

BOARD'S REPORT

To,
The Members,
B.A.G. Convergence Private Limited

Your Directors have pleasure in presenting their 13th Annual Report on the business and operations of the Company together with Audited Financial Statements for the financial year ended March 31, 2020.

FINANCIAL RESULTS

During the year under review, the Company recorded a net loss after tax of Rs. 528,632/- against net loss of Rs. 7,502,258/- during the previous financial year 2018-19.

OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Your Company was incorporated on April 11, 2007 in New Delhi. Your Company carry on business of convergence and render technical assistance to TV Channels, Broadcasting Channels and Informative Electronics Channels/Films and website maintenance.

DIVIDEND

The Directors express their inability to declare any dividend for the financial year ended March 31, 2020 on account of losses. During the year under review the Company has not made any transfer to General Reserve.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid.

DEPOSITS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There were no material changes and no commitments made affecting the financial position of the Company during the year.

DIRECTORS

There are 2 (two) Directors on the Board of Directors of the company viz. Mr. Shashi Shekhar Mishra (DIN: 07034474) and Mr. Uday Shankar Singh (DIN: 03592665).

Independent Directors

The provisions of Independent Directors are not applicable on our company.

Appointments/ Resignations of the Directors and Key Managerial Personnel

During the financial year under review, there was no change in Board of Directors and Key Managerial Personnel of the Company.

Directors Retiring by Rotation

The provisions of Directors retire by rotation are not applicable on our company.

Meetings

During the financial year 5 (five) Meetings of the Board of Directors were duly convened on 27.06.2019, 30.08.2019, 16.11.2019, 26.02.2019 and 27.03.2020. The intervening gap between the Meetings was within the time limit prescribed under the Companies Act, 2013 read with the rules made thereunder.

Nomination and Remuneration Policy

The provisions relating payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178 of the Companies Act, 2013 is not applicable on your Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 of the Companies Act, 2013 the Directors' confirmed that: -

- a) in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts for the financial year ended March 31, 2020 of the Company on a 'going concern' basis.
- e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are in place and are adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form **MGT- 9** is annexed herewith as **Annexure I**.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, the Company does not have any Subsidiary, joint venture and associate company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Particulars of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 have been disclosed in the Financial Statements.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. Kumar Khare & Co., Chartered Accountants (ICAI Firm Registration No 006740C), were appointed as Statutory Auditors of the Company at the 11th Annual General Meeting held on September 26, 2018 for a term of four consecutive years on remuneration mutually agreed upon by the Board of Directors and Statutory Auditors. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

Pursuant to the amendments made to Section 139 of the Act by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

Qualification in Auditors' Reports

All observations made in the Independent Auditors' Reports are self explanatory and suitably addressed in the Notes forming part of the Financial Statements and do not call for any further comments. The auditors' report does not contain any qualifications, reservations or adverse remarks.

Material Events Occurred between the end of Financial Year to which the Financial Statements Relate and the Date of the Report

No material events have occurred between the end of Financial Year 2019-20 and the date of this Report which have effect over the financial position of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134 (3) (m) of the Companies Act, 2013 read along with Companies (Accounts) Rules, 2014, regarding conservation of energy and technology absorption are not applicable.

During the year, your Company has incurred expenditure in foreign currency of Rs.43,92,122/- and Rs.2,11,41,024/- earned income in foreign currency.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

These provisions are not applicable on your company.

SIGNIFICANT AND MATERIAL ORDERS

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

DISCLOSURE IN TERMS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) Act, 2013

In terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has an internal complaints committee in place, which entertains the complaints made by any aggrieved women.

During the financial year under review, there have been no cases reported in this regard.

PERSONNEL

There is no employee whose particulars are required to be disclosed under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended.

SECRETARIAL AUDIT

During the period under review the Company is not covered under the criteria of applicability of Secretarial Audit pursuant to the provision of section 204 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure II in Form No. AOC-2** and the same forms part of this report.

