assets	3,048	1,442,077
Change in trade payables	(253,220)	2,978,083
Change in other current financial liabilities	-	(2,040,645)
Change in other current liabilities	(9,354)	(1,044,271)
Change in provisions	-	(494,215)
Cash used in operating activities	(306,601)	(23,285,322)
Income taxes paid/deducted at source (net)	-	85,855
Net cash used in operating activities (A)	(306,601)	(23,199,467)
Cash flows from investing activities		
Purchase of property, plant and equipment	-	(2,952,404)
Proceeds from sale of property, plant and equipment	127,628	306,449
Proceeds from maturity of deposits with banks	-	19,000,000
Interest received	-	582,874
Net cash generated from investing activities (B)	127,628	16,936,919
Cash flows from financing activities		
Net cash used in financing activities (C)	-	-
Net decrease in cash and cash equivalents (A+B+C)	(178,973)	(6,262,548)
Cash and cash equivalents at the beginning of the year (Refer note 6)	195,030	6,457,578
Cash and cash equivalents at the end of the year (Refer note 6)	16,057	195,030
(a) Cash and cash equivalents		
Components of cash and cash equivalents:-		
Cash on hand	4,142	14,204
Balance with banks:		
- In current accounts	11,915	180,826
Balances per statement of cash flows	16,057	195,030


(b) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

As per our report of even date attached

For BSR & Associates LLP
Chartered Accountants
Firm registration number: 116231W /W-100024

For and on behalf of the Board of Directors of
SmartCooky Internet Limited


Rakesh Dewan
Partner
Membership Number: 092212


Suparna Singh
CEO, NDTV Group
Place: New Delhi
Date: 9 May 2018


Saurav Banerjee
Chf. CEO, NDTV Group
Place: New Delhi
Date: 9 May 2018


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Place: Gurugram
Date: 11 May 2018

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Place: New Delhi
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Place: New Delhi
Date: 9 May 2018

SmartCooky Internet Limited
Statement of Changes in Equity for the year ended 31 March 2018
 (All amounts in INR, unless otherwise stated)

I) Equity Share Capital

Particulars	Amounts
Balance as at 1 April 2016	522,510
Changes in equity share capital during the year	-
Balance as at 31 March 2017	522,510
Changes in equity share capital during the year	-
Balance as at 31 March 2018	522,510

II) Other equity

Particulars	Reserves and Surplus			Total
	Securities premium	Retained earnings	Share based payment reserve	
Balance as at 1 April 2016	35,633,330	(24,668,747)	3,767,651	14,732,234
Total comprehensive income/(loss) for the year	-	(41,933,922)	-	(41,933,922)
Loss for the year	-	(41,933,922)	-	(41,933,922)
Total comprehensive income/(loss) for the year	-	(41,933,922)	-	(41,933,922)
Transactions with owners, recorded directly in equity				
Contributions by owners				
Share-based payment	-	-	13,122,797	13,122,797
Total contributions by owners	-	-	13,122,797	13,122,797
Balance as at 31 March 2017	35,633,330	(66,602,669)	16,890,448	(14,078,891)
Total comprehensive income/(loss) for the year	-	(286,502)	-	(286,502)
Loss for the year	-	(286,502)	-	(286,502)
Total comprehensive income/(loss) for the year	-	(286,502)	-	(286,502)
Transactions with owners, recorded directly in equity				
Contributions by owners				
Share-based payment	-	-	14,404,336	14,404,336
Total contributions by owners	-	-	14,404,336	14,404,336
Balance as at 31 March 2018	35,633,330	(66,889,171)	31,294,784	38,943

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **B S R & Associates LLP**
 Chartered Accountants
 Firm registration number: 116231W /W-100024



Rakesh Dewan
 Partner
 Membership Number: 092212

Place: Gurugram
 Date: 11 May 2018

For and on behalf of the Board of Directors of
SmartCooky Internet Limited



Suparna Singh
 CEO, NDTV Group

Place: New Delhi
 Date: 9 May 2018



Sudray Banerjee
 Co-CEO, NDTV Group

Place: New Delhi
 Date: 9 May 2018



Kawaljit Singh Bedi
 Director
 DIN : 07279693

Place: New Delhi
 Date: 11 May 2018



Arjit Chatterjee
 Director
 DIN : 07284184

Place: New Delhi
 Date: 9 May 2018



Ravi Asawa
 Director &
 CFO, NDTV Group
 DIN : 06743962

Place: New Delhi
 Date: 9 May 2018

SmartCooky Internet Limited
Notes to the financial statements for the year ended 31 March 2018

A Reporting entity

SmartCooky Internet Limited (the Company) is a public limited company incorporated in India on 1 September 2015, under the provisions of the Companies Act, 2013 with its registered office situated in New Delhi.

The Company operates and maintains website smartcooky.com, an e-commerce marketplace platform that will facilitate sale of health food and personal care products across the country.

Note 1 Basis of preparation

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended 31 March 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

As these are the Company first Financial Statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note 31.

