

Manohar Chowdhry & Associates

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON THE IND AS FINANCIAL STATEMENTS

To the Members of **SYS INDIA PRIVATE LIMITED**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **SYS INDIA PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

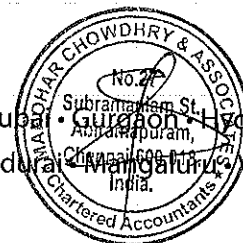
Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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Auditors' Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements is free from material misstatement.

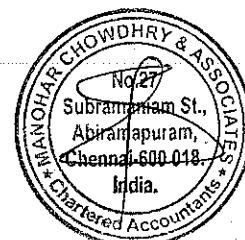
An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

Reporting on the Internal Financial Controls as required under Clause (i) of sub section 3 of section 143 of Companies Act, 2013 ('the Act'), is not applicable to this Company as per the Notification No.583, dated 13th June, 2017 issued by Ministry of Corporate Affairs.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on Ind AS 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 the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

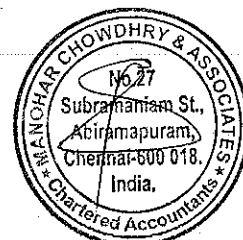


including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

- 2) As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, the Para 2 clause (f) is not applicable to the company; and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations as on the current financial year;



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

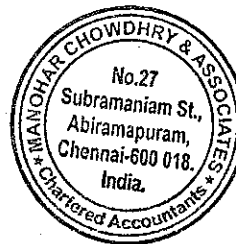
Place: Chennai

Date: April 25, 2018

For Manohar Chowdhry & Associates

Chartered Accountants

Firm Registration No: 001997S



A handwritten signature in black ink, appearing to read "M.S.N.M. Santosh".

M.S.N.M. Santosh

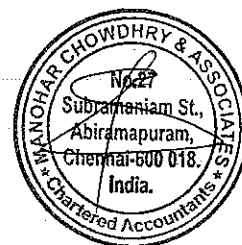
Partner

Membership No: 221916

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report to the members of **SYS INDIA PRIVATE LIMITED** for the year ended March 31, 2018, we report that:

- (i) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company doesn't have any fixed assets during the year. Accordingly, paragraph 3(i)(a) of the order is not applicable;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company doesn't have any fixed assets during the year. Accordingly, paragraph 3(i)(b) of the order is not applicable and
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties during the year. Accordingly, paragraph 3(i)(c) of the order is not applicable.
- (ii) The Company is a service company, primarily rendering services. Accordingly, it does not hold any physical inventories. Accordingly, paragraph 3(ii) of the order is not applicable.
- (iii) The Company has not granted any loans to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, paragraph 3(iii) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans, investments, guarantees, and security for which the provisions of the section 185 and 186 are applicable. Accordingly, paragraph 3(iv) of the order is not applicable.
- (v) The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed there under to the extent notified. Therefore, the provisions of clause (v) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013.
- (vii) (a) In our opinion and according to the information given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Profession Tax,

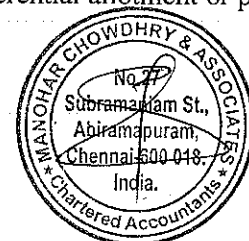


Income-tax, Service tax, Goods and Service Tax, Cess and other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Profession Tax, Income-tax, Service tax, Goods and Service Tax, Cess were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable; and

(b) As per the information and explanations given to us, there are no statutory dues which have not been deposited by the Company on account of disputes.