SHARE CAPITAL

During the financial year under review, the paid up equity share capital of the Company as on March 31, 2020 was Rs. 101,000/- divided into 10,100 equity shares of Rs. 10/- each. During the financial year under review, the Company has not issued:

- any equity shares with differential rights as to dividend, voting or otherwise;
- any shares to its employees under the Employees Stock Option Scheme;
- any Sweat Equity Shares.

OPTIONALLY FULLY CONVERTIBLE DEBENTURES (OFCDs)

During the financial year under review, the Company has issued 150,880 number of Optionally Fully Convertible Debentures (OFCDs) of face value of Rs.100/- each, convertible at the option of the holder, in one or more tranches, at the Extraordinary General Meeting held on 27.03.2019.

CORPORATE SOCIAL RESPONSIBILITY POLICY

The Company believes in voluntary commitment Corporate Social Responsibility initiatives, though said provisions are not applicable. However, once the said provisions are applicable, the Company shall report the same in the coming years and shall submit the relevant report on such applicability.

ACKNOWLEDGEMENTS

Your Directors thanks the various Central and State Government Departments, organizations and agencies for the continued help and co-operation extended by them.

Your Directors also gratefully acknowledge all stakeholders of the Company viz. producers, vendors, dealers, auditors, consultants, legal advisor banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**For and on behalf of the Board of Directors
B.A.G. Convergence Private Limited**

Place: Noida
Date: December 4, 2020

Sd/-
Shashi Shekhar Mishra
Chairman
DIN: 07034474

A. Promoters									
(1) Indian									
a) Individual/HUF	0	5000	5000	49.50	0	5000	5000	49.50	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(1)	0	5000	5000	49.50	0	5000	5000	49.50	0.00
(2) Foreign									
a) NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	0	5000	5000	49.50	0	5000	5000	49.50	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	5100	5100	50.50	0	5100	5100	50.50	0.00
j) Individual shareholders holding nominal share capital in excess of Rs. 1lakh	0	0	0	0.00	0	0	0	0.00	0.00
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2)	0	5100	5100	50.50	0	5100	5100	50.50	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	5100	5100	50.50	0	5100	5100	50.50	0.00

C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	0	10100	10100	100.00	0	10100	10100	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the Year			% change In share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Uday Shankar Singh	5000	49.50	0	5000	49.50	0	0
	Total	5000	49.50	0	5000	49.50	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change) No Changes

Sl. No.	Particulars	Shareholding at the beginning of the year		Share holding at the end of the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year	-	-	-	-

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

Sl. No.	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company
1	Shikha Dantelwal	5000	49.50
2	Vaanya Shukla	100	01.00

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company
	For Each of the Directors and KMP	No. of shares	% of total shares of the company
1	Mr. Uday Shankar Singh (Director)		
	At the beginning of the year	5000	49.50
	Date wise Increase / Decrease in Share holding during the year specifying the	0	0.00

	reasons for increase / decrease (e.g. allotment /transfer /bonus/ sweat equity etc):				
	At the End of the year	5000	49.50	5000	49.50
2	Mr. Shashi Shekhar Mishra (Director)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer /bonus/ sweat equity etc):			0	0.00
	At the End of the year	0	0.00	0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment
“Refer Notes to the Financial Statement.

The Company is not accepting any deposit under section 73 to 76 of the Company Act, 2013 read with Companies (Acceptance of Deposits) Rule, 2014.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: NIL

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

			(Rs. In Lakh)
Sl. No.	Particulars of Remuneration		
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0
2.	Stock Option		0
3.	Sweat Equity		0
4.	Commission - as % of profit - others, specify...		0
5.	Others, please specify		0
	Total (A)		0
	Ceiling as per the Act		N.A.