The Company has incurred losses in the current year and in the previous period, though the Company has a positive net worth as on 31 March 2018. The Company has suspended the business operations w.e.f December 31, 2016. The Company is in the process of making future business plans and identifying source of funding to run its operations. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, in view of the future options available with the Company, the Board of Directors consider that it is appropriate to prepare these accounts on a going concern basis, which assumes that the Company will continue to be in operational existence in the foreseeable future. Accordingly, the assets and liabilities are recorded on the basis that the Company will be able to use or realize its assets at least at the recorded amounts and discharge its liabilities in the usual course of business.

The Financial Statements were authorised for issue by the Company's Board of Directors on 9 May 2018.

b. Functional and presentation currency

The Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

c. Basis of measurement

The Financial Statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets	Fair value

d. Use of estimates and judgements

In preparing these Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

i. Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management exercises judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

ii. Assumptions and estimation uncertainties

The areas involving critical estimates are:

- Recognition and measurement of provisions and contingencies;
- Estimated useful life of intangible asset;
- Impairment test of non-financial assets; and
- Impairment of other financial assets.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

e. 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;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current assets include the current portion of non-current financial assets. The Company classifies all other assets as non-current.



A liability is treated as 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.

Current liabilities include current portion of non-current financial liabilities. The Company classifies all other liabilities as non-current.

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 twelve months as its operating cycle for the purpose of current/non-current classification of assets and liabilities.

f. Measurement of fair values

A number of accounting policies and disclosures require the measurement of fair value for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer, NDTV Group.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further the information about the assumptions made in measuring fair values is included in the financial instruments:

Note 2 Significant accounting policies

a. Financial instruments

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

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- fair value through other comprehensive income (FVOCI) – debt investment;
- FVOCI – equity investment; or
- FVTPL.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business whose objective is to hold assets 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.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. *Derecognition:*

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. *Offsetting*

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

b. **Property, plant and equipment**

i. *Recognition and measurement:*

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. *Transition to Ind AS:*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

iii. *Subsequent expenditure:*

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.



iv. *Depreciation:*

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss.

The useful lives as estimated for tangible assets are in accordance with the useful lives as indicated in Schedule II of the Companies Act, 2013 except for the following classes of assets where difference useful lives have been used:

Asset Class	Useful life (in years)
Computers	3-6

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

c. **Intangible assets**

i. *Recognition and measurement:*

Intangible assets including those acquired by the Company in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

The Company did not have any intangible assets as on 1 April 2016.

ii. *Subsequent expenditure:*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on is recognised in profit or loss as incurred.

iii. *Amortisation:*

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset Class	Useful life (In years)
Website	6

Amortisation method, useful lives and residual values are

d. **Impairment**

i. *Impairment of financial instruments*

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 180 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.



Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the Balance Sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. *Impairment of non-financial assets*

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

e. **Employee benefits:**

i. *Short-term employee benefits:*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. *Defined contribution plan*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

iii. *Defined benefit plan*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.



iv. *Termination benefits*

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

v. *Employee Share-based payment*

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee benefits expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

f. **Provisions:**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

g. **Revenue:**

Revenue is measured at fair value of consideration received or receivable. Amounts disclosed as revenue are net of taxes (goods and service tax/ service tax/ value added tax), rebates, trade allowances and amount collected on behalf of others.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

h. **Lease:**

i) *Determining whether an arrangement contains a lease*

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

ii) *Assets held under leases*

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

iii) *Lease payments*

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

i. **Recognition of interest income**

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.



j. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

k. Cash and cash equivalent:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

l. Earnings per share

i. Basic earnings / (loss) per share

Basic earnings per share is calculated by dividing:

- the profit / (loss) attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

ii. Diluted earnings / (loss) per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

m. Contingent liabilities and contingent assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are not recognised however are disclosed in the financial statements where an inflow of economic benefit is probable. Contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.



n. **Recent accounting pronouncements**

i. **Ind AS 115 - Revenue from contracts with customers**

Nature of change

Ind AS 115, Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction contracts and related appendices.

A new five-step process must be applied before revenue can be recognised:

1. identify contracts with customers
2. identify the separate performance obligation
3. determine the transaction price of the contract
4. allocate the transaction price to each of the separate performance obligations, and
5. recognise the revenue as each performance obligation is satisfied.

Ind AS 115 also introduces new guidance on, amongst other areas, combining contracts, discounts, variable consideration, modifications and require that certain costs incurred in obtaining and fulfilling customer contracts be deferred on Balance Sheet and amortized over the period and entity expects to benefit from customer relationship.

What constitutes a performance obligation under the new standard maybe different than the current accounting revenue recognition principles.

The management is in the process of conducting a detailed accounting scoping analysis across the services within the Company's revenue streams.

The new standard also requires detailed disclosures regarding nature, timing and uncertainty of revenue transactions which is presently being assessed by the management.

The new standard is mandatory for financial years commencing on or after 1 April 2018 and early application is not permitted. The standard permits to apply this standard using one of the following two methods:

- (a) retrospectively to each prior reporting period presented or
- (b) retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application.

