



**SANJEEV JIWAN GUPTA & CO.**  
CHARTERED ACCOUNTANTS  
PH: 0161- 2304057  
6-E, KITCHLU NAGAR, LUDHIANA

### INDEPENDENT AUDITOR'S REPORT

To

The Board of Directors,

Spice Digital Bangladesh Limited

**Special Purpose Audit Report on the Audit of the Financial Statements for the Consolidation purpose**

#### Opinion

We have audited the accompanying financial statements of Spice Digital Bangladesh Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, the and Statement of Profit and Loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its loss for the year ended on that date.

#### Basis for Opinion

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

#### Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) as applicable on the parent company. This responsibility also includes maintenance of adequate accounting records 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.







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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

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





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1. 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 and the Statement of Profit and Loss Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards;
- (e) The Company does not have any pending litigation which would impact its financial position;
- (f) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

For SANJEEV JIWAN GUPTA & CO.  
CHARTERED ACCOUNTANTS

(CA SANJEEV GUPTA)  
(M.NO. 500090)  
(FRN 018541N)

UDIN: 22500090AJMULP6721

DATED: 23.05.2022  
PLACE: NOIDA





Spice Digital Bangladesh Limited  
Management Account  
for the period 1st Apr-21 to 31st March-2022

Particulars	Notes#	Amount in BDT	Amount in BDT	Amount in INR	Amount in INR
		As at Mar-2021	As at March-2022	As at Mar-2021	As at March-2022
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	2	23,843,940	4,560,873	20,239,690	3,925,088
Intangible Assets( Software)	2	6,001,000	0	5,093,889	0
Capital Work in Progress	4	-	-	-	-
Loans	5	140,000	140,000	118,838	120,484
Other Non Current Assets	6	-	-	-	-
		<b>29,984,941</b>	<b>4,700,874</b>	<b>25,452,417</b>	<b>4,045,572</b>
<b>Current assets</b>					
Inventories	7	-	-	-	-
Trade Receivable	8	2,624,644	29,802	2,227,903	25,648
Cash and cash equivalents	9	44,045,209	41,158,057	37,387,335	35,420,624
Other Bank Balances	10	-	-	-	-
Other Financial Assets	11	1,325,548	643,457	1,125,178	553,759
Loans	12	-	-	-	-
Current Tax Assets	13	4,004,072	4,041,158	3,398,816	3,477,820
Other Current Assets	14	929,116	1,019,796	788,671	877,636
		<b>52,928,588</b>	<b>46,892,269</b>	<b>44,927,903</b>	<b>40,355,487</b>
		<b>82,913,529</b>	<b>51,593,143</b>	<b>70,380,320</b>	<b>44,401,059</b>
<b>Equity and liabilities</b>					
<b>Equity</b>					
Equity Share capital	15	9,731,200	9,731,200	8,125,709	8,125,709
Other Equity	16	-29,908,644	-58,799,609	-25,253,130	-50,353,981
		<b>-20,177,444</b>	<b>-49,068,409</b>	<b>-17,127,421</b>	<b>-42,228,272</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Trade payables	17	87,356,746	87,767,846	74,151,900	75,533,008
Other financial liabilities	18	7,420,408	7,420,407	6,298,739	6,386,002
Other Current Liabilities	19	8,313,819	5,473,299	7,057,102	4,710,321
Current Tax Liabilities	20	-	-	-	-
		<b>103,090,973</b>	<b>100,661,552</b>	<b>87,507,742</b>	<b>86,629,331</b>
		<b>103,090,973</b>	<b>100,661,552</b>	<b>87,507,742</b>	<b>86,629,331</b>
		<b>82,913,529</b>	<b>51,593,143</b>	<b>70,380,320</b>	<b>44,401,059</b>

For Spice Digital Bangladesh Limited

Accounts Manager

Date: 23.05.2022

Place : Noida

For Sanjeev Jiwan Gupta & Co.  
Chartered Accountants

CA Sanjeev Gupta (Partner)  
M. No. 500090  
FRN: 018541N  
UDIN: 22500090AJMULP6721



