RAMESHWER AGARWAL & CO.

F-112 Ist Floor, Aditya Arcade, Plot No.30, Community Centre,
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DU DIGITAL TECHNOLOGIES LIMITED

I. Report on the Audit of the Standalone Financial Statements

1. Opinion

A. We have audited the accompanying Financial Statements of **DU DIGITAL TECHNOLOGIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as" the Financial Statements").

B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and its cash flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matters(KAM)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

No matters which is to be reported as Key Audit Matters.

***Report on other Legal and Regulatory Requirements*.**

1. *This Report does not include a statement on the matter's specified in 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, since in our opinion and according to the information and explanation given to us, the said Order is not applicable to the company.*

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 appears from our examination of those books.*

   c) *The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.*

   d) *In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.*

   e) *On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.*

   f) *In the respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:*

      i. *The company does not have any pending litigations which would impact its financial position*

      ii. *The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses*

      iii. *There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.*

For R R R & CO.
Chartered Accountants
(Registration No. 19411N)

SD/-
CA. Rajneesh Jain
Partner
Membership No. 501166

Place: New Delhi
Date: 03-09-2015

that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control systems.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management

iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern

v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation

C. Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

D. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

E. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

II. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

D. In our opinion, the aforesaid financial statements comply with the AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014

E. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

F. In our opinion, the provisions of Section 143(3)(i) with regard to opinion on internal financial controls with reference to financial statements and operating effectiveness of such controls is not applicable to the company.

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

i. The Company does not have any pending litigations which would impact its financial position.

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

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

2. 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.

For Rameshwer Agarwal & Co.
Chartered Accountants
FRN:014441N

SD/-
(Rameshwer Agarwal)
Prop
M. N..093832

Dated : 24.06.2019
Place : New Delhi,

ANNEXURE "A"TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of DU DIGITAL TECHNOLOGIES LIMITED for the year ended 31st March, 2019.

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
   (b) These fixed assets have been physically verified by the management at reasonable intervals there was no Material discrepancies were noticed on such verification.
   (c) Total Assets of company includes Immovable property also and the title deeds of immovable properties are held in the name of the company.

2. Physical verification of inventory has been conducted at reasonable intervals by the management and there is no material discrepancies were noticed

3. The company has granted 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.
   (a) All terms and conditions are as per the benefits of company and are not prejudicial to the company's Interest.
   (b) Schedule of repayment of principal and interest has been stipulated and receipts are regular.
   (c) There is no such amount which is overdue more than 90 Days of above mentioned loan.

4. In respect of loans, investments, guarantees, and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

5. The company has not accepted any deposits.

6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

7 (a) The company is regular in depositing undisputed statutory dues including provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues except few days delay in some cases to the appropriate authorities.
   (b) Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been deposited on time. There is no dispute is pending on the part of company.

8. The company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.

9. The company doesn't raise any money by way of initial public offer or further public offer (including debt instruments).

10. Neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.

11. Managerial remuneration has been paid or provided in accordance with the requisite approvals Mandated by the provisions of section 197 read with Schedule V to the Companies Act.

12. Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.

13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards;

14. The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. The company hasn't entered into any non-cash transactions with directors or persons connected with him.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for Rameshwer Agarwal & Co..
Chartered Accountants
(FRN 014441N)

Place : DELHI
Date : 24.06.2019

SD/-
Rameshwer Agawal
M.No.093832

DU DIGITAL TECHNOLOGIES LIMITED
(formerly known as "DU Digital Technologies Private Limited")
CIN: U74110DL2007PLC171939
Balance sheet as at 31 March, 2019
(All amounts in Rupees unless otherwise stated)