Impact

The Company is in the process of assessing the detailed impact of Ind AS 115. Presently, the Company is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements, except that adoption of Ind AS 115 is not expected to significantly change the timing of the Company's revenue recognition for sale of services.

Date of adoption

The Company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 April 2018 and that comparatives will not be restated.

ii. **Amendments to Ind AS 12- Income taxes regarding recognition of deferred tax assets on unrealised losses**

Nature of change

The amendments clarify the accounting for deferred taxes where an asset is measured at fair value and that fair value is below the asset's tax base. They also clarify certain

· A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.

· The estimate of future taxable profit may include the recovery of some of an entity's assets for more than its carrying amount if it is probable that the entity will achieve this. For example, when a fixed-rate debt instrument is measured at fair value, however, the entity expects to hold and collect the contractual cash flows and it is probable that the asset will be recovered for more than its carrying amount.

• Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.

• Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profit that is used to evaluate the

· recoverability of those assets. This is to avoid double counting the deductible temporary differences in such assessment

An entity shall apply the amendments to Ind AS 12 retrospectively in accordance with Ind AS 8. However, on initial application of the amendment, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity.

Impact

The management does not foresee any material impact on account of this amendment.

Date of adoption

The Company shall apply the amendments to Ind AS 12 retrospectively in accordance with Ind AS 8 with the corresponding impact recognised in opening retained earnings as at 1 April 2018, based on the relief provided by the standard.



SmartCooky Internet Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR, unless otherwise stated)

Note 3 : Property, plant and equipment

Particulars	Computers	Furniture and fixtures	Total
At cost (gross carrying amount)			
Deemed Cost at 1 April 2016 (refer note 31)	736,464	-	736,464
Additions	209,967	17,576	227,543
Disposals	(360,927)	-	(360,927)
Balance at 31 March 2017	585,504	17,576	603,080
Disposals	(178,924)	-	(178,924)
Balance at 31 March 2018	406,580	17,576	424,156

Accumulated depreciation and impairment

Particulars	Computers	Furniture and fixtures	Total
Depreciation for the year	165,040	17,576	182,616
Deletion / Adjustments	(54,728)	-	(54,728)
Balance at 31 March 2017	110,312	17,576	127,888
Depreciation for the year	93,510	-	93,510
Deletion / Adjustments	(51,296)	-	(51,296)
Balance at 31 March 2018	152,526	17,576	170,102
Carrying amount (net)			
Deemed Cost at 1 April 2016 (refer note 31)	736,464	-	736,464
Balance at 31 March 2017	475,192	-	475,192
Balance at 31 March 2018	254,054	-	254,054



Note 4. Intangible assets

Reconciliation of carrying amount

Particulars	Website	Total
At cost (gross carrying amount)		
Balance at 1 April 2016	-	-
Additions	2,697,258	2,697,258
Balance at 31 March 2017	2,697,258	2,697,258
Additions	-	-
Balance at 31 March 2018	2,697,258	2,697,258

Accumulated amortisation and impairment losses

Particulars	Website	Total
Amortisation for the year	294,417	294,417
Impairment loss for the year (refer note 21)	2,202,841	2,202,841
Balance at 31 March 2017	2,497,258	2,497,258
Amortisation for the year	-	-
Balance at 31 March 2018	2,497,258	2,497,258

Carrying amount (net)		
Balance at 1 April 2016	-	-
Balance at 31 March 2017	200,000	200,000
Balance at 31 March 2018	200,000	200,000



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Note 5: Income tax assets (net) - non current
Non Current

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Income tax asset-Advance tax	107,642	107,642	193,497
Total non current tax assets	107,642	107,642	193,497

Note 6: Cash and cash equivalents

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Cash in hand	4,142	14,204	41,656
Balances with banks - in current accounts	11,915	180,826	2,915,922
Deposits with bank having maturity of less than 3 months	-	-	3,500,000
Cash and cash equivalents in balance sheet	16,057	195,030	6,457,578
Cash and cash equivalents in the statement of cash flows	16,057	195,030	6,457,578

Note 7: Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deposits with banks due to mature within 12 months of the reporting date	-	-	19,000,000
	-	-	19,000,000

Note 8: Current - other financial assets
(Unsecured, considered good)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Interest accrued on fixed deposits	-	-	175,475
	-	-	175,475

Note 9: Other current assets
(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Dues recoverable from government :			
Considered good	-	-	1,939,219
Considered doubtful	1,057,171	2,685,024	-
Less: Loss allowance for doubtful advances	(1,057,171)	(2,685,024)	-
	-	-	1,939,219
Prepaid expenses	22,776	25,824	434,774
Other receivable*	-	-	1,778,932
	22,776	25,824	4,152,925

*Other receivable represents receivable from related parties



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Note 10: Equity share capital

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Authorized			
100,000 (31 March 2017: 1,00,000, 1 April 2016: 1,00,000) equity shares of INR 10 each	1,000,000	1,000,000	1,000,000
	1,000,000	1,000,000	1,000,000
Issued			
60,000 (31 March 2017: 60,000, 1 April 2016: 60,000) equity shares of INR 10 each	600,000	600,000	600,000
	600,000	600,000	600,000
Subscribed and fully paid up			
52,251 (31 March 2017: 52,251, 1 April 2016: 52,251) equity shares of INR 10 each	522,510	522,510	522,510
	522,510	522,510	522,510

A. Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	No. of shares	Amount
As at 1 April 2016	52,251	522,510
As at 31 March 2017	52,251	522,510
As at 31 March 2018	52,251	522,510

B. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company in proportion of the number of equity shares held.

