

Manohar Chowdhry & Associates

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

To the Members of **CONSIM INFO USA INC**

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS Financial Statements of **CONSIM INFO USA INC** ("the Company") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. These Ind AS financial statements have been prepared by the Company's management as per the Generally Accepted Accounting Principles adopted in India for the purpose of consolidating the Company's financials with that of holding company.

Management's Responsibility for the Ind AS Financial Statements

Management is responsible for the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India; this includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility for the Audit of Financial Statements

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

We conducted our audit in accordance with the Standards on Auditing issued by ICAI. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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Vizag . Nellore . Orissa

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give a true and fair view of the state of affairs of the Company as at 31st March, 2021, and of its results of operations and its cash flows for the year then ended in accordance with the Generally Accepted Accounting Principles adopted in India.

Basis of accounting

Without qualifying our opinion, we draw attention to Note 2 (a) to the Ind AS financial statements, which describe the basis of accounting. The Ind AS financial statements are prepared as per the Generally Accepted Accounting Principles adopted in India to assist the company to meet the requirement of consolidating the Company's financials with that of holding company. As a result, the financial statements may not be suitable for any other purpose.

Place: Chennai

Date: May 3, 2021

For **Manohar Chowdhry & Associates**

Chartered Accountants

Firm Registration No: 001997S

SURYA NARAYANA
MURTHY SANTOSH
MOGALAPALLI

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M.S.N.M.Santosh

Partner

Membership No: 221916

UDIN: 21221916AAAAEI8534

Consim Info USA Inc.
Balance Sheet as at March 31, 2021
(All amounts are in INR . unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-Current Assets			
Property Plant and Equipment	3	1,10,671	-
		1,10,671	-
Current Assets			
Financial Assets			
(a) Security deposits	4a	43,896	45,204
(b) Cash and Cash Equivalents	4b	1,73,25,269	75,70,993
Other current assets	5	4,38,53,826	2,41,49,318
		6,12,22,991	3,17,65,515
Total Assets		6,13,33,662	3,17,65,515
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	6	45,120	45,120
Other Equity			
Retained Earnings	7	2,04,37,524	2,10,45,852
Total Equity		2,04,82,644	2,10,90,972
Current Liabilities			
Financial Liabilities			
Trade Payables	8	4,07,18,591	1,05,09,533
Other Current Liabilities	9	1,08,630	47,527
Liabilities for current tax (net)		23,797	1,17,483
		4,08,51,018	1,06,74,543
Total Liabilities		4,08,51,018	1,06,74,543
TOTAL EQUITY AND LIABILITIES		6,13,33,662	3,17,65,515

Summary of significant accounting policies

The explanatory notes forms an integral part of the financial statements.

As per our report of even date

For M/s. Manohar Chowdhry & Associates
Chartered Accountants

ICAI Firm Registration No.: 001997S

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SURYA NARAYANA
MURTHY SANTOSH
MOGALAPALLI
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M.S.N.M.Santosh
Partner
Membership No: 221916

For and on behalf of Board of Directors of
Consim Info USA Inc.

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Murugavel Janakiraman
President / Director

Place : Chennai
Date : May 03, 2021

Place : Chennai
Date : May 03, 2021

Consim Info USA Inc.

Statement of Profit and Loss for the year ended March 31, 2021

(All amounts are in INR , unless otherwise stated)

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations	10	25,04,228	29,50,149
Total income		25,04,228	29,50,149
Expenses			
Employee benefits expense	11	16,25,318	18,70,919
Other Expenses	12	7,79,734	8,51,651
Total expenses		24,05,052	27,22,570
Earnings before exceptional items, interest, tax, depreciation and amortisation (EBITDA)		99,176	2,27,579
Depreciation and amortisation expense	13	2,712	9,017
Finance costs		-	-
Finance income		-	-
Profit before exceptional items and tax		96,464	2,18,562
Exceptional Items		-	-
Profit / (loss) before tax		96,464	2,18,562
Tax expense			
- Current income tax		93,854	1,12,184
- Adjustment of tax relating to earlier years		-	(4,01,664)
- Deferred tax (net)		-	-
Total tax expense		93,854	(2,89,480)
Profit for the period (I)		2,610	5,08,042
Other Comprehensive income:			
Exchange difference on translation of foreign operations for the period		(6,10,938)	17,13,988
Other comprehensive income/(loss) for the period, net of tax (II)		(6,10,938)	17,13,988
Total comprehensive income for the period, net of tax (I + II)		(6,08,328)	22,22,030
Earnings per Share of USD 1 each			
Basic earnings / (loss) per share		2.61	508.04
Diluted earnings / (loss) per share		2.61	508.04

Summary of significant accounting policies

The explanatory notes forms an integral part of the financial statements.