Particulars	Notes	31 March 2019 (Rs.)	31 March 2018 (Rs.)
Equity and liabilities			
Shareholders' funds			
Share capital	3	100,000	100,000
Reserves and surplus	4	10,521,343	3,735,169
		10,621,343	3,835,169
Non-current liabilities			
Long Term Borrowing	5	2,990,881	3,638,712
Deferred tax Liability (net)	6	167,094	-
Long term provisions	9	169,090	-
		3,327,065	3,638,712
Current liabilities			
Short Term Borrowing	5	1,008,250	1,216,308
Trade payables	7		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		84,209,879	35,411,451
Other Current Liabilities	8	2,823,894	10,659,465
Short term provisions	9	169,090	9,561
		88,211,113	47,296,785
TOTAL		102,159,521	54,770,666
Assets			
Non-current assets			
Fixed assets			
Property, plant and equipment	10	6,096,632	6,667,214
Non-current Investments	11	2,745,954	-
Deferred tax assets (net)	6	-	89,204
		8,842,586	6,756,418
Current assets			
Current Investments	11	53,000,000	-
Trade receivable	12	9,635,087	5,946,050
Cash and bank balances	13	21,383,617	36,004,574
Loans & advances	14	9,298,231	6,046,708
Other current assets	15	-	16,915
		93,316,935	48,014,247
TOTAL		102,159,521	54,770,665
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 Rameshwer Agarwal & Co.
ICAI Firm Registration No. 014441N
Chartered Accountants

SD/-
Rameshwar Agarwal
Proprietor
Membership No.: 093832

For and on behalf of the Board of Directors of
DU DIGITAL TECHNOLOGIES LIMITED

SD/-
Rajinder Rai
Director
DIN- 0000024523

SD/-
Madhurima Rai
Director
DIN- 0000239410

Place: New Delhi
Date: 24.06.2019

DU DIGITAL TECHNOLOGIES LIMITED

(formerly known as "DU Digital Technologies Private Limited")
CIN: U74110DL2007PLC171939
Statement of profit and loss for the year ended 31 March, 2019
(All amounts in Rupees unless otherwise stated)

Particulars	Notes	31 March 2019	31 March 2018
Income			
Sale of Services	16	361,785,424	400,491,105
Other income	17	12,852,731	11,111,032
Total revenue		374,638,155	411,602,137
Expenses			
Employee benefits expense	18	6,235,196	2,158,189
Depreciation expense	19	664,913	148,335
Finance costs	20	352,645	294,477
Overseas Visa System Charges	21	329,227,346	348,535,775
Other expenses	22	28,659,494	56,407,105
Total expense		365,139,594	407,543,881
Profit before tax		9,498,561	4,058,256
Tax expenses			
Current tax		2,439,410	952,374
Adj. of tax relating to earlier year		16,679	-
Deferred tax		256,298	(89,928)
Total tax expense		2,712,387	862,446
Profit for the year		6,786,174	3,195,810
Earnings per equity share [nominal value of Rs. 10 (31 March 2019: Rs. 10)]	23		
Basic and diluted		678.62	319.58
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 Rameshwer Agarwal & Co.
ICAI Firm Registration No. 014441N
Chartered Accountants

SD/-
Rameshwer Agarwal
Proprietor
Membership No.: 093832

For and on behalf of the Board of Directors of
DU DIGITAL TECHNOLOGIES LIMITED

SD/-
Rajinder Rai
Director
DIN- 0000024523

SD/-
Madhurima Rai
Director
DIN- 0000239410

Place: New Delhi
Date: 24.06.2019

DU DIGITAL TECHNOLOGIES LIMITED

(formerly known as "DU Digital Technologies Private Limited")

CIN: U74110DL2007PLC171939

Cash flow statement for the year ended March 31, 2019

(All amounts in Rupees unless otherwise stated)

