

# **DAX Cloud ULC**

**Standalone Financial Statement for the Year ended**

**March 31, 2018**

DAX Cloud ULC		in CAD	
Balance Sheet as on 31.03.2018			
Particulars	Notes	31.Mar.18	31.Mar.17
<b>Assets</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment		-	-
(b) Capital work-in-progress		-	-
(c) Goodwill		-	-
(d) Other intangible assets		-	-
(e) Intangible assets under development		-	-
(g) Financial assets		-	-
(i) Investments		-	-
(ii) Loans		-	-
(iii) Others		-	-
(h) Other non-current assets		-	-
(i) Deferred tax asset (net)		-	-
<b>2. Current assets</b>			
(a) Inventories		-	-
(b) Financial assets			
(i) Trade receivables	2	61,737	37,019
(ii) Cash and cash equivalents	3	30,232	41,681
(iii) Other balances with Banks		-	-
(iv) Loans		-	-
(v) Others		-	-
(c) Other current assets	4	1,315	-
		<b>93,284</b>	<b>78,700</b>
<b>Total assets</b>		<b>93,284</b>	<b>78,700</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
(a) Equity share capital		-	-
(b) Other equity	5	(320,379)	(295,783)
<b>Equity attributable to equity holders of the Parent</b>		<b>(320,379)</b>	<b>(295,783)</b>
Non-controlling interests		-	-
		<b>(320,379)</b>	<b>(295,783)</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Others		-	-
(b) Deferred tax liability (net)		-	-
(c) Provisions		-	-
(d) Other non-current liabilities		-	-
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings from group company	6	328,276	224,189
(ii) Current maturities of long-term borrowings		-	-
(iii) Trade payables		9,850	78,959
(iv) Others		-	-
(b) Provisions		-	-
(c) Current tax liability		-	-
(d) Other current liabilities	7	75,537	71,335
		<b>413,663</b>	<b>374,483</b>
<b>Total equity and liabilities</b>		<b>93,284</b>	<b>78,700</b>
Accompanying notes to the consolidated financial statements In terms of report attached			
<b>For CHOKSHI &amp; Co LLP</b> Chartered Accountants Firm Registration Number: 131228W/W100044  <b>Kalpen Chokshi</b> Partner Membership Number : 135047 Mumbai, dated:		<b>For and on behalf of the Board of Directors</b>  <b>Ramakrishnan Sankaranarayanan</b> Director	

**DAX Cloud ULC** in CAD  
**Statement of Profit and Loss Account for the year ended 31.03.2018**

Particulars	Notes	Year ended March 2018	Year ended March 2017
1	Income from operations		
	Net sales / income from operations	241,771	524,818
	Other operating income	-	-
	<b>Total income from operations</b>	<b>241,771</b>	<b>524,818</b>
2	<b>Expenses</b>	-	-
	Management Fees	169,018	-
	Technical service cost	1,195,817	426,211
	Depreciation and amortisation expense	-	-
	Other expenditure (net) 8	94,389	30,057
	Exchange loss (net)	(22,971)	4,259
	<b>Total Expenses</b>	<b>1,436,253</b>	<b>460,527</b>
		-	-
3	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)</b>	<b>(1,194,482)</b>	<b>64,291</b>
4	Other income:	-	-
	a) Exchange gain (net)	-	-
	b) Others (net)	-	-
5	<b>Profit from ordinary activities before finance costs and exceptional Items (3 + 4)</b>	<b>(1,194,482)</b>	<b>64,291</b>
6	Finance costs 9	1,348	1,250
7	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional Items (5 - 6)</b>	<b>(1,195,830)</b>	<b>63,041</b>
8	Exceptional items	-	-
9	<b>Profit / (Loss) from ordinary activities before tax (7 - 8)</b>	<b>(1,195,830)</b>	<b>63,041</b>
10	Tax expense	-	75,302
11	<b>Net Profit / (Loss) from ordinary activities for the period (9 - 10)</b>	<b>(1,195,830)</b>	<b>(12,261)</b>
12	Extraordinary items (net of tax expense Rs. Nil)	-	-
13	<b>Net (Loss) / Profit after tax and before minority (11 ± 12)</b>	<b>(1,195,830)</b>	<b>(12,261)</b>
14	Minority interest	-	-
15	<b>Net Profit / (Loss) for the period (11 - 12)</b>	<b>(1,195,830)</b>	<b>(12,261)</b>
16	Other comprehensive income (net of tax)	-	-
17	<b>Total comprehensive income (net of tax) (13 + 14)</b>	<b>(1,195,830)</b>	<b>(12,261)</b>