- (viii) According to the information and explanation given to us and on the basis of our examination of the books of account, the Company does not have any loans or borrowings from a financial institution, bank, government or debenture holder. Accordingly, paragraph 3(viii) of the order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). As per the information and explanations provided to us and on basis of our examination of books of account, the company has not availed any term loans.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management;
- (xi) In our opinion, the Company is not required to comply with the Section 197 of the Companies Act, 2013 and accordingly, the provisions of clause 3(xi) of the order is not applicable;
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable;
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of Act where ever applicable and the details of such transactions have been disclosed in the financial Statements as required by the applicable accounting standards;
- (xiv) According to the information and explanations given to us and based on our examinations of the records of the Company, the Company has not made any preferential allotment or private placement



of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable;

- (xv) According to the information and explanations given to us and based on our examinations of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable;
- (xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

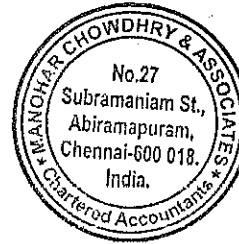
Place: Chennai

Date: April 25, 2018

For Manohar Chowdhry & Associates

Chartered Accountants

Firm Registration No: 001997S



M.S.N.M. Santosh

Partner

Membership No: 221916

Sys India Private Limited
Balance Sheet as at March 31, 2018

(All amounts are in INR, unless otherwise stated)

	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-Current Assets				
Other non-current assets	4	4,192,457	3,397,041	4,485,105
		4,192,457	3,397,041	4,485,105
Current Assets				
Financial Assets				
(a) Trade receivables	5	6,240,888	4,949,628	3,438,524
(b) Cash and Cash Equivalents	3	181,826	1,145,537	257,815
Other current assets	4	577,033	255,687	1,641,445
		6,999,747	6,350,852	5,337,784
Total Assets		11,192,204	9,747,893	9,822,889
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	6	100,000	100,000	100,000
Other Equity				
Retained Earnings	7	688,799	629,728	321,824
Total Equity		788,799	729,728	421,824
Current Liabilities				
Financial Liabilities				
Trade Payables	8	9,476,187	8,978,662	9,379,737
Other Current Liabilities	9	927,218	39,503	21,328
		10,403,405	9,018,165	9,401,065
Total Liabilities		10,403,405	9,018,165	9,401,065
TOTAL EQUITY AND LIABILITIES		11,192,204	9,747,893	9,822,889

Summary of significant accounting policies

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

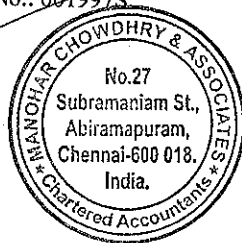
As per our report of even date

For M/s. Manohar Chowdhry & Associates

Chartered Accountants

ICAI Firm Registration No.: 001997S

M.S.N.M.Santosh
Partner
M.No.: 221916



For and on behalf of Board of Directors of
Sys India Private Limited

Murugavel Janakiraman
Director

Shankar Chellan
Director

Place : Chennai
Date : April 25, 2018

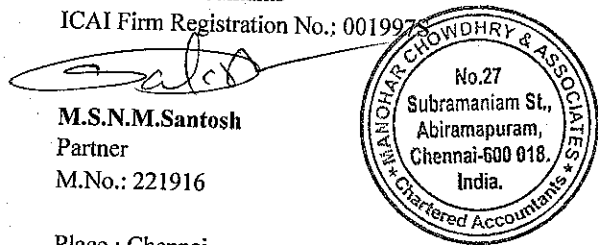
Place : Chennai
Date : April 25, 2018

Sys India Private Limited
Statement of Profit and Loss for the year ended March 31, 2018
(All amounts are in INR, unless otherwise stated)

	Notes	Year Ended March 31, 2018	Year Ended March 31, 2017
Revenue from operations	10	1,903,742	1,962,871
Other Income	11	12,500	370,377
Total Income		1,916,242	2,333,248
Expenses			
Other Expenses	12	1,830,755	1,887,656
Total expenses		1,830,755	1,887,656
Earnings before exceptional items, interest, tax, depreciation and amortisation (EBITDA)		85,487	445,592
Depreciation and amortisation expense		-	-
Finance Costs		-	-
Profit / (loss) before tax		85,487	445,592
Tax expense			
- Current income tax		26,416	137,688
- Deferred tax (net)		-	-
Total tax expense		26,416	137,688
Profit for the year (I)		59,071	307,904
Other comprehensive income/(loss) for the year, net of tax (II)		-	-
Total comprehensive income for the year, net of tax (I + II)		59,071	307,904
Earnings per Equity Share of INR 1 each			
Basic earnings / (loss) per share		0.59	3.08
Diluted earnings / (loss) per share		0.59	3.08

