

INDEPENDENT AUDITORS' REPORT

To the Members of PJSA Technosoft Private Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **M/s PJSA Technosoft Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2019, the statement of profit and loss, including the statement of Other Comprehensive Income, the cash flow statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

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;

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2019;
- (b) in the case of the Statement of Profit and Loss, of the Loss of the Company including other comprehensive income for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows and the changes in equity for the year ended on that date.



Basis for Opinion

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

Responsibility of Management 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 financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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

Auditor's Responsibility for the Audit of the Ind As financial statement

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

Report on Other Legal and Regulatory Requirements

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

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 purpose of our audit.



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors as on 31st March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019, from being appointed as a director in terms of Section 164(2) of the Act
- f. On the basis of written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- 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 which would impact its financial position
- j. The Company did not have any long-term contracts including derivative contracts for



which there were any material foreseeable losses.

- k. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SHETTY NAIK & ASSOCIATES

Chartered Accountants

ICAI Reg. No.:124851W


CA. JAGDISH SHETTY

Partner

Membership No: 111936

Place: Mumbai

Dated: 17th May 2019



ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

1. (a) According to information and explanations given to us, the Company do not have any fixed assets. Hence, the said sub-clause (a) & (b) is not applicable to the company.

(b) According to information and explanations given to us, and on the basis of our examination of the records of the Company, the company does not own any immovable property and hence the said sub-clause is not applicable in its case.
2. The company is primarily involved in the technology support services. Accordingly, the company does not hold any physical inventories. Thus, the paragraph 3(ii) of the order is not applicable.
3. According to information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company during the year.
4. According to information and explanations given to us, the Company has not granted unsecured loans covered under the provisions of 186 of the Act exceeding the limits prescribed under Sec. 186(2).



5. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under during the year.
6. According to the information and explanations given to us, the requirement for maintenance of cost records specified by the Central Government under Section 148(1) of the Act is not applicable to the Company during the year.
7. (a) According to the information and explanation given to us, the Company has been generally regular in depositing the undisputed statutory dues including income tax, sales tax, service tax, value added tax, cess and other material statutory dues as applicable to the appropriate authorities. No undisputed amounts payable in respect of aforesaid statutory dues were outstanding as on the last day of the financial year 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, sales tax, service tax and value added tax which have not been deposited on account of any dispute.
8. Based on the audit procedures and on the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of loans to banks. Accordingly, the provisions of clause 3(viii) of the Order are not applicable to the Company during the year.



9. According to the information and explanations given to us, the Company has not raised moneys by way of public offer (including debt instruments) during the year. From the examination of books and related records, we are of the opinion that the term loans have been applied for the purpose for which the term loan has been obtained by the company.
10. According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanation given to us, the Company has not paid any managerial remuneration to its directors, including managing director and whole-time director and its manager. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
12. The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. The provisions of Section 177 of the Act relating to Audit Committee are not applicable to the Company during the year. According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with related parties are in compliance with Section 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, the provisions of clause 3(xv) of the Order are not applicable.
16. 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 SHETTY NAIK & ASSOCIATES

Chartered Accountants

ICAI Reg. No.:124851W

CA. JAGDISH SHETTY

Partner

Membership No: 111936

Place: Mumbai

Dated: 17th May 2019



ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of PJSA Technosoft Private Limited ("the Company") as of 31st March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial



controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by Institute of Chartered Accountants of India.