Spice Digital Bangladesh Ltd

Profit and Loss

for the period 1st Apr-21 to 31st March-2022

Particulars	Notes#	Amount in BDT	Amount in BDT	Amount in INR	Amount in INR
		For the Period Ended Mar-2021	For the Period Ended March- 2022	For the Period Ended Mar-2021	For the Period Ended March- 2022
<b>Revenue</b>					
Revenue From Operations	21	5,246,126	-682,091	4,672,938	-582,997
Other Income	22	-	106	-	91
		<b>5,246,126</b>	<b>-681,985</b>	<b>4,672,938</b>	<b>-582,907</b>
<b>Expenses</b>					
		207%	0%		
Purchases of Stock In Trade	23	-	-	-	-
Changes in Inventories of finished goods, Sto	24	-	-	-	-
Connectivity and Content Cost	25	10,873,547	-	9,685,512	-
Employee Benefits Expense	26	878,696	597,747	782,690	510,906
Finance costs	27	-	-	-	-
Depreciation and amortization expense	25	28,115,537	25,284,067	25,043,657	21,610,798
Other Expenses	26	4,876,690	2,328,294	4,343,867	1,990,039
		<b>44,744,470</b>	<b>28,210,108</b>	<b>39,855,727</b>	<b>24,111,743</b>
Profit(loss) before exceptional items and tax		-39,498,344	-28,892,093	-35,182,788	-24,694,650
Profit(loss) before tax		-39,498,344	-28,892,093	-35,182,788	-24,694,650
Current Tax	27	-	-	-	-
Profit(Loss) for the period from continuing operations		-39,498,344	-28,892,093	-35,182,788	-24,694,650
Profit(Loss) for the period		-39,498,344	-28,892,093	-35,182,788	-24,694,650
Profit/(Loss) for the period/year attributable to equity		-39,498,344	-28,892,093	-35,182,788	-24,694,650

For Spice Digital Bangladesh Limited

Accounts Manager

Date: 23.05.2022

Place : Noida

For Sanjeev Jiwan Gupta & Co.  
Chartered Accountants

CA Sanjeev Gupta (Partner)

M. No. 500090

FRN: 018541N

UDIN: 22500090AJMULP6721



Spice Digital Bangladesh Limited  
Balance Sheet Notes for the period 1st Apr-21 to 31st March-2022