Accompanying notes to the consolidated financial statements  
In terms of report attached

For and on behalf of the Board of Directors

**For CHOKSHI & Co LLP**

Chartered Accountants

Firm Registration Number: 131228W/W100044

**Kalpen Chokshi**

Partner

Membership Number : 135047

Mumbai, dated:

**Ramakrishnan Sankarnarayanan**

Managing Director

DAX Cloud ULC		in CAD	
Standalone Cash Flow Statement for the year ended 31.03.2018			
Particulars	For the year ended March 31		
	2018	2017	
<b>Cash flows from operating activities</b>			
Net Profit (Loss) before taxation	(1,195,830)	63,041	
<b>Adjustments for:</b>			
Depreciation and amortization expenses	-	-	
Bad debts written off	-	-	
Unrealized Forex Loss/(Gain)	(22,971)	4,259	
Finance costs	1,348	1,250	
<b>Operating profits before working capital changes</b>	<b>(1,217,453)</b>	<b>68,550</b>	
Movements in working capital:			
(Increase)/ Decrease in Inventory	-	-	
(Increase)/ Decrease in trade receivables	(24,718)	96,250	
(Increase)/ Decrease in other financial assets	-	-	
(Increase)/ Decrease in other non-current assets	-	-	
(Increase)/ Decrease in other current assets	(1,315)	-	
Increase/(Decrease) in trade payables	(46,138)	68,913	
Increase/(Decrease) in non-current provisions	-	-	
Increase/(Decrease) in current provisions	-	-	
Increase/(Decrease) in current financial liabilities	-	(14,086)	
Increase/(Decrease) in other current liabilities	4,202	-	
Increase/(Decrease) in other Non current liabilities	-	-	
<b>Cash generated from operations</b>	<b>(67,970)</b>	<b>151,076</b>	
Direct taxes paid	-	-	
<b>Net cash generated from operating activities (A)</b>	<b>(1,285,423)</b>	<b>219,627</b>	
<b>Cash flows from investing activities</b>			
Purchase of fixed assets (Including capital advances)	-	-	
<b>Net cash (used in) investing activities (B)</b>	<b>-</b>	<b>-</b>	
<b>Cash flows from financing activities</b>			
Proceeds from long-term borrowings	-	-	
Repayments of long-term borrowings	-	-	
Short Term Advances (Net)	1,275,321	(275,441)	
Interest paid	(1,348)	(1,250)	
<b>Net cash from financing activities (C)</b>	<b>1,273,973</b>	<b>(276,692)</b>	
Net increase in cash and cash equivalents (A+B+C)	(11,449)	(57,065)	
Cash and cash equivalents- Opening balance	41,681	98,746	
<b>Cash and cash equivalents at end of year (Refer note 3)</b>	<b>30,232</b>	<b>41,681</b>	
Accompanying notes to the consolidated financial statements In terms of report attached			
		<b>For and on behalf of the Board of Directors</b>	
<b>For CHOKSHI &amp; Co LLP</b> Chartered Accountants Firm Registration Number: 131228W/W100044			
<b>Kalpen Chokshi</b> Partner Membership Number : 135047 Mumbai, dated:		<b>Ramakrishanan Sankarnarayanan</b> Managing Director	

**DAX Cloud ULC****Standalone Statement of Changes in Equity for the year ended 31.03.2018****A. Equity Share Capital**

in CAD

<b>Balance as at April 1, 2017</b>	0
Change in equity share capital during the year	-
<b>Balance as at March 31, 2018</b>	0

**B. Other Equity**

in CAD

Particulars		
	Retained Earnings	Total
<b>Balance as at March 31, 2017</b>	<b>870,350</b>	870,350
Changes during the year	(1,195,830)	(1,195,830)
<b>Balance as at March 31, 2018</b>	<b>(325,481)</b>	<b>(325,481)</b>

Accompanying notes to the standalone financial statements

In terms of our report attached

**For CHOKSHI & Co LLP**

Chartered Accountants

Firm Registration Number: 131228W/W100044

**For and on behalf of the Board of Directors****Kalpen Chokshi**

Partner

**Ramakrishanan Sankarnarayanan**

Managing Director

Place: Mumbai

Date:

**DAX Cloud ULC**  
**Notes to standalone financial statements for the year ended 31.03.2018**

**1 Entity Information**

DAX Cloud ULC ("the Entity") was formed on 9th January 2013 in Canada. Prime Focus Technologies Inc. being the intermediate holding company and Prime Focus Limited being the ultimate holding company.