For SHETTY NAIK & ASSOCIATES

Chartered Accountants

ICAI Reg. No.:124851W

**CA. JAGDISH SHETTY**

Partner

Membership No: 111936

Place: Mumbai

Dated: 17th May 2019

PJSA TECHNOSOFT PRIVATE LIMITED

Balance sheet as at 31 March 2019

	Notes	31 March 2019 Rupees	31 March 2018 Rupees
I. ASSETS			
Non-current assets			
Property, Plant and Equipment		-	-
Capital work-in-progress		-	-
Other Intangible assets		-	-
Investment in Subsidiaries, Associates and Joint venture		-	-
Financial Assets		-	-
(i) Investments		-	-
(ii) Loans		-	-
(iii) Others		-	-
Deferred tax assets		-	-
Current Tax Assets (Net)		-	-
Other non-current assets		-	-
Total Non-Current Assets (A)		-	-
Current Assets			
Inventories		-	-
Financial Assets		-	-
(i) Investments		-	-
(ii) Trade receivables		-	-
(iii) Cash and cash equivalents	3	43,067	51,400
(iii) Bank balances other than (iii) above		-	-
(iv) Loans		-	-
(v) Others		-	-
Other current assets	4	3,932	-
Total Current Assets (B)		46,999	51,400
Total (A+B)		46,999	51,400
II. EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	5	1,00,000	1,00,000
b) Other Equity	6	(1,68,615)	(62,760)
Total Equity (C)		(68,615)	37,240
Liabilities			
Non-current liabilities			
Financial Liabilities		-	-
(i) Borrowings		-	-
(ii) Other financial liabilities		-	-
Provisions		-	-
Other non-current liabilities		-	-
Total non-current liabilities		-	-
Current liabilities			
Financial Liabilities		-	-
(i) Borrowings	7	1,00,000	-
(ii) Trade payables		-	-
(iii) Other financial liabilities	8	1,614	-
Other current liabilities	9	14,000	14,160
Provisions		-	-
Current Tax Liabilities (Net)		-	-
Total current liabilities		1,15,614	14,160
Total Liabilities (D)		46,999	51,400
Total equity and liabilities (C+D)		46,999	51,400
Summary of Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Shetty Naik & Associates
ICAI Firm Registration No. 124851W
Chartered Accountants

per Jagdish Shetty
Membership No. 111936



Place of Signature : Mumbai
Date : 17th May 2019

For and on behalf of Board of Directors
of PJSA TECHNOSOFT PRIVATE LIMITED

Sushil Agrawal
Director
DIN No.:00003163
Place of Signature : Mumbai
Date : 17th May 2019

Rankaj Jaysinh Madhani
Director
DIN No.:01564221
Place of Signature : Mumbai
Date : 17th May 2019

PJSA TECHNOSOFT PRIVATE LIMITED
Statement of Profit and Loss Account for the year ended 31 March 2019

	Notes	31 March 2019 Rupees	31 March 2018 Rupees
Revenue from operations		-	-
Other income		-	-
Total Income (I)		-	-
Expenses			
Operating direct cost		-	-
Employee benefits expense		-	-
Other expenses	10	1,04,064	62,760
Total expenses (II)		1,04,064	62,760
Earnings before interest, tax, depreciation and amortization (EBITDA) (I-II)		(1,04,064)	(62,760)
Depreciation and amortization expense		-	-
Finance costs	11	1,791	-
Finance income		-	-
Profit/(Loss) before tax		(1,05,855)	(62,760)
Tax expense:			
- Current tax		-	-
- Deferred tax		-	-
Total Tax Expenses		-	-
Profit (Loss) for the Year		(1,05,855)	(62,760)
Other Comprehensive Income / (Loss)			
A (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the Year		(1,05,855)	(62,760)
Earnings per equity share (Face value of share of Rs. 10 each)			
(1) Basic	14	(10.59)	(6.28)
(2) Diluted		(10.59)	(6.28)
Summary of Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Shetty Naik & Associates
ICAI Firm Registration No. 124851W
Chartered Accountants

per Jagdish Shetty
Membership No. 111936

Place : Mumbai
Date : 17th May 2019



**For and on behalf of Board of Directors
of PJSA TECHNOSOFT PRIVATE LIMITED**

Sushil Agrawal
Director
DIN No.: 00003163
Place of Signature : Mumbai
Date : 17th May 2019

Pankaj Jaysinh Madhani
Director
DIN No.: 01564221
Place of Signature : Mumbai
Date : 17th May 2019

PJSA TECHNOSOFT PRIVATE LIMITED
Cashflow Statement for the year ended 31 March 2019

	31 March 2019 Rupees	31 March 2018 Rupees
Cash flow from / (used in) operating activities		
Profit before Tax	(1,05,855)	(62,760)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Preliminary Expenses Write off	-	-
Operating profit before working capital changes	(1,05,855)	(62,760)
Movements in working capital :		
Increase / (decrease) in other current liabilities	1,454	14,160
Decrease / (increase) in other current assets	(3,932)	-
Cash generated from operations	(1,08,333)	(48,600)
Direct tax paid (net of refunds)	-	-
Foreign exchange fluctuation (net)	-	-
Net cash flow from operating activities (A)	(1,08,333)	(48,600)
Cash flow from investing activities		
Net cash flow used in investing activities (B)	-	-
Cash flow from Financing Activities		
Issue of Equity Share	-	1,00,000
Short Term Loan from Related Party	1,00,000	-
Net cash flow from financing activities (C)	1,00,000	1,00,000
Net increase/(decrease) in cash and cash equivalent (A + B + C)	(8,333)	51,400
Cash and cash equivalents at the beginning of the year	51,400	-
Cash and cash equivalents at the end of the year	43,067	51,400
Components of cash and cash equivalents		
Cash on hand	-	-
Balance with banks:		
- on current accounts	43,067	51,400
- on cash credit account	-	-
- on Term deposits	-	-
Total cash and cash equivalents (note 3)	43,067	51,400