B. Remuneration to other directors:

			(Rs. In Lakh)
Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
	Independent Directors		
	• Fee for attending board / committee meetings • Commission • Others, please specify	0	0
	Total (1)	0	0
	Other Non-Executive Directors		
	• Fee for attending board / committee meetings • Commission	0	0

	• Others, please specify		
	Total (2)	0	0
	Total (B)=(1+2)	0	0
	Total Managerial Remuneration	0	0
	Overall Ceiling as per the Act	N.A.	N.A.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (NIL)

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of the KMP other than MD/WTD/Manager	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission - as % of profit - others, specify...	0	0
5.	Others, please Specify	0	0
	Total	0	0

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: (NIL)

Annexure II

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto:

1. Details of contracts or arrangements or transactions not at Arm's length basis :

SI No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements /transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date(s) of approval by the Board	Nil
g)	Amount paid as advances, if any:	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

2. Details of material contracts or arrangements or transactions at Arm's length basis:

SI No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements /transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any:	Nil
e)	Date(s) of approval by the Board, if any:	Nil
f)	Amount paid as advances, if any:	Nil

For and on behalf of the Board of Directors
B.A.G. Convergence Private Limited

Place: Noida
Date: December 4, 2020

Sd/-
Shashi Shekhar Mishra
Chairman
DIN: 07034474

INDEPENDENT AUDITOR'S REPORT

To the Members of **B.A.G Convergence Private Limited**
Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **B.A.G Convergence Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the Statement of Profit and Loss for the year then ended, and notes to the financial statements, including 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 financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its Loss for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing 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 financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements 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.

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

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 and on the basis of such checks of the books and records of the Company, the said Order is not applicable to the Company.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The balance sheet, the statement of profit and loss, and the cash flow statement 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 the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and

(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, in our opinion and to the best of our information and according to the explanations given to us;

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

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

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

For Kumar Khare & Co.
Chartered Accountants
Firm Registration No. 006740C
UDIN:20546026AAAADW2496

Sd/-
Sunil Kumar
Partner
Membership No. 546026

Place: Noida
Dated: December 04, 2020

B.A.G Convergence Private Limited
Balance Sheet as at March 31, 2020

Particulars	Note No.	March 31,2020		March 31,2019	
		Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
I. Equity and Liabilities					
1. Shareholder's funds					
(a) Share Capital	1	101,000		101,000	
(b) Reserves and Surplus	2	(75,155,871)		(74,598,704)	
			(75,054,871)		(74,497,704)
2. Non-current liabilities					
(a) Long-term borrowings	3	194,447,000		194,447,000	
(b) Deferred Tax liabilities (Net)		32,235		3,700	
			194,479,235		194,450,700
3. Current Liabilities					
(a) Short term borrowings	4	7,741,713		1,801,408	
(b) Trade payables		9,051,086		4,893,622	
(c) Other current liabilities	5	3,626,657		2,687,977	
			20,419,456		9,383,007
Total			139,843,820		129,336,003
II Assets					
1. Non-current assets					
(a) Fixed assets					
(i) Tangible assets	6	1,344,332		692,812	
(b) Non-current investments	7	22,810,554		22,810,554	
(c) Long-term loans and advances	8	169,000		169,000	
			24,323,886		23,672,366
2. Current assets					
(a) Inventories	9	17,710,508		17,978,054	
(b) Trade receivables	10	6,760,969		9,571,307	
(c) Cash and Cash equivalents	11	6,916,505		963,562	
(d) Short-term loans and advances	12	84,131,952		77,150,714	
			115,519,934		105,663,637
Total			139,843,820		129,336,003

As Per our Separate Report of Even Date

For and on behalf of the Board of Directors

For Kumar Khare & Co.

Chartered Accountants

Sd/-

Sunil Kumar

(Partner)

Membership Number: 546026

Firm Registration Number: 006740C

UDIN:20546026AAAADX5135

Place : Noida

Date :December 04, 2020

Sd/-

Uday Shankar Singh

(Director)

DIN:- 03592665

Sd/-

Mr. Shashi Shekhar Mishra

(Director)

DIN:-7034474

B.A.G. Convergence Private Limited
Statement of Profit and Loss for the period ended March 31, 2020