C. Details of shareholders holding more than 5% shares in the company

Name of shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
NDTV Convergence Limited	30,000	57.42%	30,000	57.42%	30,000	57.42%
New Delhi Television Limited	20,000	38.28%	20,000	38.28%	20,000	38.28%



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Note 11: Other equity

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Securities premium ^a	35,633,330	35,633,330	35,633,330
Retained earnings ^b	(66,889,171)	(66,602,669)	(24,668,747)
Share based payment reserve ^c	31,294,784	16,890,448	3,767,651
	<u>38,943</u>	<u>(14,078,891)</u>	<u>14,732,234</u>

a) Securities premium

Particulars	As at 31 March 2018	As at 31 March 2017
Opening balance	35,633,330	35,633,330
Closing balance	<u>35,633,330</u>	<u>35,633,330</u>

Note:

Securities premium is used to record the premium received on issue of equity shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

b) Retained earnings

Particulars	As at 31 March 2018	As at 31 March 2017
Opening balance	(66,602,669)	(24,668,747)
Loss for the year	(286,502)	(41,933,922)
Closing balance	<u>(66,889,171)</u>	<u>(66,602,669)</u>

Note:

Retained earnings are the losses that the Company has incurred till date.

c) Share based payment reserve

Particulars	As at 31 March 2018	As at 31 March 2017
Opening balance	16,890,448	3,767,651
Charged during the year	14,404,336	13,122,797
Closing balance	<u>31,294,784</u>	<u>16,890,448</u>

Note:

The share based payment reserve comprises the value equity-settled share based award provided to employees including key management personnel, as part of their remuneration.



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Note 12(a): Provisions- non current

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Gratuity (refer note 27)	-	-	471,533
	-	-	<u>471,533</u>

Note 12(b): Provisions- current

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Gratuity (refer note 27)	-	-	22,682
	-	-	<u>22,682</u>

Note 13: Trade payables

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Trade payables			
- total outstanding dues of micro enterprises and small enterprises (see note below)			
- total outstanding dues of creditors other than micro enterprises and small enterprises	39,076	14,550,715	11,845,107
	<u>39,076</u>	<u>14,550,715</u>	<u>11,845,107</u>

Of the above, trade payables to related parties are as below:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Trade payables to related parties	-	14,298,944	10,576,052
	-	<u>14,298,944</u>	<u>10,576,052</u>

Note:

Disclosures in relation to Micro and Small enterprises "Suppliers" as defined in Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(i) the principal amount remaining unpaid to any supplier as at the end of the year	-	-	-
(ii) the interest due on the principal remaining outstanding as at the end of the year	-	-	-
(iii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
(iv) the amount of the payment made to micro and small suppliers beyond the appointed day during each accounting year	-	-	-
(v) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
(vi) the amount of interest accrued and remaining unpaid at the end of the year	-	-	-
(vii) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Note 14: Current- other financial liabilities

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Payable to employees	-	-	2,040,645
Payable against fixed assets *	-	-	1,606,401
	-	-	<u>3,647,046</u>

*Represents amount payable to related parties.

Note 15: Other current liabilities

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Statutory dues payable	-	9,354	1,053,625
	-	<u>9,354</u>	<u>1,053,625</u>



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Note 16: Revenue from operations

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from operations		
Commission income	-	208,401
	-	<u>208,401</u>
Other operating revenue		
Liabilities for operating expenses written back	14,258,419	272,475
	<u>14,258,419</u>	<u>272,475</u>
Total revenue from operations	<u>14,258,419</u>	<u>480,876</u>

Note 17: Other income

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest income on fixed deposits	-	407,399
Interest income on income tax refund	-	8,703
Profit on sale of fixed assets	-	250
Miscellaneous income	-	30
	-	<u>416,382</u>

Note 18: Cost of services

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Website hosting and streaming	-	779,698
Software expenses	-	256,965
Subscriptions	-	50,864
Payment gateway charges	-	3,984
Shipping charges	-	69,832
Product handling fee	-	122,790
Packing cost	-	74,770
	-	<u>1,358,903</u>

Note 19: Employee benefits expense

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus including post employment benefit plan (refer note 27)	-	17,871,266
Contribution to provident and other funds	1,200	880,582
Staff welfare expenses	-	53,270
Share based payment Expenses	14,404,336	13,122,797
	<u>14,405,536</u>	<u>31,927,915</u>

Note 20: Depreciation and amortization expense

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation on property, plant and equipment	93,510	182,616
Amortisation on intangible assets	-	294,417
	<u>93,510</u>	<u>477,033</u>