Notes:

- Figures in bracket denote outflow
- The above Cash flow statement has been prepared under the "Indirect Method" set out in Indian Accounting Standards (Ind AS-7)

Summary of significant accounting policies

2

As per our report of even date

For Shetty Naik & Associates
ICAI Firm Registration No. 124851W
Chartered Accountants

per Jagdish Shetty
Membership No. 111936

Place : Mumbai
Date : 17th May 2019



For and on behalf of Board of Directors
of PJSA TECHNOSOFT PRIVATE LIMITED

Sushil Agrawal
Director
DIN No.:00003163
Place of Signature : Mumbai
Date : 17th May 2019

Pankaj Jaysinh Madhani
Director
DIN No.:01564221
Place of Signature : Mumbai
Date : 17th May 2019

PJSA TECHNOLOGIES PRIVATE LIMITED
Statement of Change in Equity as at 31st March 2019

Particulars	EQUITY SHARE CAPITAL	OTHER EQUITY			Total equity attributable to equity holders of the Company
		Reserves & Surplus		Other Comprehensive Income	
		Retained Earnings	Securities Premium		
Balance as on April 1, 2018	1,00,000	(62,760)		-	37,240
Shares issued & subscribed during the year					-
Profit for the period		(1,05,855)			(1,05,855)
Other Comprehensive Income				-	-
Balance as on March 31, 2019	1,00,000	(1,68,615)	-	-	(68,615)

PJSA TECHNOLOGIES PRIVATE LIMITED
Statement of Change in Equity as at 31st March 2018

Particulars	EQUITY SHARE CAPITAL	OTHER EQUITY			Total equity attributable to equity holders of the Company
		Reserves & Surplus		Other Comprehensive Income	
		Retained Earnings	Securities Premium		
Balance as on April 1, 2017				-	-
Shares issued & subscribed during the year	1,00,000				1,00,000
Profit for the period		(62,760)			(62,760)
Other Comprehensive income				-	-
Balance as on March 31, 2018	1,00,000	(62,760)	-	-	37,240



1 Corporate Information

PJSA Technosoft Private Limited (the Company) is a private company domiciled in India and newly incorporated on October 17, 2017 under the provisions of the Companies Act, 2013. The Company is into the business of technology support services in relation to digital entertainment. The Company is subsidiary of UFO Moviez India Limited.

2 Significant Accounting Policies

2.1 Going Concern :

The financial statements are prepared on going concern basis.

2.2 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

2.3 Summary of significant accounting policies :

(a) Use of Estimates:

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The specific recognition criteria described below must also be met before revenue is recognized:

i) Sale of goods:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

ii) Rendering of Services:

Revenue for Technical Support Services is recognized in the period in which services are rendered.

iii) Interest Income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

(c) Inventory

Inventories are valued at lower of cost or net realizable value. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies and is determined on a weighted average basis. There are no inventories as on date of financial statements.



(d) Property, plant and equipment

The Company has elected to regard those values of property as deemed cost at the date of the revaluations since they were broadly comparable to fair value.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

(e) Depreciation on Tangible Fixed Assets and amortization of intangible assets

Depreciation is provided using the Straight Line Method as per the useful lives of the assets prescribed under schedule II

Intangible assets are amortized over their estimated useful life as follows.

	Useful lives as per management's estimate
Patent & Trademarks	5 Years

As on the date of financial statements, the company do not have any tangible or intangible assets.

(f) Borrowing Costs

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

(g) Employee Benefit Expenses

(h) Investment

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

In accordance with the Schedule III to the Companies Act, 2013, the portion of the Long Term Investments classified above, and expected to be realised within 12 months of the reporting date, have been classified as current investments.

(i) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



(j) Taxation

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred Tax for timing difference between profits and book profits is accounted for, using tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet Date. The company has not yet started its operations and hence, Deferred Tax Assets/Liabilities are not recognized as there is no reasonable certainty that these assets/liabilities can be realised/accrued in future.