	Particulars	Note No.	March 31,2020		March 31,2019	
			Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
I	Revenue from operations	13	27,154,194		11,867,041	
II	Other Income	15	629,916		56,474	
III	Total Revenue (I + II)			27,784,110		11,923,515
IV	Expenses					
	Changes in inventories of finished goods, work in progress and Stock-in- trade		267,546		358,756	
	Employee benefits expense	16	3,286,116		4,015,338	
	Finance Costs	14	36,544		37,328	
	Depreciation and amortization expense		228,243		182,820	
	Other expense	17	24,494,293		14,831,532	
	Total Expense			28,312,742		19,425,773
V	Profit before exceptional and extraordinary items and tax (III-IV)			(528,632)		(7,502,258)
VI	Exceptional Items			-		-
VII	Profit before extraordinary items and tax (V-VI)			(528,632)		(7,502,258)
VIII	Extraordinary items			-		-
IX	Profit before tax (VII-VIII)			(528,632)		(7,502,258)
X	Tax expense:					
	(1) Current tax		-		-	
	(2) Deferred tax		28,535		11,965	
				28,535		11,965
XI	X)			(557,167)		(7,514,223)
XII	Earnings per equity share:					
	(1) Basic			(55.17)		(743.98)
	(2) Diluted			(55.17)		(743.98)

As Per our Separate Report of Even Date

For Kumar Khare & Co.

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Sunil Kumar

(Partner)

Membership Number: 546026

Firm Registration Number: 006740C

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Place : Noida

Date :December 04, 2020

Sd/-

Uday Shankar Singh

(Director)

DIN:- 03592665

Sd/-

Mr. Shashi Shekhar Mishra

(Director)

DIN:-7034474

B.A.G. Convergence Private Limited
Cash Flow Statement for the year ended March 31, 2020

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Amount in	Amount in	Amount in	Amount in
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		(528,632)		(7,502,258)
<u>Adjustments for:</u>				
Depreciation and amortisation	228,243		182,820	
Finance costs	36,544		37,328	
Interest income	194,067		8,025	
Liabilities / provisions no longer required written back	101,248		-	
		560,102		228,173
Operating profit / (loss) before working capital changes				
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	267,546		358,756	
Trade receivables	2,709,093		(3,615,366)	
Short-term loans and advances	(6,981,237)		(2,348,420)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	4,157,462		3,368,642	
Other current liabilities	938,679		(1,697,749)	
		1,091,543		(3,934,137)
Cash generated from operations		1,123,013		(11,208,222)
Net cash flow from / (used in) operating activities (A)		1,123,013		(11,208,222)
B. Cash flow from investing activities				
Proceeds from sale of fixed assets	(879,763)		(65,797)	
Purchase of long-term investments				
- Others	-		(643,554)	
Interest received				
- Others	(194,067)		(8,025)	
		(1,073,830)		(717,376)
		(1,073,830)		(717,376)
Net cash flow from / (used in) investing activities (B)		(1,073,830)		(717,376)
C. Cash flow from financing activities				
Proceeds from long-term borrowings	-		15,088,000	
Proceeds from other short-term borrowings	5,940,304		(3,372,528)	
Finance cost	(36,544)		(37,328)	
		5,903,760		11,678,144
Net cash flow from / (used in) financing activities (C)		5,903,760		11,678,144
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		5,952,943		(247,454)
Cash and cash equivalents at the beginning of the year		963,562		1,211,016
Cash and cash equivalents at the end of the year		6,916,505		963,562
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet		6,916,505		963,562
Net Cash and cash equivalents		6,916,505		963,562
Cash and cash equivalents at the end of the year *		6,916,505		963,562
* Comprises:				
(a) Cash on hand		903		17,045
(b) Balances with banks				
(i) In current accounts		1,630,602		946,517
		1,631,505		963,562

As per our separate report of even date

For and on behalf of the Board of Directors

For Kumar Khare & Co.