	Mar-21	Mar-22
BS		BS
	0.8488	0.8606

Notes#	Particulars	Amount in BDT	Amount in BDT	Amount in INR	Amount in INR
		As at Mar-2021	As at March-2022	As at Mar-2021	As at March-2022
<b>2</b>	<b>Property, plant and equipment</b>				
	Gross Block				
	Furniture and fittings				
	Office equipments	99,320	99,320	84,307	85,475
	Computers	54,546,165	54,546,165	46,300,967	46,942,430
		<u>54,645,485</u>	<u>54,645,485</u>	<u>46,385,273</u>	<u>47,027,904</u>
	Accumulated Depreciation				
	a. Furniture and fittings				
	a. Office equipments	86,615	91,330	73,523	78,598
	a. Computers	30,714,929	49,993,282	26,072,061	43,024,218
		<u>-30,801,545</u>	<u>-50,084,612</u>	<u>-26,145,583</u>	<u>-43,102,817</u>
		<u>23,843,940</u>	<u>4,560,873</u>	<u>20,239,690</u>	<u>3,925,088</u>
<b>3</b>	<b>Intangible Assets (Software)</b>				
	Intangible Assets (Software)	32,165,000	32,165,000	27,302,939	27,681,199
	Amortization on Intangible Asset	-26,164,000	-32,165,000	-22,209,049	-27,681,199
		<u>6,001,000</u>	<u>0</u>	<u>5,093,889</u>	<u>0</u>
<b>4</b>	<b>Capital Work in Progress</b>				
	IT - Hardware	-	-	-	-
	IT- Software	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>5</b>	<b>Loans</b>				
	Security Deposit	140,000	140,000	118,838	120,484
		<u>140,000</u>	<u>140,000</u>	<u>118,838</u>	<u>120,484</u>
<b>6</b>	<b>Other Non Current Assets</b>				
	Capital Advances	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>7</b>	<b>Inventories</b>				
	Traded Goods	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>8</b>	<b>Trade Receivable</b>				
	Other Trade Receivables				
	Unsecured, considered good	5,735,324	4,381,906	4,868,373	3,771,068
	Doubtful	-3,110,680	-4,352,104	-2,640,470	-3,745,420
	Unsecured				
	Outside parties	-	-	-	-
		<u>2,624,644</u>	<u>29,802</u>	<u>2,227,903</u>	<u>25,648</u>
<b>9</b>	<b>Cash and cash equivalents</b>				
	Balances with Banks	44,045,209	41,158,057	37,387,335	35,420,624
		<u>44,045,209</u>	<u>41,158,057</u>	<u>37,387,335</u>	<u>35,420,624</u>
<b>10</b>	<b>Other Bank Balances</b>				
	Others	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>11</b>	<b>Other Financial Assets</b>				
	Receivable against Ticketing	-	-	-	-
	Interest accrued on fixed deposits	-	-	-	-
	Unbilled Revenue	1,325,548	643,457	1,125,178	553,759
		<u>1,325,548</u>	<u>643,457</u>	<u>1,125,178</u>	<u>553,759</u>
<b>12</b>	<b>Loans</b>				
	Security Deposit	-	-	-	-

<b>13 Current Tax Assets</b>				
Advance Income Tax	4,004,072	4,041,158	3,398,816	3,477,820
Less: Provision for Tax				
Dividend Tax				
	<u>4,004,072</u>	<u>4,041,158</u>	<u>3,398,816</u>	<u>3,477,820</u>
<b>14 Other Current Assets</b>				
Capital Advances				
Other assets				
Advances recoverable in cash	929,116	1,019,796	788,671	877,636
Prepaid Expenses				
	<u>929,116</u>	<u>1,019,796</u>	<u>788,671</u>	<u>877,636</u>
<b>15 Equity Share capital</b>				
Equity Share capital	9,731,200	9,731,200	8,125,709	8,125,709
	<u>9,731,200</u>	<u>9,731,200</u>	<u>8,125,709</u>	<u>8,125,709</u>
<b>16 Other Equity</b>				
Share Application Money				
Foreign Currency Translation Reserve				
Balance as per last financial statements			-2,338,510	-1,144,999
Addition during the year			1,193,512	-408,061
Closing			-1,144,999	-1,553,060
Retained Earnings				
Balance as per last financial statements	9,514,086	-29,984,258	11,010,472	-24,172,316
Addition				
Profit/Loss during the period	-39,498,344	-28,892,093	-35,182,788	-24,694,650
Other Comprehensive income recognised				
Share based payment Reserve	75,614	76,742	64,184	66,044
Less:				
Provision for Tax				
Bonus Share issued				
Proposed Dividend				
	<u>-29,908,644</u>	<u>-58,799,609</u>	<u>-25,253,130</u>	<u>-50,353,981</u>
<b>17 Trade payables</b>				
Trade Payables	87,356,746	87,767,846	74,151,900	75,533,008
	<u>87,356,746</u>	<u>87,767,846</u>	<u>74,151,900</u>	<u>75,533,008</u>
<b>18 Other financial liabilities</b>				
Unpaid dividend	7,420,408	7,420,407	6,298,739.13	6,386,002.26
Unaccrued Income				
	<u>7,420,408</u>	<u>7,420,407</u>	<u>6,298,739</u>	<u>6,386,002</u>
<b>19 Other Current Liabilities</b>				
Indirect Taxes and Duties Payable	3,762,298	2,779,755	3,193,589	2,392,257
TDS Payable	16,415	6,513	13,934	5,605
VAT Payable	18,109	3,197	15,372	2,751
Deffered Revenue				
Advances from customers and				
Dividend Tax	1,855,102		1,574,685	
Other Payable	2,661,895	2,683,834	2,259,523	2,309,708
	<u>8,313,819</u>	<u>5,473,299</u>	<u>7,057,102</u>	<u>4,710,321</u>
<b>20 Current Tax Liabilities</b>				
Provision for Tax				