(k) Provisions

A provisions is recognized when the company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certainty. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

(l) Contingent Liabilities

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

(m) Cash and Cash Equivalents

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

(n) Measurement of EBITDA

As permitted by the Guidance note on Schedule III to the Companies Act 2013, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/(loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expenses, finance cost, finance income and tax expense.



PJSA TECHNOLOGIES PRIVATE LIMITED
Notes to financial statements for the year ended 31 March 2019
3. Cash and cash equivalents

	31 March 2019 Rupees	31 March 2018 Rupees
Balances with banks :		
– On current accounts	43,067	51,400
– Cash credit accounts	-	-
Cash on hand	-	-
Fixed Deposits (maturity less than 3 months)	-	-
	43,067	51,400

4. Other current asset

	31 March 2019 Rupees	31 March 2018 Rupees
Advance to Vendor	3,932	-
	3,932	-

5. Equity share capital

	31 March 2019 Rupees	31 March 2018 Rupees
Authorised share capital		
10,000 Equity Shares of Rs. 10/- each fully Paid up	1,00,000	1,00,000
	1,00,000	1,00,000
Issued, subscribed and fully paid up shares		
10,000 (31 March 2018: 10,000) equity shares of Rs. 10 each fully paid up	1,00,000	1,00,000
Total issued, subscribed and fully paid-up share capital	1,00,000	1,00,000

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

	31 March 2019	
Equity shares	No.	Rupees
At the beginning of the year	10,000	1,00,000
Outstanding at the end of the year	10,000	1,00,000

(b) Terms/rights attached to equity shares
Voting rights

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Rights pertaining to repayment of capital

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

(c) Details of shareholders holding more than 5% shares in the Company

	31 March 2019	
Name of the shareholder	No.	% holding in the class
UFO Moviez India Limited	10,000	100.00%

6. Other equity

	31 March 2019 Rupees	31 March 2018 Rupees
Securities premium account		
Balance as per last financial statements	-	-
Add: Additions on ESOPs exercised	-	-
Closing balance	-	-



PJSA TECHNOLOGIES PRIVATE LIMITED**Notes to financial statements for the year ended 31 March 2019****Surplus in the statement of profit and loss**

Balance as per last financial statements	(62,760)	-
Profit for the year	(1,05,855)	(62,760)
Items of Other Comprehensive Income recognised directly in Retained Earnings:-	-	-
- Re-measurement gains (losses) on defined benefit plans	-	-
Net surplus in the statement of profit and loss	(1,68,615)	(62,760)
Total reserves and surplus	(1,68,615)	(62,760)

7. Financial liabilities - Short term borrowing

	31 March 2019 Rupees	31 March 2018 Rupees
I) Loan from Group Companies		
UFO Moviez India Limited	1,00,000	-
	1,00,000	-

8. Financial liabilities - Other current financial liabilities

	31 March 2019 Rupees	31 March 2018 Rupees
Interest accrued on Borrowings		
UFO Moviez India Limited	1,614	-
	1,614	-

9. Other current liabilities

	31 March 2019 Rupees	31 March 2018 Rupees
Audit Fees Payable	14,000	14,160
	14,000	14,160

10. Other expenses

	31 March 2019 Rupees	31 March 2018 Rupees
Legal & Professional Expenses	55,908	23,600
Courier & Postage	940	-
Rev. Stamp/Stamp Duty/Regist & Oth Filing Fees (HO)	33,216	-
Audit Fees	14,000	14,160
Preliminary Expenses	-	25,000
	1,04,064	62,760

11. Finance cost

	31 March 2019 Rupees	31 March 2018 Rupees
Interest on Unsecured Loans	1,614	-
Bank charges	177	-
	1,791	-



Note 12 : Income tax

(i) The major components of Income tax expense for the years ended 31st March 2019 are as follows:-

	31 March 2019 Rupees	31 March 2018 Rupees
Current Income Tax	-	-
Adjustment relating to current Income tax of previous year	-	-
Deferred Tax:		
Related to origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of Profit and Loss Account	-	-

(ii) Reconciliation of tax expense and the accounting profit multiplied by Indian domestic rate for 31st March 2018 & 31st March 2019 :-