	31 March 2019	31 March 2018
A Cash flow from operating activities		
Profit for the year before tax	9,498,561	4,058,256
Adjustments :		
Depreciation expense	664,914	148,335
Interest expense	329,891	88,266
Liability Write Back	211,070	-
Interest income	(2,669,739)	(1,763,409)
Operating Profit before working capital changes	8,034,696	2,531,448
Decrease/(Increase) in trade receivables	(3,689,037)	(5,946,050)
Decrease/(Increase) in other current assets	-	526,178
Decrease/(Increase) in loans and advances	(3,251,523)	(5,040,753)
Increase/(Decrease) in trade payables	48,587,358	(21,665,592)
Increase/(Decrease) in other current liabilities	(7,831,923)	(198,562)
Increase/ (Decrease) in provisions	159,529	(179,301)
Net change in working capital	33,974,405	(32,504,080)
Cash generated from operations	42,009,101	(29,972,632)
Direct Taxes paid (net of refunds)	(2,456,089)	(952,374)
Net cash from operating activities (A)	39,553,012	(30,925,006)
B Cash flow from investing activities		
Purchase of fixed assets	(94,331)	(6,788,755)
Purchase of Investments	(55,745,954)	-
Sale of fixed assets	-	-
Interest received on fixed deposits	2,686,654	1,763,409
Net cash provided by investing activities (B)	(53,153,631)	(5,025,346)
C Cash flow from financing activities		
Increase/(Decrease) in borrowings	(855,889)	4,855,019
Interest paid	(333,539)	(88,266)
Net cash provided by financing activities (C)	(1,189,428)	4,766,753
Net decrease/(increase) in cash & cash equivalents (A+B+C)	(14,790,047)	(31,183,599)
Add : Cash and Cash equivalents at the beginning of the year	36,004,574	67,188,173
Cash and cash equivalents at the end of the year	21,214,527	36,004,574

	31 March 2019	31 March 2018
Cash on hand	9,384,188	10,618,777
Bank balances		
-In current accounts	11,999,429	16,885,797
- In deposit accounts (with original maturity of 3 months or less)	-	8,500,000
Components of cash and cash equivalents as at the end of the year	21,383,617	36,004,574

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 Rameshwer Agarwal & Co.
ICAI Firm Registration No. 014441N
Chartered Accountants

SD/-
Rameshwar Agarwal
Proprietor
Membership No.: 093832

Place: New Delhi
Date: 24.06.2019

For and on behalf of the Board of Directors of DU DIGITAL TECHNOLOGIES LIMITED

SD/-
Rajinder Rai
Director
DIN- 0000024523

SD/-
Madhurima Rai
Director
DIN- 0000239410

1. Corporate information

DU Digital Technologies Limited ("the company") is a public company domiciled in India and incorporated on August 29, 2016 under the provisions of the erstwhile Companies Act 1956 replaced with Companies Act, 2013 w.e.f. April 01, 2014..The Company is engaged in providing outsourced VISA services to its customers.The company has been converted from private company to public company w.e.f June 28, 2018.

2 Summary of significant accounting policies

(a) Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, 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.

(c) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight line basis using the rates arrived at based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its fixed assets.

	Useful lives estimated by the management (years)	Useful lives as per schedule II of Cos. Act (years)
Furniture and fixtures	10	10
Office equipments	5	5
Vehicles	8	8

Leasehold improvements are amortized and charged to depreciation over shorter of the primary lease period or economic useful life.

Depreciation on assets purchased during the year is provided on prorata basis from the date of purchase of fixed assets. The useful life of assets which are not as per schedule II of Companies Act, 2013 have been estimated by the management based on the internal technical evaluation.

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

(d) Fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

(f) Impairment of property, plant and equipment and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

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

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(g) Leases

Where the company is lessee

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

(h) Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(i) Revenue recognition

Income from services

Revenues from VISA services are recognized as and when services are rendered. The company collects GST on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

(j) Foreign currency translation

Initial recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion
Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of the company at rates different from those at which they were initially recorded during the period, or reported in the previous financial statements, are recognised as income or as expense in the period in which they arise.

(k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

(l) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

(m) Segment reporting

The Company is engaged in the business outsourced visa services. The entire operations are governed by the same set of risks and returns. The Company also does not have significant income from outside India. Therefore, there is no reportable segment as per the Accounting Standard 17, 'Segment Reporting'.

(o) 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. 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.

(p) Provisions

A provision is recognized when the company has a present obligation 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.

(q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that 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.