**2 Statement of significant accounting policies**

**a. Statement of Compliance**

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (herein after referred to as 'Ind AS') including the Accounting standards notified under the relevant provisions of Companies Act, 2013.

These standalone financial statements are the Entity's first Ind AS financial statements. Up to the period ended March 31, 2016, the Entity prepared its financial statements in accordance with the requirement under US GAAP. The date of transition to Ind AS is April 01, 2015.

**b. Basis of Preparation and presentation**

These standalone financial statements are prepared in accordance with the Indian Accounting Standards (Ind As) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013. the Entity has adopted all the Ind AS standard and the adoption was carried out in accordance with Ind As 101, First-Time Adoption of Indian Accounting standard.

All assets and liabilities have been classified as current or non-current as per the Entity's normal operating cycle. Based on the nature of products and services and the time between acquisition of assets for processing and their realization in cash and cash equivalent, the Entity has ascertained its operating cycle as twelve (12) months for the purpose of current or non-current classification of assets and liabilities.

Accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**c. Use of estimates**

The preparation of standalone financial statements in conformity with Ind As requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in the preparation of the standalone financial statements are prudent and reasonable. Future results could differ due to this estimates and the difference between the actual results and the estimates are recognized in the period in which the results are known/materialize.

**d. Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

**e. Foreign currencies**

the Entity's Financial statements are presented in USD, which is also the companies functional currency. In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. The translation of financial statement of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for revenue, expenses and cash flow items using the average exchange rate for the respective periods.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for further productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

#### **f. Property, plant and equipment (PPE)**

PPE are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing PPE, 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.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values using the straight-line method over their useful lives estimated by Management, which are similar to useful life prescribed under Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Cost of Leasehold improvements and Leasehold building is amortized over a period of lease.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

#### **g. Intangible assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors, including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically, including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Entity has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor, overhead costs that are directly attributable to preparing the asset for its intended use. Research and development costs and software development costs incurred under contractual arrangements with customers are accounted in the Statement of Profit and Loss.

#### **h. Depreciation**

Depreciation on tangible fixed assets is provided using the Straight Line Method (SLM) as per the useful lives of the assets

Cost of Leasehold improvements is amortized over a period of lease

#### **i. Impairment**

Impairment of tangible and intangible assets

At the end of each reporting period, the Entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest of the cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

#### **j. Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

the Entity as lessor

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Entity's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Entity's net investment outstanding in respect of the leases.

Rental income from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Entity's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

the Entity as lessee

Assets held under finance lease are initially recognized as assets of the Entity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligations so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Entity's general policy on borrowing costs (see note 2.6 below). Contingent rentals are recognized as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

#### **k. Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable for the sale of services. Revenue is shown net of applicable taxes.

Rendering of services

the Entity provides a variety of digital technological solutions to the sports, film, broadcast, advertising and media industries.

Revenue from technical services is recognized on the basis of services rendered.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the percentage of completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of hours spent/ units processed up to the balance sheet date, which bears to the total hours/units estimated for the contract. If losses are expected on contracts these are recognized when such losses become evident.

Unbilled revenue is included within 'other financial assets' and billing in advance is included as deferred revenue in 'other current liabilities'

#### **l. Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier year.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. 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 tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized 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 Entity has unabsorbed depreciation or carry forward tax losses, 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 balance sheet date the Entity re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets 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 balance sheet date. the Entity writes-down the carrying amount of a 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.

#### **m. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. 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.

#### **n. Provisions**



Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the Entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flow (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**o. Retirement and other employee benefits**

**Defined Contribution Plan**

**Social Security and Medicare**

the Entity contributes towards social security and Medicare. Liability in respect thereof is determined on the basis of contribution as required under the US State / Federal Rules.

**Saving and investment plan u/s.401(k)**

the Entity has saving and investment plan u/s. 401(k) of internal Revenue Code of USA. Contributions are charged to the Statement of Profit and Loss in the period in which these accrue.

**p. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Entity are segregated based on the available information

**q. Financial Instruments**

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

**Initial recognition**

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

**Subsequent measurement**

**Financial assets at amortized cost**

Financial assets are subsequently measured at amortized cost if they are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

**Financial liabilities**

Financial liabilities are measured at amortized cost using the effective interest method.