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Note 21: Operations and administration expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Rent (refer note 28)	-	15,138
Rates and taxes	492	169,828
Printing and stationery	-	5,718
Postage and courier	-	10,867
Books, periodicals and news papers	-	82,446
Local conveyance, travelling and taxi hire	-	102,350
Business promotion	-	105,994
Computer hire charges	-	19,619
Repairs and maintenance	-	4,376
Auditors' remuneration (excluding tax) ^a	30,000	40,000
Insurance	3,801	192,721
Communication	-	128,223
Vehicle running and maintenance	-	845,379
Legal, professional and consultancy	2,116	2,080,454
Impairment loss on intangible asset	-	2,202,841
Provision for doubtful advances	-	2,685,024
Doubtful advances written off	1,627,853	-
Less: Utilized against provision	<u>(1,627,853)</u>	<u>-</u>
Miscellaneous expenses	9,466	4,718
	<u>45,875</u>	<u>8,695,696</u>
Auditors' remuneration		
	For the year ended 31 March 2018	For the year ended 31 March 2017
As auditors : ^a		
Audit fee	<u>30,000</u>	<u>40,000</u>
	<u>30,000</u>	<u>40,000</u>



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Note 22 : Share based payment plans

Description of share-based payment arrangements

As at 31 March 2018, the Company has the following share-based payment arrangement for employees.

SmartCooky Internet Limited - Employee Stock Option Plan 2016 ('the 2016 plan')

In 2016, the Company approved the 2016 Plan. The plan entitles key management personnel and senior employees of the Company to purchase the common shares of the Company at the market price on the grant date, subject to compliance with vesting conditions. All exercised options shall be settled by allotment of shares. Upon vesting, the employees can acquire one common share of the Company for every option.

The terms and conditions related to the grant of the share options are as follows :

<u>Grant date</u>	<u>Number of options</u>	<u>Vesting condition:</u>	<u>Contractual life of options</u>
Options outstanding as of 1 April 2016	14,150	Refer note below	13 years
Options outstanding as of 31 March 2017	14,150		
Less: options forfeited during the year 31 March 2017	(8,780)		
Options outstanding as of 31 March 2018	5,370		

Note:

1. For options granted total vesting period is 36 months. 50% of the options granted will vest after the completion of 24 months of the continuous service from the grant date and the balance 50% will vest after completion of 36 months of the continuous service from the grant date.

Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under employee stock option plans are as follows:

Particulars	As at 31 March 2018		As at 31 March 2017	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding at the beginning of the year	5,370	15,840	14,150	15,840
Forfeited during the year	-	-	8,780	15,840
Outstanding at the end of the year	5,370	15,840	5,370	15,840
Exercisable at the end of the year	2,685	15,840	-	-

The options outstanding at 31 March 2018 have an exercise price of INR 15,840 (31 March 2017 : INR 15,840) and a weighted average contractual life of 10.92 years (31 March 2017 : 11.92 years).

During the year ended 31 March 2018 share based payment expense recognised under employee benefits expenses (refer note- 19) amounted to INR 14,404,336 (31 March 2017: INR 13,122,797)



Note 23: Capital management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company's objective for capital management is to manage its capital so as to safeguard its ability to continue as a going concern and to support the growth of the Company. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investors, creditors and market confidence. The funding requirements are met through equity and operating cash. The Company is not subject to any externally imposed capital requirements.

Note 24: Financial instruments -fair values measurements and financial risk management

A. Accounting classifications 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.

(i) As on 31 March 2018

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets - Current								
Cash and cash equivalents**	6	-	-	16,057	16,057	-	-	16,057
Total		-	-	16,057	16,057	-	-	16,057
Financial liabilities - Current								
Trade payables**	13	-	-	39,076	39,076	-	-	39,076
Total		-	-	39,076	39,076	-	-	39,076

(ii) As on 31 March 2017

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets - Current								
Cash and cash equivalents**	6	-	-	195,030	195,030	-	-	195,030
Total		-	-	195,030	195,030	-	-	195,030
Financial liabilities - Current								
Trade payables**	13	-	-	14,550,715	14,550,715	-	-	14,550,715
Total		-	-	14,550,715	14,550,715	-	-	14,550,715

(iii) As on 1 April 2016

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortized cost	Total	Level 1	Level 2	Level 3
Cash and cash equivalents**	6	-	-	6,457,578	6,457,578	-	-	6,457,578
Bank balances other than cash and cash equivalents mentioned above**	7	-	-	19,000,000	19,000,000	-	-	19,000,000
Interest accrued on fixed deposits**	8	-	-	175,475	175,475	-	-	175,475
Total		-	-	25,633,053	25,633,053	-	-	25,633,053
Financial liabilities - Current								
Trade payables**	13	-	-	11,845,107	11,845,107	-	-	11,845,107
Other financial liabilities		-	-	2,040,645	2,040,645	-	-	2,040,645
- Payable to employees**	14	-	-	1,606,401	1,606,401	-	-	1,606,401
- Payable against fixed assets**	14	-	-	1,606,401	1,606,401	-	-	1,606,401
Total		-	-	15,492,153	15,492,153	-	-	15,492,153

** The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, interest accrued on fixed deposit, trade payables, payable to employees, payable against fixed assets approximates the fair values due to their short-term nature.