Notes#	Particulars	Amount in BDT	Amount in BDT	Amount in INR	Amount in INR
		For the Period Ended Mar- 2021	For the Period Ended March- 2022	For the Period Ended Mar- 2021	For the Period Ended March- 2022
21	<b>Revenue From Operations</b>				
	Value Added Service Revenue	5,246,126	-682,091	4,672,938	-582,997
	Sale of Goods				
		<u>5,246,126</u>	<u>-682,091</u>	<u>4,672,938</u>	<u>-582,997</u>
22	<b>Other Income</b>				
	Interest Income				
	Bank Deposits				
	Other Non Operating Income		106		91
	provisions and unclaimed balances written back (N)				
			<u>106</u>		<u>91</u>
23	<b>Purchases of Stock In Trade</b>				
	Purchases of Stock in Trade				
24	<b>Changes in Inventories of finished goods, Stock In Trade and Work In Progress</b>				
	Inventories at beginning of year				
	Traded Goods				
25	<b>Connectivity and Content Cost</b>				
	Value Added Service Charges	10,873,547	-	9,685,512	-
		<u>10,873,547</u>	<u>-</u>	<u>9,685,512</u>	<u>-</u>
26	<b>Employee Benefits Expense</b>				
	Salary, Wages & Bonus	878,696	597,747	782,690	510,906
		<u>878,696</u>	<u>597,747</u>	<u>782,690</u>	<u>510,906</u>
27	<b>Finance costs</b>				
	Interest Cost				
	Interest				
25	<b>Depreciation and amortization expense</b>				
	Depreciation of property plant and equipment	28,115,537	25,284,067	25,043,657	21,610,798
		<u>28,115,537</u>	<u>25,284,067</u>	<u>25,043,657</u>	<u>21,610,798</u>
26	<b>Other Expenses</b>				
	Electricity & Water Charges				
	Rent	69,000	56,001	61,461	47,865
	Rates & Taxes	125,030	33,558	111,369	28,683
	Repairs and maintenance	7,500		6,681	
	a. Others				
	Advertisement Expense	5,263		4,688	
	Travelling expenses	59,961	58,098	53,410	49,658
	Communication Exp.	34,200	25,390	30,463	21,701
	Legal and Professional Expenses	1,149,500	635,600	1,023,907	543,260
	Sundry balances written off				
	Provision for doubtful debts and advances	3,110,690	1,241,423	2,770,810	1,061,069
	Audit fees	112,125	200,125	99,874	171,051
	Freight & Forwarding Charges				
	General expenses				
	Printing and stationary		13,430		11,479
	a. Exchange Rate Fluctuation Gain	-414,295		-369,029	
	<b>Employee Compensation</b>	15,090	1,129	13,442	965
	Bad Debts	20,485		18,247	
	Profit/(Loss) on Sales of Assets				
	Miscellaneous Expenses	582,150	63,540	518,545	54,309
		<u>4,876,690</u>	<u>2,328,294</u>	<u>4,343,867</u>	<u>1,990,039</u>
27	<b>Current Tax</b>				
	Current period				