**Offsetting of financial instruments**

the Entity offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Entity intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## DAX Cloud ULC

Notes to standalone financial statements for the year ended 31.03.2018

in CAD

		As at 31.03.2018	As at 31.03.2017
<b>2</b>	<b>Trade receivables</b> (Unsecured and Considered Good) Others		
	<b>Total</b>	<b>61,737</b>	<b>37,019</b>
<b>3</b>	<b>Cash and cash equivalents</b> Cash on hand Balances with banks on current account		
	<b>Total</b>	<b>30,232</b>	<b>41,681</b>
<b>4</b>	<b>Other Current Assets</b> Loans and Advances to Staff		
	<b>Total</b>	<b>1,315</b>	<b>-</b>

DAX Cloud ULC		Notes to standalone financial statements for the year ended 31.03.2018		in CAD	
Note 5 :Other Equity					
		As at March 31, 2018	As at March 31, 2017		
<b>Surplus in the statement of profit and loss</b>					
As per last balance sheet		875,451		887,712	
Adjustment to depreciation to comply with group accounting policies					
Add: (Loss) / profit for the year		(1,195,830)		(12,261)	
		<b>(320,379)</b>		<b>875,451</b>	
		<b>(320,379)</b>		<b>(295,783)</b>	

<b>DAX Cloud ULC</b>		<b>Notes to standalone financial statements for the year ended 31.03.2018</b>	
		<b>As at 31.03.2018</b>	<b>in CAD As at 31.03.2017</b>
	<b>Current liabilities</b>		
	<b>Financial liabilities</b>		
<b>6</b>	Borrowing from Group Companies	328,276	224,189
	<b>Total</b>	<b>328,276</b>	<b>224,189</b>
	<b>Other current liabilities</b>		
<b>7</b>	<b>Others</b>		
	Provision for Taxes	75,301	71,334
	GST/HST Payable	235	
	<b>Total</b>	<b>75,537</b>	<b>71,334</b>

DAX Cloud ULC			
Notes to standalone financial statements for the year ended 31.03.2018		in CAD	
Note		For the year ended March 31	
		2018	201
8	<b>Other expenses</b>		
	Communication expenses	1,075	-
	Traveling and conveyance	5,687	
	Legal and professional fees	19,300	18,000
	Repairs and maintenance - equipment	25,453	
	Sales promotion expenses	32,840	
	Miscellaneous expenses	10,033	12,057
	<b>Total</b>	<b>94,389</b>	<b>30,057</b>
9	<b>Finance costs</b>		
	Bank charges	1,348	1,250
	<b>Total</b>	<b>1,348</b>	<b>1,250</b>

DAX Cloud ULC		in CAD	
Notes to standalone financial statements for the year ended 31.03.2018			
Note		For the year ended March 31	
		2018	2017
10	<b>Related party disclosure:</b>		
	(i) <b>List of related parties with whom transactions have taken place during the year:</b>		
	Prime Focus Technologies, Inc. - Intermediate Holding Company (control exists)		
	(ii) <b>Particulars of related party transactions:</b>		
	<b>Intermediate Holding Company</b>		
	<u>Prime Focus Technologies, Inc.</u>		
	Expenses recharged received		362,236
	Management Fees Recharge	169,018	
	Payment of Recharge	(48,279)	(26,517)
	Balance outstanding at the year end- credit	328,276	110,878
	(iii) There are no provisions for doubtful debts or amounts written off or written back in respect of debts due from / to related parties.		

11 Financial Instruments

(A) Fair Value Measurements

	As at March 31		As at March 31	
	2018	2017	2018	2017
	Carrying Value		Fair Value	
<b>i Financial Assets:</b>				
<b>Measured at amortized cost</b>				
Trade receivables	61,737	37,019	61,737	37,019
Cash and cash equivalents	30,232	41,681	30,232	41,681
Other financial assets	-	-	-	-
<b>Total financial assets measured at amortized cost</b>	<b>91,969</b>	<b>78,700</b>	<b>91,969</b>	<b>78,700</b>
<b>ii Financial Liabilities:</b>				
<b>Measured at amortized cost</b>				
Borrowings	328,276	224,189	328,276	224,189
Trade payables	9,850	78,958	9,850	78,958
Other financial liabilities	-	71,335	-	71,335
<b>Total financial liabilities measured at amortized cost</b>	<b>338,126</b>	<b>374,483</b>	<b>338,126</b>	<b>374,483</b>

The management assessed that the fair value of cash and cash equivalents, trade receivables, borrowings, trade payables & other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

iii Fair value hierarchy

- Level 1 - Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 – inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liability, either directly or indirectly; and
- Level 3 - Level 3 inputs are unobservable inputs for the asset or liability.