	31 March 2019 Rupees	31 March 2018 Rupees
Accounting Profit before Income Tax	(1,05,855)	(62,760)
At India's statutory income tax rate 25.75%	(27,258)	(16,161)
Tax effect on difference in depreciation	-	-
Tax effect on permanent disallowance	-	-
Tax effect on temporary disallowance	3,863	5,150
Deferred Tax not recognised due to uncertainty of profit in future years	27,041	11,011
Net Tax Expenses	3,646	0
Tax Expenses as per Statement of Profit and Loss Account	-	-

(iii) Temporary Difference & Unused Tax Losses on which Deferred Tax Asset is not Recognised in Balance Sheet

Particulars	Amount	Expiry Date
<u>Temporary Difference:-</u>		
Preliminary Expenses	15,000	Not Applicable
<u>Unused Tax Losses:-</u>		
Unabsorbed Business Losses - AY 2018-19	(62,760)	31-Mar-27
Unabsorbed Business Losses - AY 2019-20	(1,05,855)	31-Mar-28

- Deferred Tax for timing difference between profits and book profits is accounted for, using Tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet Date. As the company has not yet started its operations, the Deferred Tax Assets/Liabilities are not recognized as there is no reasonable certainty that these Assets/Liabilities can be realised/accrued in future.

Note 13 : Related Party Disclosures (IND AS-24)
Information about Related Parties Transactions:

Particulars	Amount Rs
Nature of Expenses and Income /Name of the Parties	
Unsecured Loan Received	
UFO Moviez India Limited (Holding Company)	1,00,000
Balance outstanding at the end of the year	
Interest payable	
UFO Moviez India Limited (Holding Company)	1,614



Note 14 : Earning Per Share (Ind AS-33):

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Mar 31, 2019 Rupees	Mar 31, 2018 Rupees
Profit/ (Loss) after tax as reported (Rs.)	(105,855)	(62,760)
Weighted Average Number of equity shares considered for calculating Earnings Per Share	10,000	10,000
Earnings Per Share (Rs.)		
Basic	(10.59)	(6.28)
Diluted	(10.59)	(6.28)
Nominal Value Per Share (Rs.)	10	10

Note 15 : Contingent Liabilities (Ind AS 37)

There is no contingent liability as on the Balance Sheet date for which the Company required to make provision in the books of accounts.

Note 16 : Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

- a. Trade payable due to Micro and Small Enterprises. Nil
- b. The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with amounts of the payment made to the supplier beyond the appointed day during each accounting year. Nil
- c. 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 MSMED Act, 2006. Nil

Note 17 : Other Notes

- a. Balances in Sundry Creditors, Debtors and Loans & Advances are subject to confirmations and reconciliations.
- b. In the opinion of the Board of Directors, the Current Assets and Non-Current Assets have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet and adequate provision for all known liabilities of the Company have been made.
- c. Previous year figures - a) Figures have been rounded off to the nearest rupee.
b) Figures of the previous year have been re-grouped and re-classified wherever necessary to correspond with the figure of the current period.

Note 18 : Business Combinations and acquisition of non controlling interest

c) On November 1, 2017, the Board of Directors of the Company had approved the composite scheme of arrangement and amalgamation amongst the Company and Qube Cinema Technologies Private Limited ("QCTPL"); Qube Digital Cinema Private Limited ("QDCPL"); Moviebuff Private Limited ("MPL") and PJSA Technosoft Private Limited ("PJSA") and their respective shareholders and creditors ("the Qube Scheme") under Sections 230 to 232 and other relevant provisions of the Act. The Company had filed the Qube Scheme with the National Company Law Tribunal (NCLT), Mumbai Bench on March 13, 2018. Further, the shareholders of the Company had approved the Qube Scheme at the NCLT Mumbai convened meeting held on May 21, 2018. NCLT at a hearing held on January 21, 2019, has dismissed the petition filed jointly by the Company and PJSA before the NCLT for the approval of the Qube Scheme. The Company and PJSA have filed an appeal on February 25, 2019 before the National Company Law Appellate Tribunal challenging the aforementioned order of the NCLT.

For Shetty Naik & Associates
ICAI Firm Registration No. 124851W
Chartered Accountants

per Jagdish Shetty
Membership No. 111936

Place : Mumbai
Date : 17th May 2019



**For and on behalf of Board of Directors
of PJSA TECHNOLOGIES PRIVATE LIMITED**

Sushil Agrawal
Director
DIN No.:00003163
Place of Signature : Mumbai
Date : 17th May 2019

Pankaj Jaysinh Madhani
Director
DIN No.:01564221
Place of Signature : Mumbai
Date : 17th May 2019