Chartered Accountants

Sd/-

Sunil Kumar

(Partner)

Membership Number: 546026

Firm Registration Number: 006740C

UDIN:20546026AAAADX5135

Place : Noida

Date :December 04, 2020

Sd/-

Uday Shankar Singh

(Director)

DIN:- 03592665

Sd/-

Shashi Shekhar Mishra

(Director)

DIN:-7034474

Notes to Financial Statements

Particulars	Amount in ₹ -	Amount in ₹
	March 31,2020	March 31,2019
Note-1		
Share Capital		
Equity Share Capital		
Authorised Share Capital		
5,00,000 Equity Shares of Rs. 10/- each	5,000,000	5,000,000
(Previous Year 5,00,000 Equity Shares @ Rs. 10/- each)		
Particulars		
Issued, Subscribed and Fully Paid Share Capital		
10,100 Equity Shares of Rs. 10/- each	101,000	101,000
(Previous Year 10,100 Equity Shares @ Rs 10/- each)		
	101,000	101,000
Details of share holding in excess 5% of share capital:		
Name of Shareholders	March 31, 2020	
	No. of Shares	
Uday Shankar Singh	5,000	
Shikha Dantalwal	5,000	
Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the March 31, 2020		
Particulars	March 31,2020	March 31,2019
Equity shares Fully paid up		
Number of Shares outstanding at the Beginning of the Year :	Qty 10,100	10,100
	Value 101,000	101,000
Add : Further Issue during the year	Qty -	-
	Value -	-
Number of Shares outstanding at the end of the Year :	Qty 10,100	10,100
	Value 101,000	101,000
Note-2		
Particulars	March 31,2020	March 31,2019
Reserves and Surplus		
Surplus		
Opening Balance	(74,598,704)	(67,084,481)
Add: Profit / (Loss) for the year	(557,167)	(7,514,223)
Total	(75,155,871)	(74,598,704)
Note-3		
Particulars	March 31,2020	March 31,2019
Long-term borrowings		
Unsecured Loans		
Optionally fully convertible Debentures	194,447,000	194,447,000
Total	194,447,000	194,447,000
Disclosure in relation to Optionally Fully Convertible Debenture		
The Company had issued 2,395,419 optionally fully convertible debenture (OFCDs) of face value Rs 100/-each . The OFCDs fully convertible into equity shares at any time after the expiry of 4 years at a conversion price arrived at a fair valuation mutually agreeable to the both parties.		

Note-4

Particulars	March 31,2020	March 31,2019
Short-Term Borrowings		
<u>Unsecured</u>		
Other loans and advances	7,741,713	1,801,408
Total	7,741,713	1,801,408

Note-5

Particulars	March 31,2020	March 31,2019
Other Current Liabilities		
<u>Other payables</u>		
Taxes Payable	131,380	106,537
Other Liability	1,727,631	1,400,892
Employee Cost	1,767,646	1,180,548
Total	3,626,657	2,687,977

Note-8

Particulars	March 31,2020	March 31,2019
Non-Current Investments		
<u>Non Trade Investment at Cost</u>		
<u>Unquoted</u>		
8,080 Equity Shares (Previous Year 8,080 Equity Shares) of ARVR Communication Private Limited Having Face Value of Rs 100/- per share fully paid-up	21,008,000	21,008,000
10,000 Equity Shares (Previous Year 20,000 Equity Shares) of Approach Films and Television Limited Having Face Value of Rs 10/- per share fully paid-up	100,000	100,000
45,000 Equity Shares (Previous Year 45,000 Equity Shares) of Cine Asia Entertainment Private Limited Having Face Value of Rs 10/- per share fully paid-up	450,000	450,000
10,900 Equity Shares (Previous Year 10,900 Equity Shares) of BAG Live Entertainment Limited Having Face Value of Rs 10/- per share fully paid-up	109,000	109,000
500,000 Equity Shares (Previous Year 500,000 Equity Shares) of BAG Business Venture Limited Having Face Value of Rs 1/- per share fully paid-up	500,000	500,000
214,518 Optionally fully convertible debenture of Skyline tele Media services Limited	643,554	643,554
Total	22,810,554	22,810,554

Note-9

Particulars	March 31,2020	March 31,2019
Long Term Loans and Advances		
<u>Unsecured considered good</u>		
Security Deposits	169,000	169,000
Total	169,000	169,000