(r) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

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3 Share capital	31 March 2019	31 March 2018
Authorised shares		
10,000 equity shares (31 March, 2018: 10000) of Rs.10/- each	100,000	100,000
	100,000	100,000
Issued, subscribed and fully paid up shares		
10,000 equity shares (31 March, 2018: 10000) of Rs.10/- each	100,000	100,000
Total issued, subscribed and fully paid-up share capital	100,000	100,000

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

Equity Shares	31 March 2019		31 March 2018	
	No.	Rs.	No.	Rs.
At the beginning of the year	10,000	100,000	10,000	100,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	10,000	100,000	10,000	100,000

(b) Terms/ rights attached to equity shares

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

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

4 Reserves and surplus	31 March 2019	31 March 2018
Surplus in the statement of profit and loss		
Balance as per last financial statements	3,735,169	539,359
Profit for the year	6,786,174	3,195,810
Total reserves and surplus	10,521,343	3,735,169

5 Borrowings	Non-Current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Vechile Loan*	2,990,881	3,638,712	1,008,250	1,216,308
	2,990,881	3,638,712	1,008,250	1,216,308

* Vechile Loan from Yes bank carries interest@8% p.a and is repayable owes the period of 60 months.

6 Deferred tax asset / (liability)	31 March 2019	31 March 2018
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting (Liability)	167,094	
Gross deferred tax liability	167,094	-
Deferred tax asset		
Fixed assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	-	89,204
Others	-	-
Gross deferred tax asset	-	89,204
Net deferred tax asset / (liability)	(167,094)	89,204

7 Trade payables	31 March 2019	31 March 2018
- Total outstanding dues of micro enterprises and small enterprises (refer note 25 for details of dues to micro and small enterprises)	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	84,209,879	35,411,451
	84,209,879	35,411,451

8 Other current liabilities	31 March 2019	31 March 2018
Interest accrued but not due on borrowings	26,880	30,528
Tax deducted at source payable	1,709,624	5,336,990
Employees Provident Fund Payable	67,164	100,125
Emloyee state insurance payable	22,993	32,567
GST Payable	997,233	5,149,633
Service Tax Payable	-	9,622
	2,823,894	10,659,465

9 Provisions	Long Term		Short Term	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Provision for Gratuity	169,090	-	-	-
Provision for Income Tax (net of advances)	-	-	-	9,561
	169,090	-	-	9,561

11 Investments

	Non- Current 31 March 2019	Non- Current 31 March 2018	Current 31 March 2019	Current 31 March 2018
Investments In Shares				
4,899 shares @ Rs. 336 of OSC Global Processing Pvt. Ltd.	1,646,064	-	-	-
Investments In Shares				
9999 shares@ Rs 110 of IV Processing Private Limited	1,099,890			
Investments in Mutual Funds				
18,000.17 units (March 31, 2018: Nil) of SBI Liquid Fund @ Rs. 2888.86 each	-	-	52,000,000	-
267.0740 units (March 3,2018: Nil) of kotak liquid Scheme @Rs. 3744.2762 each	-	-	1,000,000	-
	2,745,954	-	53,000,000	-

12 Trade receivables

	31 March 2019	31 March 2018
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	-	-
(A)	-	-
Other Receivables		
Unsecured, considered good	9,635,087	5,946,050
(B)	9,635,087	-
(A+ B)	9,635,087	5,946,050

13 Cash and bank balances

	31 March 2019	31 March 2018
Cash and cash equivalents		
Balances with banks:		
-On current accounts	11,999,429	16,885,797
- Deposits with maturity of less than 3 months	-	8,500,000
Cash on hand	9,384,188	10,618,777
	21,383,617	36,004,574

14 Loans & advances

	Current 31 March 2019	Current 31 March 2018
Security deposit	1,380,114	542,000
(A)	1,380,114	542,000
Advance recoverable in cash or in kind		
-Unsecured, considered good	5,855,796	4,634,024
(B)	5,855,796	4,634,024
Other loans and advances		
Unsecured, considered good		
Advance tax (net of provision for tax)	820,252	-
Advance to employees	1,242,069	870,684
Balances with statutory / government authorities	-	-
(C)	2,062,321	870,684
Total (A+B+C)	9,298,231	6,046,708