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.: 001997

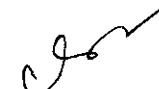


M.S.N.M. Santosh
Partner
M.No.: 221916

Place : Chennai
Date : April 25, 2018

For and on behalf of Board of Directors of
Sys India Private Limited


Murugavel Janakiraman
Director


Shankar Chellan
Director

Place : Chennai
Date : April 25, 2018

Sys India Private Limited
Statement of Changes in Equity for the year ended March 31, 2018
(All amounts are in INR, unless otherwise stated)

a. Equity Share Capital:

Shares of INR 1 each issued, subscribed and fully paid	No. of shares	INR
As at April 01, 2016	100,000	100,000
As at March 31, 2017	100,000	100,000
Changes in equity share capital during the year	-	-
As at March 31, 2018	100,000	100,000

b. Other equity

For the year ended March 31, 2018

Particulars	Retained earnings	Foreign Currency Translation Reserve	Total other equity
As at 1st April 2017	629,728	-	629,728
Profit for the year	59,071	-	59,071
Other comprehensive income	-	-	-
Total Comprehensive Income	59,071	-	59,071
As at March 31, 2018	688,799	-	688,799

For the year ended March 31, 2017


Particulars	Retained earnings	Foreign Currency Translation Reserve	Total other equity
As at 1st April 2016	321,824	-	321,824
Profit for the year	307,904	-	307,904
Other comprehensive income	-	-	-
Total Comprehensive Income	307,904	-	307,904
As at March 31, 2017	629,728	-	629,728

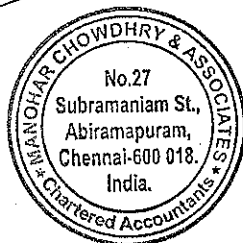
Summary of significant accounting policies

The explanatory notes forms an integral part of the financial statements.
As per our report of even date

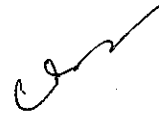
For M/s. Manohar Chowdhry & Associates
Chartered Accountants
ICAI Firm Registration No.: 001997S

For and on behalf of Board of Directors of
Sys India Private Limited


M.S.N.M. Santosh
Partner
M.No.: 221916




Murugavel Janakiraman
Director


Shankar Chellan
Director

Place : Chennai
Date : April 25, 2018

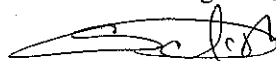
Place : Chennai
Date : April 25, 2018

Sys India Private Limited
Statement of Cashflows for the year ended March 31, 2018
(All amounts are in INR, unless otherwise stated)

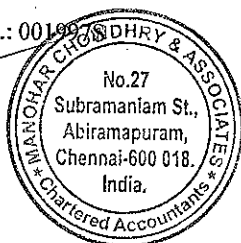
	Year Ended March 31, 2018	Year Ended March 31, 2017
Cash flow from / (used in) operating activities		
Profit before exceptional items and tax	85,487	445,592
Operating profit / (loss) before working capital changes	85,487	445,592
Movement in working capital :		
(Increase) / decrease in trade receivables	(1,291,260)	(1,511,105)
Loans and other financial assets and other assets	(1,116,762)	2,473,824
Increase / (decrease) in trade payables	497,525	(401,076)
Other financial liabilities and other liabilities	887,715	18,175
Cash generated from / (used in) operations	(937,295)	1,025,410
Income taxes paid (net of refunds)	(26,416)	(137,688)
Net cash generated from / (used in) operating activities before exceptional items	(963,711)	887,722
Cash flow from / (used in) Exceptional items	-	-
Net cash flow from / (used in) operating activities (A)	(963,711)	887,722
Cash flow from / (used in) investing activities		
Net cash flow / (used in) investing activities (B)	-	-
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)	(963,711)	887,722
Cash and cash equivalents at the beginning of the year	1,145,537	257,815
Cash and cash equivalents at the end of the year	181,826	1,145,537
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 March:		
Balances with banks on current accounts	181,826	1,145,537
Deposits with original maturity of less than three months	-	-
Cheques on hand	-	-
Cash on hand	-	-
Less – Bank overdraft	181,826	1,145,537
Total cash and cash equivalents	181,826	1,145,537