Note-10

Particulars	March 31,2020	March 31,2019
<u>Inventories</u>		
Stock-in-trade	17,710,508	17,978,054
Total	17,710,508	17,978,054

Note-11

Particulars	March 31,2020	March 31,2019
Trade Receivables <i>Unsecured, considered good</i>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	1,337,554	1,337,554
Less: Provision for doubtful trade receivables	-	-
Sub Total	1,337,554	1,337,554
Other Trade receivables	5,423,415	8,233,753
Less: Provision for doubtful trade receivables	-	-
Sub Total	5,423,415	8,233,753
Total	6,760,969	9,571,307

Note-12

Particulars	March 31,2020	March 31,2019
Cash and Cash Equivalents		
Balance with banks	1,630,602	946,517
Deposit with Bank	5,285,000	
Cash on hand	903	17,045
Total	6,916,505	963,562

Note-13

Particulars	March 31,2020	March 31,2019
Short Term Loans and Advances		
A. Balances with government authorities		
Advance Taxes	4,077,171	3,019,540
B. Loans and advances to employees	1,875,647	1,338,781
C. Others		
Advances to others	78,179,134	72,792,393
Total	84,131,952	77,150,714

Note-14

Particulars	March 31,2020	March 31,2019
Revenue from Operations		
Revenue from- Sale of Services		
Income from Digital Services	27,154,194	11,867,041
Total	27,154,194	11,867,041

Note-15

Particulars	March 31,2020	March 31,2019
Finance Costs		
A. Interest expense on		
Other	17,936	28,700
Other borrowing cost		
Bank Charges	18,608	8,628
Total	36,544	37,328

Note-16

Particulars	March 31,2020	March 31,2019
Other Income		
<u>Interest Income</u>		
Other	194,067	8,025
<u>Other Non-Operating Income(net of expenses directly attributable to such income)</u>		
Miscellaneous income	308,377	32,207
Profit on foreign exchange fluctuation	26,224	16,242
Sundry balance Written back	101,248	-
	629,916	56,474

Note-17

Particulars	March 31,2020	March 31,2019
Employee Benefits Expense		
Salaries and Wages	3,270,580	3,994,072
Staff Welfare Expenses	15,536	21,266
	3,286,116	4,015,338

Note-18

Particulars	March 31,2020	March 31,2019
Other Expenses		
Power and Fuel	740,972	765,663
Repairs to Machinery	182,424	157,993
Rates and Taxes, Excluding Taxes on Income	214,732	95,740
Loss on Foreign Currency Transaction	254,269	119,911
Payment to auditors		
- As Auditor	60,000	60,000
Professional Charges	16,604,358	6,558,652
License Fees	-	194,700
Website Development Charges	4,459,149	3,776,494
Fees & Subscription	398,100	405,169
Conveyance Expenses	44,585	144,784
Rent	360,000	360,000
Miscellaneous Expenses	1,175,704	2,192,425
	24,494,293	14,831,532

Note 6 - Fixed Assets Schedule for the Year ended on March 31, 2020

Tangible Fixed Assets

(Amt. in ₹.)

Particulars	Gross Block			Depreciation			Net Block		
	Cost as on 01.4.2019	Addition during the year	Sale/adj during the year	Cost as on 31.03.2020	Accumulated Depreciation as at 01.04.2019	Depreciation for the year	Accumulated Depreciation as at 31.03.2020	W.D.V as at 31.03.2020	W.D.V as at 31.3.2019
Office Equipment	718,595	818,747	-	1,537,342	595,016	94,981	689,997	847,345	123,579
Computer & peripherals	185,500	61,016	-	246,516	178,120	16,244	194,364	52,152	7,380
Plant & Machinery	700,000	-	-	700,000	145,326	114,161	259,487	440,513	554,674
Total	1,604,095	879,763	-	2,483,858	918,462	225,386	1,143,848	1,340,010	685,633

Note 7- Fixed Assets Schedule for the Year ended on March 31, 2020

Intangible Fixed Assets

(Amt. in ₹.)