3. Property, plant and equipment

Depreciation for the period 1st Apr-2021 to 31st March-2022

Property, plant and equipment	COST			DEPRECIATION				Net Book Value at 31 Mar, 2022	Net Book Value at 31st Mar-2021	
	Balance at 1st Apr-21	Addition during the Period	Disposal/Adjustment during the Period	Total at 31 Mar-2022	Balance at 1 Apr-2021	Charge for the period Apr-21-Mar-22	Disposal/Adj 21-Mar-22			Total at 31st Mar-2022
Furniture & Fixture	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Data Processing Machine	132,300	-	-	132,300	77,836	15,900	-	93,736	38,564	54,464
IT Hardware &c	54,413,865	-	-	54,413,865	30,637,088	19,262,453	-	49,899,541	4,514,324	23,776,777
Mobile Handset	9,740	-	-	9,740	8,958	248	-	9,205	535	782
Office Equipment	89,580	-	-	89,580	77,661	4,467	-	82,128	7,452	11,919
<b>Total</b>	<b>54,645,485</b>	<b>-</b>	<b>-</b>	<b>54,645,485</b>	<b>30,801,543</b>	<b>19,283,067</b>	<b>-</b>	<b>50,084,610</b>	<b>4,560,875</b>	<b>23,883,942</b>

BDT

Intangible Assets (Software)	COST			DEPRECIATION				Net Book Value at 31 Mar, 2022	Net Book Value at 31st Mar-2021
	Balance at 1st Apr-21	Addition during the Period	Disposal/Adjustment during the Period	Total at 31 Mar-2022	Balance at 1 Apr-2021	Charge for the period Apr-19-Mar-20	Disposal/Adj 21-Mar-22		
Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Total</b>	<b>32,165,000</b>	<b>-</b>	<b>-</b>	<b>32,165,000</b>	<b>26,164,000</b>	<b>6,001,000</b>	<b>-</b>	<b>32,165,000</b>	<b>6,001,000</b>

Property, plant and equipment  
Depreciation for the period 1st Apr-2021 to 31st March-2022

0.85

Closing 0.86

Average 0.85

Property, plant and equipment	COST			DEPRECIATION				Net Book Value at 31st Mar-2022	Net Book Value at 31st Mar-2021			
	Balance at 1st Apr-21	Addition during the Period	Disposal/Adjustment during the Period	Exchange differences	Total at 31 Mar-2022	Balance at 1 Apr-2021	Charge for the period Apr-21-Mar-22			Disposal/Adj Apr-21-Mar-22		
Furniture & Fixture	INR	INR	INR	INR	INR	INR	INR	INR	INR			
Data Processing Machine	112,302	-	-	1,556	113,857	66,070	13,590	-	1,009	80,669	33,188	46,231
IT Hardware &c	46,188,665	-	-	639,907	46,828,572	26,005,986	16,464,004	-	473,556	42,943,545	3,885,027	20,182,680
Mobile Handset	8,268	-	-	115	8,382	7,604	212	-	107	7,922	460	664
Office Equipment	76,039	-	-	1,053	77,093	65,922	3,818	-	940	70,680	6,413	10,117
<b>Total</b>	<b>46,385,273</b>	<b>-</b>	<b>-</b>	<b>642,631</b>	<b>47,027,904</b>	<b>26,145,582</b>	<b>16,481,623</b>	<b>-</b>	<b>475,612</b>	<b>43,102,816</b>	<b>3,925,088</b>	<b>20,239,692</b>

Intangible Assets	COST			DEPRECIATION				Net Book Value at 31 Mar, 2022	Net Book Value at 31st Mar-2021			
	Balance at 1st Apr-21	Addition during the Period	Disposal/Adjustment during the Period	Exchange differences	Total at 31 Mar-2022	Balance at 1 Apr-2021	Charge for the period Apr-21-Mar-22			Disposal/Adj Apr-21-Mar-22		
Intangible Assets (Software)	INR	INR	INR	INR	INR	INR	INR	INR	INR			
<b>Total</b>	<b>27,302,939</b>	<b>-</b>	<b>-</b>	<b>378,260</b>	<b>27,681,199</b>	<b>22,209,050</b>	<b>5,129,175</b>	<b>-</b>	<b>342,975</b>	<b>27,681,199</b>	<b>-</b>	<b>5,093,889</b>