As per our report of even date

For M/s. Manohar Chowdhry & Associates

Chartered Accountants

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Murugavel Janakiraman

President / Director

Place : Chennai

Date : May 03, 2021

Place : Chennai

Date : May 03, 2021

Consim Info USA Inc.

Statement of Cash flows for the year ended March 31, 2021

(All amounts are in INR , unless otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020
Cash flow from / (used in) operating activities		
Profit before exceptional items and tax	96,464	2,18,562
Adjustments - reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	2,712	9,017
Adjustment for unrealised forex gain / (Loss)	(6,10,938)	17,13,988
Operating profit before working capital changes	(5,11,762)	19,41,567
Movement in working capital :		
(Increase) / decrease in trade receivables	-	-
Loans and other financial assets and other assets	(1,97,03,200)	(63,42,874)
Increase / (decrease) in trade payables	3,02,09,058	39,77,197
Other financial liabilities and other liabilities	61,103	(9,31,519)
Cash generated from / (used in) operations	1,00,55,199	(13,55,629)
Income taxes paid (net of refunds)	(1,87,540)	(12,50,031)
Net cash generated from / (used in) operating activities before exceptional items	98,67,659	(26,05,660)
Cash flow from / (used in) Exceptional items	-	-
Net cash flow from / (used in) operating activities (A)	98,67,659	(26,05,660)
Cash flow from / (used in) investing activities		
Purchase of fixed assets including intangible assets, and capital advances	(1,13,396)	-
Translation difference on fixed assets	13	(68)
Net cash flow / (used in) investing activities (B)	(1,13,383)	(68)
Cash flows from / (used in) financing activities		
Net cash flow from / (used in) financing activities (C)	-	-
Net increase / (decrease) in cash and cash equivalents (A+B+C)	97,54,276	(26,05,728)
Cash and cash equivalents at the beginning of the period	75,70,993	1,01,76,721
Cash and cash equivalents at the end of the year	1,73,25,269	75,70,993
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at March 31st:		
Balances with banks on current accounts	1,73,25,269	75,70,993
Deposits with original maturity of less than three months	-	-
Cheques on hand	-	-
Cash on hand	-	-
	1,73,25,269	75,70,993
Less – Bank overdraft	-	-
Total cash and cash equivalents	1,73,25,269	75,70,993

Summary of significant accounting policies

The explanatory notes forms an integral part of the financial statements.

As per our report of even date

For M/s. Manohar Chowdhry & Associates

Chartered Accountants

ICAI Firm Registration No.: 001997S

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M.S.N.M.Santosh

Partner

Membership No: 221916

For and on behalf of Board of Directors

Consim Info USA Inc.

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Murugavel Janakiraman

President / Director

Place : Chennai

Date : May 03, 2021

Place : Chennai

Date : May 03, 2021

Consim Info USA Inc.

Statement of Changes in Equity for the year ended March 31, 2021

(All amounts are in INR, unless otherwise stated)

a. Equity Share Capital:

Equity shares of USD 1 each issued, subscribed and fully paid	No. of shares	INR
As at March 31, 2020	1,000	45,120
Changes in equity share capital during the period	-	-
As at March 31, 2021	1,000	45,120

b. Other equity

For the year ended March 31, 2021

Particulars	Retained earnings	Foreign Currency Translation Reserve	Total other equity
As at 1st April 2020	1,59,80,315	50,65,537	2,10,45,852
Profit for the period	2,610	-	2,610
Other comprehensive income	-	(6,10,938)	(6,10,938)
Total Comprehensive Income	2,610	(6,10,938)	(6,08,328)
As at March 31, 2021	1,59,82,925	44,54,599	2,04,37,524

For the year ended March 31, 2020

Particulars	Retained earnings	Foreign Currency Translation Reserve	Total other equity
As at 1st April 2019	1,54,72,273	33,51,549	1,88,23,822
Profit for the period	5,08,042	-	5,08,042
Other comprehensive income	-	17,13,988	17,13,988
Total Comprehensive Income	5,08,042	17,13,988	22,22,030
As at March 31, 2020	1,59,80,315	50,65,537	2,10,45,852

Summary of significant accounting policies

The explanatory notes forms an integral part of the financial statements.