Particulars	Gross Block			Depreciation			Net Block		
	Cost as on 01.4.2019	Addition during the year	Sale/adj during the year	Cost as on 31.03.2020	Accumulated Depreciation as at 01.04.2019	Depreciation for the year	Accumulated Depreciation as at 31.03.2020	W.D.V as at 31.03.2020	W.D.V as at 31.3.2019
Computer Software	234,136	-	-	234,136	226,957	2,857	229,814	4,322	7,179
Total	234,136	-	-	234,136	226,957	2,857	229,814	4,322	7,179

Note- 18

Corporate Information

B.A.G Convergence Private Ltd was incorporated on April 11, 2007 in New-Delhi with the objective to carry on business of convergence and render technical assistance to T.V. Channels, Broadcasting Channels, Informative Electronics Channels/Films and Website Maintenance.

Note - 19

Significant Accounting Policies

a) Basis of accounting and preparation of financial statements

These financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India. Indian GAAP comprises mandatory accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India.

b) Use of Estimates

The preparation of the financial statements is in accordance with Generally Accepted Accounting Principles. It requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from these estimates and a revision to such accounting estimates is recognized in the accounting period in which such a revision takes place.

c) Depreciation

Depreciation on fixed asset is provided on Written down Value method at the rates and in the manner prescribed in schedule II of the Companies Act, 2013.

d) Revenue Recognition

Revenues from Telecom value added services net of customer credit, is recognized on provision of services in terms of revenue sharing agreements with the aggregator.

Advertisement revenue from sale of advertising time is recognized on the accrual basis when advertisements are telecast in accordance with contractual obligations.

e) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

f) Tangible Fixed Assets

Tangible Fixed Assets

The Fixed assets are stated at cost less accumulated depreciation and impairment. Cost includes capital cost, freight, installation cost, duties and taxes and other incidental expenses incurred during the construction/installation and attributable to bringing the asset to its intended use. Fixed assets are further adjusted by the amount of CENVAT credit available, wherever applicable.

Depreciation on fixed assets is provided as per WDV basis, based on the rates as per useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Depreciation for the year is recognised in the Statement of Profit and Loss.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

g) Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

h) Taxes on Income

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in Statement of Profit or Loss except that tax expense related to items recognised directly in reserves is also recognized in those reserves.

Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate.

i) Provisions, Contingent Liabilities and Contingent Assets

Provisions

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

Contingent Liabilities and Commitments

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

j) Earnings Per Share (EPS)

The Company reports Basic Earning per equity share in accordance with the Accounting Standard-20 issued by the Institute of Chartered Accountants of India. Basic Earnings per equity share has been computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing the diluted earning per share comprises of the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

k) Investments

Non Current investments are stated at cost or fair value whichever is lower. Long term investments are stated at cost. Provision for diminution in value of long term investment is made, if the diminution is other than temporary.

20. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosures Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 regarding:

- (a) Amount due and outstanding to suppliers as at end of accounting year;
- (b) Interest paid during the year;
- (c) Interest payable at the end of the accounting year; and
- (d) Interest accrued and unpaid at the end of the accounting year have not been given.

21. The Deferred Tax Liability(Net) comprises of the following:

	(Amount in ₹)	
Particulars	As at March 31 , 2020	As at March 31 , 2019
Opening Balance of Deferred Tax Liability (Net)	3,700	(8,265)
Related to Fixed Assets	28,535	11,965
Deferred Tax Liability/(Assets)	32,235	3,700

22. Schedule III of the Companies Act, 2013 has become effective from April1, 2014 for the preparation of financial statements. Previous year's figures have been regrouped/reclassified to be comparable with current year's classification/disclosures.

As per our separate report of even date

For Kumar Khare & Co.
Chartered Accountants

For and on the behalf the Board of Director

Sd/-
Sunil Kumar
(Partner)
Membership Number: 546026
Firm Registration No. 006740C
UDIN:20546026AAAADX5135
Place: Noida
Date: December 04, 2020

Sd/-
Uday Shankar Singh
(Director)
DIN:- 03592665

Sd/-
Shashi Shekhar Mishra
(Director)
DIN:- 07034474