Fair values are categorized 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).

There has been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2018 and 31 March 2017 and 1 April 2016.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of the remaining financial instruments is determined using discounted cash flow method.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market Risk - Interest rate

(i) Risk management framework

The Company's key management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company to set appropriate risks limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(ii) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Cash and cash equivalents	16,057	195,030	6,457,578
Bank balances other than cash and cash equivalents mentioned above	-	-	19,000,000
Other financial assets	-	-	175,475

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks.

Credit risk on cash and cash equivalents and bank deposits is limited as the Company generally deals with banks with high credit ratings assigned by domestic credit rating agencies.



(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to manage liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents and other highly marketable equity investments at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next six months. The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted.

As at 31 March 2018	Carrying amount	Less than one year	Between one and three years	More than three years	Contractual cash flows
Trade payables	39,076	39,076	-	-	39,076
	<u>39,076</u>	<u>39,076</u>	<u>-</u>	<u>-</u>	<u>39,076</u>
As at 31 March 2017	Carrying amount	Less than one year	Between one and three years	More than three years	Contractual cash flows
Trade payables	14,550,715	14,550,715	-	-	14,550,715
	<u>14,550,715</u>	<u>14,550,715</u>	<u>-</u>	<u>-</u>	<u>14,550,715</u>
As at 1 April 2016	Carrying amount	Less than one year	Between one and three years	More than three years	Contractual cash flows
Trade payables	11,845,107	11,845,107	-	-	11,845,107
Other financial liabilities	3,647,046	3,647,046	-	-	3,647,046
	<u>15,492,153</u>	<u>15,492,153</u>	<u>-</u>	<u>-</u>	<u>15,492,153</u>

(iv) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(a) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to such risk as the Company does not have any floating interest rate financial investment.



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Note 25: Earnings / (loss) per equity share ('EPS')

The calculations of profit / (loss) attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of earnings / (loss) per share calculations are as follows:

Particulars	As at 31 March 2018	As at 31 March 2017
Loss for the year - (A)	(286,502)	(41,933,922)
Calculation of weighted average number of equity shares		
Number of equity shares at the beginning of the year	52,251	52,251
Number of equity shares outstanding at the end of the year	52,251	52,251
Weighted average number of shares outstanding during the year - (B)	52,251	52,251
Face value of each equity share (INR)	10	10
Basic and diluted loss per equity share (INR) - (A)/(B)	(5.48)	(802.55)



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Note 26: Related Party Disclosures

(a) List of Related Parties and nature of relationship where control exists

Related parties where control exists

New Delhi Television Limited
NDTV Convergence Limited

Fellow subsidiaries

Red Pixels Ventures Limited
Fifth Gear Ventures Limited

Key management personnel

Seema Sahgal Chandra Managing Director (till December 31, 2016)
Sumeet Singh CEO (till January 31, 2017)

(b) Transactions with related parties

Particulars	Holding company		Fellow subsidiaries	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
Reimbursement of expenses (incurred by related parties on behalf of the company)				
NDTV Convergence Limited	-	533,461	-	-
Fifth Gear Ventures Limited	-	-	-	1,242,541
Sale of fixed assets				
NDTV Convergence Limited	127,628	234,088	-	-
Red Pixels Ventures Limited	-	-	-	72,361
Reimbursement of expenses (incurred by the company on behalf of related parties)				
NDTV Convergence Limited	-	666,172	-	-
Fifth Gear Ventures Limited	-	-	-	8,804

(c) Key management personnel compensation

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Short term employee benefits	-	7,347,510

(d) Outstanding balances

Particulars	Ultimate holding company		Holding company		Fellow subsidiaries	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Trade payable	-	1,227	-	13,735,742	-	561,975



Note 27: Employee Benefits

(i) Gratuity

Gratuity is payable to all eligible employees of the Company on retirement or separation from the Company. The following table sets out the status of the defined benefit plan as required under IND AS 19 - Employee Benefits:

(a) Changes in present value of defined benefit obligation:

Particulars	Present value of obligation
Balance as at 1 April 2016	494,215
Current service cost	(494,215)
Total amount recognized in profit or loss	(494,215)
Balance as at 31 March 2017	-
Balance as at 1 April 2017	-
Balance as at 31 March 2018	-

The net liability disclosed above relates to unfunded plans are as follows:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Present value of funded obligations	-	-	494,215
Fair value of plan assets	-	-	-
Deficit of funded plan	-	-	494,215
Unfunded plans	-	-	-
Deficit of gratuity plan	-	-	494,215

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

(b) Assumptions:

1. Economic assumptions

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Discount rate	-	-	7.70%
Salary growth rate	-	-	5.00%

The discount rate is based on the prevailing market yields of government bonds as at the balance sheet date for the estimated term of the obligations.

The salary escalation rate is based on estimates of salary increases, which takes into account inflation, promotion and other relevant factors.