As per our report of even date

For M/s. Manohar Chowdhry & Associates

Chartered Accountants

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M.S.N.M.Santosh

Partner

Membership No: 221916

Place : Chennai

Date : May 03, 2021

For and on behalf of Board of Directors of
Consim Info USA Inc.

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Murugavel Janakiraman

President / Director

Place : Chennai

Date : May 03, 2021

Consim Info USA Inc.
Notes to financial statements for the year ended March 31, 2021

1. Background:

Consim Info USA Inc. was in the business of providing marketing and administrative services to Matrimony.com Limited (formerly known as Matrimony.com Private Limited) in respect of NRI markets worldwide (except Gulf countries) through its US office. It is a wholly owned subsidiary of Matrimony.com Limited and functioned as an agent of the Holding Company. With effect from 15th December 2015, Matrimony.com Ltd. has granted a non-exclusive, non-sub-licensable and non-assignable license of its brand names and domain names to Consim Info USA Inc. pursuant to the license. Consim Info USA Inc. provides matrimony matchmaking services to the Indian diaspora in US and other overseas countries. For this purpose, Consim Info USA Inc. has availed database / portal access and other services from Matrimony.com Ltd. With effect from April 01, 2018 the above arrangement was changed to an Agency model, wherein the Consim Info USA Inc will act as agent of Matrimony.com Limited instead of a licensee.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements are prepared in accordance with 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 (Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. These financial statements have been prepared for the purpose of consolidating the company's financials with that of holding company. The company has considered the Going concern assumption while preparing the financial statements for the year ended March 31, 2021

b) Use of estimates

The preparation of 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 the disclosure of contingent liabilities as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Any revision to accounting estimates is recognised in the period in which the results are known / materialized.

c) Functional and Presentation Currency

Items included in the financial statements of the Company are measured using USD which is the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is Company's presentation currency. Since the Company is domiciled in the United States of America ("USA"), the books of accounts are maintained in US Dollars. The Holding Company prepares consolidated financial statements, for which till 14th December 2015 it identified the Company as a "Integral foreign operation" and with effect from 15th December 2015 due to change in the nature of business it has been re-identified as "Non Integral foreign operation" and has been accounted as per the principles laid down in Indian Accounting Standards. And with effect from April 01, 2018 it has again been re-identified as "Integral foreign operation" due to change in nature of business from Business License arrangement to Agency model.

In connection to the same the financial statements have been prepared using the following method of translation:

a) Income and expenditure items are translated at the monthly average exchange rates.

b) Monetary assets and liabilities are translated at the closing rates.

(i) Exchange differences arising on translation of the items mentioned in (a) and (b) above, pertaining to the reporting period till 14th December 2015, has been recognised as income / expense in the statement of Profit & Loss.

(ii) With effect from 15th December 2015, the exchange differences arising on translation of the items mentioned in (a) and (b) above, pertaining to the reporting period has been transferred to Foreign Currency Translation Reserve.

c) Non monetary assets and liabilities are translated at the closing rates and the exchange difference thus arising has been transferred to Foreign Currency Translation Reserve.

d) Measurement at Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

Fair value categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumption made in measuring fair values are included in fair value measurement forming part of notes to accounts.

e) Financial Instruments

1) Recognition and initial measurement:

i) Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instruments.

ii) The company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

2) Financial assets - Classification:

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

1. Amortised cost;
2. Fair value through other comprehensive income (FVOCI) - debt instrument;
3. Fair value through other comprehensive income (FVOCI) - equity instrument;
4. Fair value through profit and loss (FVTPL)

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

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

1. The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
2. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise from recognising them as measured at amortised cost or at FVOCI.

3) Financial assets - Subsequent measurement:

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets measured at FVTOCI - Debt investments: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign gains and losses and impairment are recognised in profit or loss. Other net gains or losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Financial assets measured at FVTOCI - Equity investments: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains or losses are recognised in OCI and are not reclassified to profit or loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

4) Financial assets - Derecognition:

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

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

5) Financial liabilities - Classification:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition.