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.: 001995



M.S.N.M. Santosh
Partner
M.No.: 221916

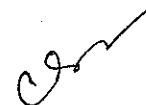


Place : Chennai
Date : April 25, 2018

For and on behalf of Board of Directors of
Sys India Private Limited



Murugavel Janakiraman
Director



Shankar Chellan
Director

Place : Chennai
Date : April 25, 2018

1. Background:

Sys India Private Limited is engaged in the business of providing advertising services in the print media to Matrimony.com Ltd. It is a wholly owned subsidiary of Matrimony.com Ltd.

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.

The company has adopted all Ind AS standards applicable to the Company and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The Financial statements up to year 31 March 2016 were prepared in accordance with accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act. These financial statements are the first financial statements of the company under Ind AS. Reconciliations and descriptions of the effect of the transition has been summarized in Policy no: 2(o) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard require a change in the accounting policy hitherto in use.

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 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 functional and presentation currency.

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.

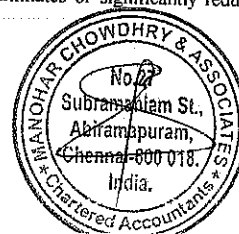
A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

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 FVOCI 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.



Sys India Private Limited

Notes to financial statements for the year ended March 31, 2018

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.

f) Revenue Recognition

- 1) Revenue from agency service provided is recognized as and when the service is completed and invoiced to customers.
- 2) Revenue is net of taxes.

g) 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.

h) 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.

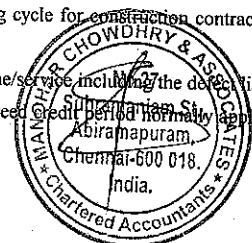
A liability is current when:

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 deferred 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.



Sys India Private Limited
Notes to financial statements for the year ended March 31, 2018

i) 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.

j) 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

k) 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.

l) Cash & Cash Equivalents

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

m) 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.

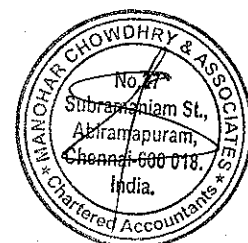
For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the 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.

n) 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.

o) Transition to Ind AS

These are company's first financial statements prepared in accordance with Ind AS. The accounting polices set out in note to financial statements have been applied in preparing the financial statements for the year ended March 31,2018; the comparative information presented in these financial statements for the year ended March 31,2017 and in the preparation of the opening Ind AS Balance Sheet as at April 1,2016(the company's date of transition). An explanation for how the transition from previous GAAP or IND AS has affected the Company's financial position, financial performance and cash flows has not been given, as there were no transition adjustments.



Sys India Private Limited

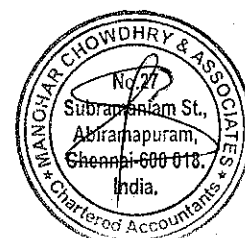
Notes to financial statements for the year ended March 31, 2018