15 Other current assets

	31 March 2019	31 March 2018
Interest accrued on fixed deposits	-	16,915
	-	16,915

10 Property, plant and equipment

	Office equipment	Furniture & fixtures	Motor Vehicle	Total
Gross Block				
At 01 April, 2017	31,500	-	-	31,500
Additions	176,646	219,196	6,392,914	6,788,755
Disposals	-	-	-	-
At 31March, 2018	**208,146**	**219,196**	**6,392,914**	**6,820,256**
Additions	94,331	-	-	94,331
Disposals	-	-	-	-
At 31March, 2019	**302,477**	**219,196**	**6,392,914**	**6,914,587**
Depreciation				
At 01 April, 2017	4,706	-	-	4,706
Charge for the year	7,791	4,104	136,441	148,336
Depreciation on discard/disposal of assets	-	-	-	-
At 31March, 2018	**12,497**	**4,104**	**136,441**	**153,042**
Charge for the year	36,762	20,824	607,327	664,913
Depreciation on discard/disposal of assets	-	-	-	-
At 31March, 2019	**49,259**	**24,928**	**743,768**	**817,955**
Net Block				
At 31March, 2018	195,649	215,092	6,256,473	6,667,214
At 31March, 2019	**253,218**	**194,268**	**5,649,146**	**6,096,632**

16 Revenue from operations

	31 March 2019	31 March 2018
Sale of Services	361,785,424	400,491,105
	361,785,424	400,491,105

17 Other income

	31 March 2019	31 March 2018
Interest on:		
- Fixed deposits	2,669,739	1,763,409
Retainership Fees	5,400,000	3,150,000
Exchange Fluctuations	4,342,512	6,062,767
Other Miscellaneous income	229,410	134,856
Liability Written back	211,070	-
	12,852,731	11,111,032

18 Employee benefits expense

	31 March 2019	31 March 2018
Salaries, wages and bonus	4,500,764	1,814,362
Contribution to provident fund and other funds	339,165	76,420
Provision for Gratuity	169,090	
Staff welfare expenses	1,226,177	267,407
	6,235,196	2,158,189

19 Depreciation expense

	31 March 2019	31 March 2018
Depreciation of tangible assets	664,913	148,335
	664,913	148,335

20 Finance costs

	31 March 2019	31 March 2018
Interest on:		
- car loan	329,891	88,266
- other	-	112,741
Bank charges	22,754	93,470
	352,645	294,477

21 Overseas Visa System Charges

	31 March 2019	31 March 2018
Management Charges	245,248,015	343,978,335
Support Services	83,979,331	4,557,440
	329,227,346	348,535,775

22 Other expenses

	31 March 2019	31 March 2018
Printing & Stationery	6,954,044	2,629,421
Professional Charges	5,604,300	50,456,009
Business promotion	4,682,900	1,016,845
Rent	2,537,537	108,500
Postage and courier	2,534,298	7,681
Computer and Website Charges	13,630	262,244
Office Maintenance	3,216,631	1,317,195
Travelling and conveyance	1,021,420	255,995
House Keeping	659,098	-
Security Expenses	626,582	120,104
Electricity Expenses	340,855	23,056
Vehicle Maintenance Expenses	174,808	4,500
Communication cost	108,138	2,956
Rates and taxes	92,078	-
Payment to auditor (Refer Note A below)	30,000	30,000
Brokerage Charges	-	115,000
Miscellaneous expenses	63,175	57,599
	28,659,494	56,407,105

A **Payment to auditor**

	31 March 2019	31 March 2018
As auditor:		
Audit fee	**30,000**	30,000
	30,000	30,000

23 Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted earnings per share computations:

	31 March 2019	31 March 2018
Total operations for the year		
Net Profit for calculation of basic/diluted earnings per share	**6,786,174**	3,195,810
Weighted average number of equity shares in calculating basic earnings per share (No.)	**10,000**	10,000
Basic/Diluted earnings per share (Rs) (A/C)	**679**	320

(This space has been intentionally left blank)

(All amounts in Indian Rupees, unless otherwise stated)

24 **Leases**
The company has taken office premises under operating lease agreement. The lease rental recognized during the year in the statement of profit and loss is Rs. 2,537,537 (31 March 2018 Rs 108,500)

25 The liability for gratuity has been provided during the current year amounts to Rs. 1,69,090. Liability for leave enchashment has not been provided in books of account, because there is no policy of leaves to be carried forward to the next year

26 **Details of dues to micro and small enterprises as defined under MSMED Act 2006**
Regarding the disclosure as per the provisions of Micro, Small & Medium enterprises Development Act, 2006, the company has not received the information form the service provider/supplier regarding their status under MSME Act, 2006 and hence the disclosure relating to amount unpaid as the year end together with Interest paid/ payable under this act have not given

27 **Unhedged foreign currency exposure**

	March 31, 2019		March 31, 2018	
	(FCY)	(Rs.)	(FCY)	(Rs.)
Trade Payables				
EURO	38,221	2,983,588	30,813	2,478,887
USD	924,346	66,374,609	342,869	22,314,600
		69,358,197		24,793,487

28 **Supplementary statutory information (as applicable)**

	March 31, 2019	March 31, 2018
	(Rs.)	(Rs.)
(a) Expenditure in foreign currency		
Overseas Visa System Charges	280,539,635	314,600,000
	280,539,635	**314,600,000**

29 On the basis of nature of risks and returns of the Company, it has only one business segment of interior designing including supply of furniture and company identification material. No separate segment disclosure is required.

30 There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident Fund dated 28th February, 2019. There is uncertainty on the determination of the liability retrospectively, because theoretically there is no limit on how much retrospective it can get, and can begin from the commencement of operations of the company. The company will only record a provision, on receiving further clarity on the subject

31 **Previous year figures**
Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date

Rameshwer Agarwal & Co
ICAI Firm Registration No. 014441N
Chartered Accountants

For and on behalf of the Board of Directors of
DU DIGITAL TECHNOLOGIES LIMITED

SD/-
Per Rameshwer Agarwal
Proprietor
Membership No 093832

SD/-
Rajinder Rai
Director
DIN- 0000024523

SD/-
Madhurima Rai
Director
DIN- 0000239410

Place New Delhi
Date: 24.06.2019

DU DIGITAL TECHNOLOGIES LIMITED (formerly known as "DU Digital Technologies Private Limited")
CIN: U74110DL2007PLC171939
Notes to the financial statements for the year ended 31 March 2019
(All amounts in Indian Rupees, unless otherwise stated)

Related party disclosures

a) Names of related parties and related party relationship

Subsidiary Company	**IV Processing Private Limited**
Associate Company	**OSC Global Processing Pvt. Ltd.**

b) Other related parties with whom transactions have taken place during the year:

c) Key Management Personnel	**Mr. Rajinder Rai**
	Ms. Madhurima Rai
	Ms. Sristhi Jindal
	Ms. Kanika Rai
Relative of Key Management Personnel	**Mr. Bharat S. Rai**

Particulars	Associate Company		c) Key Management Personnel		Relative of Key Management Personnel		Total	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
A) Transactions during the year								
i) Professional fees paid								
OSC Global Processing Pvt. Ltd.	**300,000**	300,000	-	-	-	-	**300,000**	300,000
ii) Remuneration paid								
Mr. Rajinder Rai	-	-	**1,200,000**	900,000	-	-	**1,200,000**	900,000
Ms. Sristhi Jindal	-	-	-	250,000	-	-	-	250,000
Mr. Bharat S. Rai	-	-	-	-	-	360,000	-	360,000
iii) Rent								
Mr. Rajinder Rai	-	-	**3,000,000**	30,000,000	-	-	**3,000,000**	30,000,000