6) Financial liabilities - Subsequent measurement:

Financial liabilities measured at FVTPL are subsequently measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

7) Financial liabilities - Derecognition:

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its term are modified and the cash flows under the modified terms are substantially different, where a new financial liability based on the modified terms is recognised at fair value.

Any gain or loss on derecognition in these cases, shall be recognised in profit or loss.

8) Offsetting

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

Property, Plant & Equipment

Under the previous GAAP (Indian GAAP), property, plant and equipment were carried in the balance sheet at their carrying value being the cost of acquisition or construction less accumulated depreciation. The Company has elected to regard the values of certain items of property, plant and equipment as deemed cost, being fair value or the carrying value under Previous GAAP, at the date of transition in accordance with Ind AS 101. Remaining items of property, plant and equipment are valued at cost, being cost of acquisition or construction less accumulated depreciation, in accordance with Ind AS 16.

The cost of property, plant and equipment includes freight, duties, taxes and other incidental expenses relating to the acquisition and installation of the respective assets. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

i) Recognition & Measurement

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase cost, including import duties and non-refundable taxes or levies and any directly attributable cost to bring the item to working condition as intended by management. Further, any trade discounts and rebates are deducted. Any gain or loss on disposal of property, plant and equipment is recognised as profit or loss. Property, Plant and Equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress" at cost, less impairment losses if any.

ii) Transition to Ind AS

On transition to Ind AS, the company has decided to continue with the carrying value of all its property, plant and equipment recognised as at April 01, 2016, measured as per previous GAAP and use that carrying amount as the deemed cost of such property, plant and equipment.

iii) Subsequent Recognition

Expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company

iv) Depreciation

The company depreciates the property, plant and equipment over their estimated useful life of the items using Straight-line method. Depreciation for assets purchased / sold during the period is proportionately charged. The Management estimates the useful lives for the assets as follows:

<u>Particulars</u>	<u>Useful life (in years) *</u>
Furniture and Fixtures	2-5
Computer and Network Equipment	4-6
Office Equipment	2-7

* Based on technical evaluation, the management believes that the useful life as given above best represent the period which the Management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

** Assets individually costing less than Rs.5,000/- each are fully depreciated in the year of purchase.

g) Revenue Recognition

Income from services

Revenues from subscriptions towards matrimony service contracts are recognized on pro-rata basis over the period of the contract as and when services are rendered. The company has adopted IND AS 115 "Revenue from contracts with customers" with date of initial application being April 01, 2018.

Agency Commission Income

Revenue from agency service is recognized as and when the service is completed and invoiced to customers. The company has adopted IND AS 115 "Revenue from contracts with customers" with date of initial application being April 01, 2018. Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in exchange for those services.

2) Revenue is net of taxes.

h) Income taxes

1) Current tax is determined on income for the year chargeable to tax in accordance with the provisions of Income Tax Act, 1961.

2) Deferred tax is recognised on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantially enacted as on the balance sheet date. Deferred tax assets are recognised only to the extent there is a reasonable certainty that assets can be realised in future, however where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.

3) It is recognised in the statement of Profit and Loss Account except to the extent that it relates to Other Comprehensive Income.

Consim Info USA Inc.

Notes to financial statements for the year ended March 31, 2021

i) Current vs Non Current Classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle, or
2. Held primarily for the purpose of trading, or
3. Expected to be realised within twelve months after the reporting period, or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle, or
2. It is held primarily for the purpose of trading, or
3. It is due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified project life as its operating cycle for construction contracts and twelve months for Capital goods segment.

Operating cycle for the business activities of the Company covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

j) Contingent Liabilities

The company recognizes contingent liability for disclosure in notes to accounts, if any of the following conditions is fulfilled:

- a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise; or
- b) a present obligation that arises from past events but is not recognized because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

k) Earnings Per Share

1) Basic earnings per share is calculated by dividing

- a) the profit attributable to owners of the Company
- b) by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

2) Diluted earnings per share

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

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

l) Cash Flows

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to know cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

m) Cash & Cash Equivalents

Cash and cash equivalents consist of cash and cash on deposit with scheduled banks, other than margin money.

Consim Info USA Inc.

Notes to financial statements for the year ended March 31, 2021

n) Impairment of Financial Instruments

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

Non-financial assets (Intangible assets and property, plant and equipment)

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

o) Provisions

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Consim Info USA Inc.