(All amounts are in INR, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
3 Cash and cash equivalent			
Balances with banks on current accounts	181,826	1,145,537	257,815
Deposits with original maturity of less than three months	-	-	-
Cheques on hand	-	-	-
Cash on hand	-	-	-
Total cash and cash equivalent	181,826	1,145,537	257,815
4 Other assets			
Non Current			
TDS Receivable	4,557,566	3,735,734	4,686,110
Provision for Income Tax	(365,109)	(338,693)	(201,005)
	4,192,457	3,397,041	4,485,105
Current			
Balances with statutory / Government authorities	-	227,827	580,085
Advances for supply and services	577,033	27,860	1,061,360
	577,033	255,687	1,641,445
Total other assets	4,769,490	3,652,728	6,126,550
5 Trade Receivables			
Outstanding for a period exceeding six months from the date they are due for payment			
- Considered Good	-	-	-
- Considered doubtful	-	-	-
Less: Provision for doubtful debts	-	-	-
Other receivables			
- considered good			
- from related parties	6,240,888	4,949,628	3,438,524
- Considered doubtful	-	-	-
	6,240,888	4,949,628	3,438,524
Less: Provision for doubtful debts less than six months	-	-	-
	6,240,888	4,949,628	3,438,524
Total current trade receivable	6,240,888	4,949,628	3,438,524

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.



Sys India Private Limited
Notes to financial statements for the year ended March 31, 2018
(All amounts are in INR, unless otherwise stated)

6 Share Capital

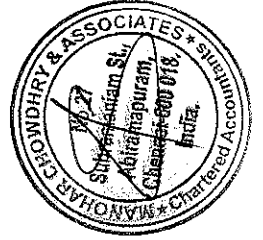
	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2017	April 1, 2016
Authorised shares				
500,000 Equity shares of Re. 1 each (March 31, 2017; 500,000; April 1, 2016: 500,000 Equity shares of Re. 1 each)	500,000	500,000	500,000	500,000
Issued, subscribed and fully paid-up shares				
100,000 Equity shares of Re. 1 each (March 31, 2017; 100,000; April 1, 2016: 100,000 Equity shares of Re. 1 each)	100,000	100,000	100,000	100,000
Total issued, subscribed and fully paid-up share capital	100,000	100,000	100,000	100,000

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

	March 31, 2018		March 31, 2017		April 1, 2016	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	100,000	100,000	100,000	100,000	100,000	100,000
Issued during the year	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-
Outstanding at the end of the year	100,000	100,000	100,000	100,000	100,000	100,000

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

Name of shareholder	March 31, 2018		March 31, 2017		April 1, 2016	
	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class
Matrimony.com Ltd	99,900	99.90%	99,900	99.90%	99,900	99.90%



Sys India Private Limited**Notes to financial statements for the year ended March 31, 2018***(All amounts are in INR, unless otherwise stated)*

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
7 Other equity			
Retained Earnings			
Opening balance	629,728	321,824	233,382
Profit / (Loss) for the year	59,071	307,904	88,442
Closing balance	688,799	629,728	321,824
Total other equity	688,799	629,728	321,824

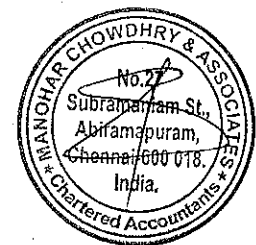
8 Trade & Other financial liabilities**Trade payables**

Trade payables	9,476,187	2,580,173	3,788,020
Dues to related parties	-	6,398,489	5,591,717
	9,476,187	8,978,662	9,379,737

Note: Trade payables are non-interest bearing and are generally settled in 30 to 90 days.

9 Other Liabilities**Current**

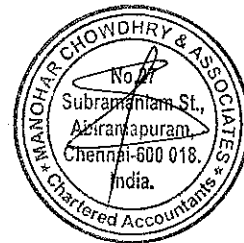
TDS Payable	14,000	26,427	21,328
GST Payable	913,218	-	-
Service Tax Out Put liability	-	13,076	-
	927,218	39,503	21,328



Sys India Private Limited**Notes to financial statements for the year ended March 31, 2018***(All amounts are in INR , unless otherwise stated)*