2. Demographic assumptions:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Withdrawal rate, based on age	-	-	5.00%
Mortality rate (% of IALM 06-08)	-	-	100%
Retirement age (years)	-	-	62

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.



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Note 28: Lease Commitments

A. Non-cancellable operating leases

The Company has taken a commercial premises under cancellable operating lease. The rental expense for the current year, in respect of operating leases is INR Nil (31 March 2017: INR 15,138). The future minimum lease payments in respect of such leases are as follows:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Within less than one year	-	15,138	-
Total minimum lease payments	-	15,138	-

Note 29: Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") as required under Ind AS 108. The CODM is considered to be Board of directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments. The Company operates in the single primary segment of health food e-commerce. No business has been conducted by the Company during the year, accordingly, there is no reportable segment.

Note 30: Disclosure on Specified Bank Notes (SBNs)

The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018. Corresponding amounts as appearing in the audited financial statements for the year ended 31 March 2017 have been disclosed as given below;

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 08 November 2016	58,500	1,327	59,827
(+) Permitted receipts	-	28,030	28,030
(-) Permitted payments	-	5,853	5,853
(-) Amount deposited in banks	58,500	-	58,500
Closing cash in hand as on 30 December 2016	-	23,504	23,504

* For the purpose of this clause, the term "specified bank notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E) dated November 8, 2016.



Note 31 : Taxation

A) The reconciliation of estimated income tax to income tax expense is as follows:

Particulars	For the year ended 31 March 2018		For the year ended 31 March 2017	
Profit / (Loss) before taxes		(286,502)		(41,933,922)
Tax using the Company's applicable tax rate	25.75%	(73,774)	30.90%	(12,957,582)
Effect of:				
Non-deductible expenses	0%	-	-2.20%	923,541
Change in temporary differences	-1254.89%	3,595,289	-9.31%	3,906,075
Utilisation of previous years unrecognised tax losses	1229.14%	(3,521,515)	0.00%	-
Current year losses for which no deferred tax asset was recognised	0.00%	-	-19.38%	8,127,966
Effective tax rate		-		-

B) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of following items:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Tax loss carry forwards	6,434,242	11,946,908	3,781,243
Deductible temporary differences	8,357,245	5,714,346	1,919,824
Total deferred tax assets	14,791,487	17,661,254	5,701,067

As at 31 March 2018, 31 March 2017 and 1 April 2016, the Company did not recognize deferred tax assets on tax losses and other temporary differences because a trend of future profitability is not yet clearly discernible. Further, deferred tax assets have been recognised only to the extent of deferred tax liabilities. The above tax losses expire at various dates ranging from 2024 to 2026.

C) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to following:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deferred tax liabilities	-	-	(37,699)
- Property, plant and equipment and intangible asset	-	-	(37,699)
Total deferred tax liabilities	-	-	(37,699)
Deferred tax assets	-	-	37,699
- Tax loss carry forwards	-	-	37,699
Total deferred tax assets	-	-	37,699
Net deferred tax assets/(liability)	-	-	-

D) Movement in deferred tax assets / (liabilities) during the year :

Particulars	Balance as at 1 April 2016	Recognised in profit or loss	Balance as at 31 March 2017	Recognised in profit or loss	Balance as at 31 March 2018
Deferred tax liabilities	(37,699)	37,699.25	-	-	-
Property, plant and equipment and intangible asset	37,699	(37,699.25)	-	-	-
Tax loss carry forwards	-	-	-	-	-
Total	-	-	-	-	-



Note 32: First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standard (Ind AS) as notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, with effect from 1 April 2016, with transition date of 1 April 2016, pursuant to the notification issued by Ministry of Corporate Affairs dated 16 February 2015. Accordingly, the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and the opening Ind AS balance sheet as at 1 April 2016 have been prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS Statement of Financial Position at 1 April 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

A. Exemptions and exceptions availed

Following applicable Ind AS 101 optional exemptions and mandatory exceptions have been applied in the transition from previous GAAP to Ind AS.

Ind AS optional exemptions

(1) Deemed cost for property, plant and equipment and intangible assets

As per Ind AS 101, an entity may elect to use carrying values of all property, plant and equipment and other intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous Indian GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

(2) Determining whether an arrangement contains a lease

Ind AS 101 includes an optional exemption that permits an entity to apply the relevant requirements in Appendix C of Ind AS 17 for determining whether a contract or an arrangement existing at the date of transition contains a lease. If the entity elects the optional exemption, then it assesses whether the lease contracts / arrangements existing at the date of transition contain lease are based on the facts and circumstances existing at that date except where the effect is expected not to be material. The Company has elected to apply this exemption on the basis of facts and circumstances existing as at the transition date.

Ind AS mandatory exceptions

(1) Estimates

As per IND AS 101, an entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortized cost.

(2) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition, if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.