Notes to financial statements for the year ended March 31, 2021

(All amounts are in INR, unless otherwise stated)

3 Property, Plant and Equipment and Intangible assets

Particulars	Property, Plant and Equipment			
	Computers and Network Equipment	Office equipment	Furniture and fixtures	Total
Cost as at April 1, 2020	7,94,572	2,81,313	4,50,205	15,26,090
Additions	58,527	54,869	-	1,13,396
Disposals	-	-	-	-
Translation differences	(22,991)	(8,140)	(13,026)	(44,158)
As at March 31, 2021	8,30,107	3,28,042	4,37,179	15,95,328
Depreciation/Amortisation as at April 1, 2020	7,94,572	2,81,313	4,50,205	15,26,090
Charge for the period	40	2,672	-	2,712
Disposals	-	-	-	-
Translation differences	(22,992)	(8,126)	(13,027)	(44,145)
As at March 31, 2021	7,71,620	2,75,858	4,37,179	14,84,657
Net Block As at March 31, 2021	58,487	52,184	-	1,10,671

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Consim Info USA Inc.

Notes to financial statements for the year ended March 31, 2021

(All amounts are in INR , unless otherwise stated)

4 Financial assets

	As at March 31, 2021	As at March 31, 2020
(a) Security deposits		
Current		
Security deposits		
Considered good	43,896	45,204
Considered doubtful	-	-
	<u>43,896</u>	<u>45,204</u>
Less: Provision for doubtful deposits	-	-
	<u>43,896</u>	<u>45,204</u>
Total security deposits	<u>43,896</u>	<u>45,204</u>
(b) Cash and cash equivalent		
Balances with banks on current accounts	1,73,25,269	75,70,993
Total cash and cash equivalent	<u>1,73,25,269</u>	<u>75,70,993</u>

5 Other assets

Current		
Other assets	4,38,53,826	2,41,49,318
	<u>4,38,53,826</u>	<u>2,41,49,318</u>
Total other assets	<u>4,38,53,826</u>	<u>2,41,49,318</u>

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Consim Info USA Inc.

Notes to financial statements for the year ended March 31, 2021

(All amounts are in INR, unless otherwise stated)

6 Share Capital

	As at March 31, 2021	As at March 31, 2020
Authorised shares		
1000 Equity shares of USD 1 each (March 31, 2020: 1000)	45,120	45,120
Issued, subscribed and fully paid-up shares		
1000 Equity shares of USD 1 each (March 31, 2020: 1000)	45,120	45,120
Total issued, subscribed and fully paid-up share capital	45,120	45,120

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	March 31, 2021		March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	1,000	45,120	1,000	45,120
Issued during the year	-	-	-	-
Cancelled during the year	-	-	-	-
Outstanding at the end of the year	1,000	45,120	1,000	45,120

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

Name of shareholder	March 31, 2021		March 31, 2020	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Matrimony.com Ltd	1,000	100.00%	1,000	100.00%

Consim Info USA Inc.

Notes to financial statements for the year ended March 31, 2021

(All amounts are in INR, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
7 Other equity		
Retained Earnings		
Opening balance	1,59,80,315	1,54,72,273
Profit for the year	2,610	5,08,042
Closing balance	1,59,82,925	1,59,80,315
Foreign Currency Translation Reserve		
Opening balance	50,65,537	33,51,549
Additions	(6,10,938)	17,13,988
Closing balance	44,54,599	50,65,537
Total other equity	2,04,37,524	2,10,45,852

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Consim Info USA Inc.
Notes to financial statements for the year ended March 31, 2021
(All amounts are in INR , unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
8 Trade & Other financial liabilities		
Trade payables		
Trade payables	7,64,121	7,60,267
Dues to related parties	3,99,54,470	97,49,266
	4,07,18,591	1,05,09,533
Note:		
Trade payables are non-interest bearing and are generally settled in 30 to 90 days.		
9 Other Liabilities		
Current		
Advances from customers	1,08,630	47,527
	1,08,630	47,527

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Consim Info USA Inc.