	Year Ended March 31, 2018	Year Ended March 31, 2017
10 Revenue from operations		
Income from services	1,903,742	1,962,871
	1,903,742	1,962,871
11 Other Income		
Liabilities no longer required written back	12,500	237,276
Interest on Income tax refund	-	133,101
	12,500	370,377
12 Other Expenses		
Reimbursement of Expense	(37,901,665)	(47,653,884)
Marketing & Sales Promotion Expenses	37,901,665	47,653,884
Rates and Taxes	18,537	75,999
Professional & Legal charges *	1,688,436	1,698,083
Auditors Remuneration	112,500	113,344
Printing and Stationery	3,570	-
Bank Charges	236	230
Miscellaneous Expenses	7,476	-
	1,830,755	1,887,656

*An amount of Rs.16,80,000/- of Professional charges is paid to Matrimony.com Ltd for the year ended 31st March, 2018 (Year ending March 2017 - Rs. 16,80,000)



Sys India Private Limited
Notes to financial statements for the year ended March 31, 2018
(All amounts are in INR, unless otherwise stated)

13. Contingencies and Events occurring after the Balance Sheet Date

There are no contingencies and events which have occurred after the Balance Sheet Date having an impact on the financial statements.

14. Particulars of Related parties

List of Related parties

Holding Company

Matrimony.Com Limited

Other companies(Fellow Subsidiaries)

Community Matrimony Private Limited

Consim Info USA Inc

Bharatmatrimony LLC

Matchify Services Private Limited

Tambulya Online Market Place Private Limited.

Enterprises owned or significantly influenced by key management personnel or their relatives

India Property Online Private Limited

Infonauts Inc., USA

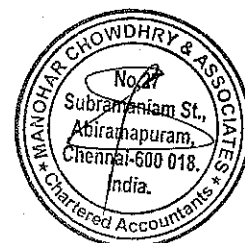
Key Management Personnel

Mr. Murugavel Janakiraman

The following transactions were carried out with related parties

Transactions	Year ended March 31, 2018	Year ended March 31, 2017
Matrimony.Com Limited		
- Agency Commission Revenue	1,903,742	1,705,831
- Reimbursement of Expenses	32,399,697	36,254,046
- Deputation charges	1,680,000	1,680,000
India Property Online Private Limited		
- Reimbursement of Expenses	5,501,968	11,399,838
- Deputation charges	-	257,040

Particulars	As at March 31, 2018	As at March 31, 2017
Matrimony.Com Limited		
Receivables	2,213,538	-
Payables	-	6,398,489
India Property Online Private Limited		
Receivables	4,027,350	4,949,628



Sys India Private Limited
Notes to financial statements for the year ended March 31, 2018
(All amounts are in INR, unless otherwise stated)

15. 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.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit after Tax	59,071	307,904
Number of Equity Shares at the beginning	100,000	100,000
Number of Shares Allotted during the year	-	-
Number of Shares at the end of the year	100,000	100,000
Earnings per Share – Basic	0.59	3.08
Earnings per Share – Diluted	0.59	3.08
Face value of the share (in Re.)	1	1

16. Break up of Deferred Tax Asset / (Liability)

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred tax liability		
Depreciation	NIL	NIL
Sub total (A)	NIL	NIL
Deferred tax asset		
Preliminary expenses	NIL	NIL
Sub total (B)	NIL	NIL

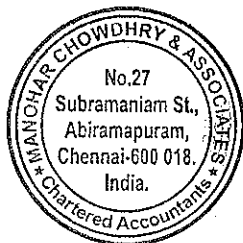
17. Previous year comparatives

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

For M/s. Manohar Chowdhry & Associates
Chartered Accountants
ICAI Firm Registration No.: 001997S

For and on behalf of Board of Directors of
Sys India Private Limited

M.S.N.M.Santosh
Partner
M.No.: 221916



Place : Chennai
Date : April 25, 2018

Murugavel Janakiraman
Director

Shankar Chellan
Director

Place : Chennai
Date : April 25, 2018