D. Financial assets and liabilities measured at amortized cost for which fair values are disclosed

Particulars	Fair value measurement using		
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
	(Level 1)	(Level 2)	(Level 3)
<b>As at March 31, 2017</b>			
<b>Financial liabilities</b>			
<b>Borrowings</b>	-	-	-
<b>Total</b>	-	-	-
<b>As at March 31, 2016</b>			
<b>Financial liabilities</b>			
<b>Borrowings</b>	-	-	-
<b>Total</b>	-	-	-

(B) Capital Risk Management

the Entity objectives when managing capital are to safeguard the Entity's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

the Entity's management sets the amounts of capital required in proportion to risk. the Entity manages its capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets.

The holding company and ultimate holding company continues to provide support the Entity whenever required. Further Ultimate holding company and intermediate holding company have given non disposal undertaking to one of the lender for availing the term loan facilities.

(C) **Financial risk management**

A wide range of risks may affect the Entity's business and financial results. Amongst other risks that could have significant influence on the Entity are market risk,

i **Credit risk**

Credit risk is the risk of financial loss to the Entity if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Entity's receivables from clients and cash. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

the Entity has a low credit risk in respect of its trade receivables, its principal customers being national broadcasters and major organization's which the Entity has worked with for a number of years. However, as the Entity grows its customer base and works with more independent producers it will experience an increased credit risk environment. the Entity is also exposed to credit risk in respect of its cash and seeks to minimize this risk by holding funds on deposit with major financial institutions.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was CAD 338,137 and CAD 374,483 as at March 31, 2018, March 31, 2017 respectively, being the total of the carrying amount of the balances with banks, bank deposits, trade receivables, unbilled revenue and other financial assets.

ii **Liquidity risk Management**

Liquidity risk is the risk that the Entity is unable to meet its payment obligations associated with its financial liabilities when they fall due. Ultimate responsibility for liquidity risk management rests with the Management, which has developed a liquidity management forecasting process which aims to ensure that the Entity has sufficient cash at all times to meet liabilities as they fall due.

Working capital requirements are generally provided from operational cash flow or through the Entity's Borrowings.

The following analysis sets out the maturities of financial assets and liabilities, including amounts maturing more than twelve months. For liability maturities more than 12 months, see also note 11 and 15.

**Liquidity Risk**

in CAD

<b>At 31 March 2018</b>	<b>Less than 3 months</b>	<b>Between 3 and 12 months</b>	<b>More than 12 months</b>	<b>Total</b>
<b>Current financial assets</b>				
Trade receivables	61,737	-	-	<b>61,737</b>
Cash and cash equivalents	30,232	-	-	<b>30,232</b>
Other financial assets	-	-	-	-
	<b>91,969</b>	-	-	<b>91,969</b>
<b>Current financial liabilities</b>				
Borrowings	328,276	-	-	<b>328,276</b>
Trade payables	9,850	-	-	<b>9,850</b>
Other financial liabilities	-	-	-	-
	<b>338,126</b>	-	-	<b>338,126</b>
<b>At 31 March 2017</b>	<b>Less than 3 months</b>	<b>Between 3 and 12 months</b>	<b>More than 12 months</b>	<b>Total</b>
<b>Current financial assets</b>				
Trade receivables	37,019	-	-	<b>37,019</b>
Cash and cash equivalents	41,681	-	-	<b>41,681</b>
Other financial assets	-	-	-	-
	<b>78,700</b>	-	-	<b>78,700</b>
<b>Current financial liabilities</b>				
Borrowings	224,189	-	-	<b>224,189</b>
Trade payables	78,958	-	-	<b>78,958</b>
Other financial liabilities	71,335	-	-	<b>71,335</b>
	<b>374,483</b>	-	-	<b>374,483</b>



Note	
<b>13</b>	<b>Segment information</b>  The Company is engaged in the business of providing digital technological solutions, Media ERP in North America. Accordingly, there is a single business and geographical segment.
<b>14</b>	<b>Significant accounting judgements, estimates and assumptions</b>  The preparation of the Standalone financial statements requires management to make judgements, estimates and assumptions as described below that affect the reported amounts and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.  a Estimates The estimates used by the company to present the amount in accordance with Ind AS reflect conditions as at the transition date and as of March 31, 2017.  b Classification and measurement of Financial instruments : The Company has classified the financial assets in accordance with Ind AS 109 on the basis of fact and circumstances that exist at the date transition to Ind AS.  c De-recognition of the Financial Assets and Financial Liabilities : The Company has elected to apply the de-recognition requirement for Financial Assets and Financial Liabilities in Ind AS prospectively for transition occurring on or after the date of transition to date of Ind AS.
<b>15</b>	Previous year's figures have been regrouped / reclassified wherever necessary to corresponds with the current year's classification / disclosure.
<b>For and on behalf of the Board of Directors</b>  <b>Ramakrishnan Sankaranarayanan</b> Managing Director	