Notes to financial statements for the year ended March 31, 2021

(All amounts are in INR , unless otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020
10 Revenue from operations		
Income from services	25,04,228	29,50,149
	25,04,228	29,50,149
11 Employee Benefit Expense		
Salaries and Allowances	16,25,318	18,70,919
	16,25,318	18,70,919
12 Other Expenses		
Reimbursement of Expense	(2,57,00,545)	(2,72,98,331)
Marketing,Sales Promotion & Web Hosting Charges	5,33,777	98,80,391
Rent	5,61,247	5,36,015
Rates and Taxes	-	1,11,340
Communication charges	83,219	75,949
Professional & Legal charges	4,80,348	3,84,453
Bank Charges	5,682	9,825
Auditors Remuneration	1,27,266	1,22,656
Collection charges	2,46,88,436	1,70,23,745
Postal and Courier Expenses	304	5,608
	7,79,734	8,51,651
13 Depreciation and Amortisation Expense		
Depreciation	2,712	9,017
	2,712	9,017

Consim Info USA Inc.**Notes to financial statements for the year ended March 31, 2021***(All amounts are in INR , unless otherwise stated)***14 Related Parties**

(i) Holding Company	Matrimony.com Limited
(ii) Other Companies	
Fellow Subsidiaries	Sys India Pvt Ltd Matrimony DMCC, Dubai, UAE (from October 11, 2018)
Associate to Holding Company	Astro Vision Futuretech Private Limited (from February 11, 2020)
(iii) Enterprises owned or significantly influenced by key management personnel or their relatives	India Property Online Private Limited (Till December 11, 2018) Infonauts Inc., USA

15 Related Party Transactions

Transactions	Year ended March 31, 2021	Year ended March 31, 2020
Matrimony.Com Limited		
(a) Rendering Services		
- Agency Commission Revenue	25,04,228	27,24,955
- Reimbursement of Expenses	2,57,00,545	2,72,98,331
(b) Receiving Services	-	-
	As at March 31, 2021	As at March 31, 2020
Matrimony.Com Limited		
(a) Receivables	-	-
(b) Payables	3,99,54,470	97,49,266

16 Earnings per Share (EPS):

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

	Year ended March 31, 2021	Year ended March 31, 2020
Profit after Tax	2,610	5,08,042
Number of Equity Shares at the beginning	1,000	1,000
Number of Shares Allotted during the period	-	-
Number of Shares at the end of the period	1,000	1,000
Earnings per Share – Basic	2.61	508.04
Earnings per Share – Diluted	2.61	508.04
Face value of the share (USD)	1	1

17 Break up of Deferred Tax Asset / (Liability)

	As at March 31, 2021	As at March 31, 2020
Deferred tax liability		
Depreciation	NIL	NIL
Sub total (A)	NIL	NIL
Deferred tax asset		
Preliminary expenses	NIL	NIL
Sub total (B)	NIL	NIL

Consim Info USA Inc.

Notes to financial statements for the year ended March 31, 2021

(All amounts are in INR , unless otherwise stated)

18 Details of leasing arrangements

	Year ended March 31, 2021	Year ended March 31, 2020
The Company has taken premises under cancellable operating lease. These lease agreements are normally renewed on expiry. Lease rental expenses in respect of operating leases:	5,61,247	5,36,015

19 Previous period / year comparatives

Previous period's / year's figures have been reclassified / regrouped wherever necessary to conform to current period's classification.

20 COVID-19 Impact

The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has evaluated impact of this pandemic on its business operations, assessed the Company's liquidity position for the next one year and evaluated the recoverability and carrying value of its assets including Property, plant and equipment as at March 31, 2021. Based on its review, consideration of internal and external information up to the date of approval of these financial results and current indicators of future economic conditions relevant to the Company's operations, management has concluded that there are no adjustments required to the Company's financial results. However, the estimated impact of COVID 19 might vary from the date of approval of these financial results and the Company will continue to monitor any material changes to future economic conditions.

For M/s. Manohar Chowdhry & Associates

Chartered Accountants

ICAI Firm Registration No.: 001997S

SURYA NARAYANA
MURTHY SANTOSH
MOGALAPALLI

Digitally signed by SURYA
NARAYANA, MURTHY SANTOSH,
MOGALAPALLI
Date: 2021.05.03 15:00:11 +05'30'

M.S.N.M.Santosh

Partner

Membership No: 221916

For and on behalf of Board of Directors of

Consim Info USA Inc.

**MURUGAVEL
JANAKIRAMAN**

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MURUGAVEL JANAKIRAMAN
Date: 2021.05.03 12:10:18
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Murugavel Janakiraman

President / Director

Place : Chennai

Date : May 03, 2021

Place : Chennai

Date : May 03, 2021