B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

(i) Reconciliation of equity as at date of transition (1 April 2016)			
	Previous GAAP *	Adjustments	Ind AS
Assets			
Non-current assets			
Property, plant and equipment	736,464	-	736,464
Capital work-in progress	1,578,798	-	1,578,798
Income tax assets(net)	193,497	-	193,497
Total non-current assets	2,508,759	-	2,508,759
Current assets			
Financial assets			
Cash and cash equivalents	6,457,578	-	6,457,578
Bank balances other than cash and cash equivalents mentioned above	19,000,000	-	19,000,000
Other financial assets	175,475	-	175,475
Other current assets	4,152,925	-	4,152,925
Total current assets	29,785,978	-	29,785,978
Total assets	32,294,737	-	32,294,737
Equity and liabilities			
Equity			
Equity share capital	522,510	-	522,510
Other equity	14,732,234	-	14,732,234
Total equity	15,254,744	-	15,254,744
Liabilities			
Non-current liabilities			
Provisions	471,533	-	471,533
Total non-current liabilities	471,533	-	471,533
Current liabilities			
Financial liabilities			
Trade payables	11,845,107	-	11,845,107
Other financial liabilities	3,647,046	-	3,647,046
Provisions	22,682	-	22,682
Other current liabilities	1,053,625	-	1,053,625
Total current liabilities	16,568,460	-	16,568,460
Total liabilities	17,039,993	-	17,039,993
Total equity and liabilities	32,294,737	-	32,294,737

(ii) Reconciliation of equity as at 31 March 2017			
	Previous GAAP *	Adjustments	Ind AS
Assets			
Non-current assets			
Property, plant and equipment	475,192	-	475,192
Other intangible assets	200,000	-	200,000
Income tax assets(net)	107,642	-	107,642
Total non-current assets	782,834	-	782,834
Current assets			
Financial assets			
Cash and cash equivalents	195,030	-	195,030
Other current assets	25,824	-	25,824
Total current assets	220,854	-	220,854
Total assets	1,003,688	-	1,003,688
Equity and liabilities			
Equity			
Equity share capital	522,510	-	522,510
Other equity	(14,078,891)	-	(14,078,891)
Total equity	(13,556,381)	-	(13,556,381)
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	14,550,715	-	14,550,715
Other current liabilities	9,354	-	9,354
Total current liabilities	14,560,069	-	14,560,069
Total liabilities	14,560,069	-	14,560,069
Total equity and liabilities	1,003,688	-	1,003,688



SmartCooky Internet Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR, unless otherwise stated)

(iii) Reconciliation of total comprehensive income for the year ended 31 March 2017				
	Notes to first time adoption	Previous GAAP *	Adjustments	Ind AS
Income				
Revenue from operations		480,876	-	480,876
Other income		416,382	-	416,382
Total income		897,258	-	897,258
Expenses				
Cost of services		1,358,903	-	1,358,903
Employee benefit expense		18,805,118	13,122,797	31,927,915
Depreciation and amortization expense		477,033	-	477,033
Marketing, distribution and promotion expenses		371,633	-	371,633
Operations and administration expenses		8,695,696	-	8,695,696
Total expenses		29,708,383	13,122,797	42,831,180
Loss for the year		(28,811,125)	(13,122,797)	(41,933,922)
Other comprehensive income / (loss) for the year		-	-	-
Total comprehensive income / (loss) for the year		(28,811,125)	(13,122,797)	(41,933,922)
Earnings per equity share				
Basic earnings per share (in absolute terms)		(551.40)		(802.55)
Diluted earnings per share (in absolute terms)		(551.40)		(802.55)

* The previous GAAP figures have been reclassified to conform to presentation requirements for the purpose of this note.

Notes to first time adoption

(1) Share based payment reserve

Under the previous GAAP, the cost of share based payment plan was recognized using the intrinsic value method. Under Ind AS, the cost of share based payment plan is recognized based on the fair value of the options as at grant date. Consequently, the retained earnings has decreased by INR 3,737,651 as at 1 April 2016 and employee share based reserve has been increase with the same amount. There is no impact on total equity as at 1 April 2016. Further, the loss for the year ended 31 March 2017 has increased by INR 13,122,797 and the shared based reserve has also increase with the same amount as at 31 March 2017. There is no impact on total equity as at 31 March 2017.

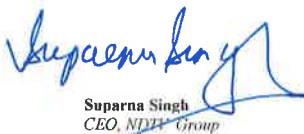
As per our report of even date attached

For BSR & Associates LLP
Chartered Accountants
Firm registration number: 116231W/W-100024

For and on behalf of the Board of Directors of
SmartCooky Internet Limited



Rakesh Dewan
Partner
Membership Number: 092212



Suparna Singh
CEO, NDTV Group

Place: New Delhi
Date: 9 May 2018




Saurav Banerjee
Co-CEO, NDTV Group

Place: New Delhi
Date: 9 May 2018



Kawaljit Singh Bedi
Director
DIN : 07279693

Place: New Delhi
Date: 11 May 2018



Anil Chatterjee
Director
DIN : 07284184

Place: New Delhi
Date: 9 May 2018



Ravi Asawa
Director & CFO, NDTV Group
DIN : 06743962

Place: New Delhi
Date: 9 May 2018

Place: Gurugram
Date: 11 May 2018