

iStreet Network Limited

CIN L51900MH1986PLC040232

03, C-2 Compound, 04th Bldg, Near Hotel Abbot, Vashi, Navi Mumbai 400 703

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AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2020

Rs. In lacs except EPS

Sr · N o.	Particulars	Quarter ended			Year ended	
		31.03.20 Audited	31.12.19 Un- Audited	31.03.19 Audited	31.03.20 Audited	31.03.19 Audited
I	Income					
i	Revenue from Operations	-	-	(0.20)	-	193.95
ii	Other Income	-	-	7.22	0.02	8.78
	Total Income	-	-	7.20	0.02	202.73
II	Expenses					
i	Purchase of Stock in Trade	-	-	-	-	193.00
ii	Change in Inventories of Finished goods, Stock-In-Trade	-	-	-	-	-
iii	Employee Benefit Expense	-	-	3.08	0.16	5.04
iv	Depreciation & Amortisation expenses	0.05	0.20	2.58	1.17	6.60
v	Other Expenditure	0.57	0.27	6.86	1.10	32.10
	Total Expenses	0.62	0.47	12.52	2.43	236.74
III	Profit / (Loss) before exceptional items and tax (I-II)	(0.62)	(0.47)	(5.32)	(2.41)	(34.01)
IV	Exceptional Items	-	-	-	-	-
V	Profit / (Loss) Before Tax (III-IV)	(0.62)	(0.47)	(5.32)	(2.41)	(34.01)
VI	Tax expenses:					
	(1) Current Tax	-	-	-	-	-
	(2) Deferred Tax	-	-	-	-	-
VI	Profit/(Loss) after Tax (V-VI)	(0.62)	(0.47)	(5.32)	(2.41)	(34.01)
VI	Other Comprehensive Income	-	-	-	-	-
IX	Total Comprehensive Income for the period	(0.62)	(0.47)	(5.32)	(2.41)	(34.01)
X	Equity:					
	Paid-up Equity Share Capital (Rs. 4 face and paid up value)	852.00	852.00	852.00	852.00	852.00
	Other Equity					

		-	-	-	(1050.33)	(1,047.27)
XI	Earning per equity shares (Basic & Diluted): (Face Value of Rs. 4/- each per share)	(0.003)	(0.002)	(0.02)	(0.01)	(0.16)

STATEMENT OF ASSETS AND LIABILITIES :			
(Rs. in Lacs)			
SI	Particulars	31.03.2020 Audited	31.03.2019 Audited
A	ASSETS		
1	Non-current assets		
	(a) Property, Plant and Equipment	0.41	0.88
	(b) Other Intangible Assets	-	0.70
	(c) Non - Current Investment	0.66	0.66
	(d) Other Non - Current Assets	-	0.45
2	Financial Assets		
	(a) Investments	-	-
	(b) Deferred Tax Assets	-	-
	(c) Income Tax Assets	-	-
	(d) Other Financial Assets	1.15	0.76
	Total - Non-current Assets	2.22	3.45
3	Current assets		
	Financial Assets		
	(a) Current investments	-	-
	(b) Inventories	-	-
	(c) Trade receivable	-	-
	(d) Cash and cash equivalent	2.39	1.55
	(e) Other Current assets	-	18.08
	Total - Current Assets	2.39	19.63
	TOTAL - ASSETS	4.61	23.08

B	EQUITY AND LIABILITIES		
1	EQUITY		
	(a) Equity Share Capital	852.00	852.00
	Other Equity		
	(a) Retained earnings	(1,050.68)	(1,048.27)
	Total Equity	(198.68)	(196.27)
2	Liabilities		
	Liabilities		
	(1) Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	150.00	150.00
	(ii) Other financial liabilities	-	-
	(b) Provisions	-	-
	(c) Deferred tax liabilities	-	-
	(d) Other non-current liabilities	-	-
	Total Non-current Liabilities	150.00	150.00
	(2) Current liabilities		
	Financial liabilities		

Trade Payable	22.55	25.23
Other financial liabilities	-	-
Provisions	1.00	0.55
Current Tax Liabilities	1.88	1.92
Other current liabilities	27.86	41.65
Total Current Liabilities	53.29	69.35
TOTAL EQUITY AND LIABILITIES	4.61	23.08

CASHFLOW STATEMENT:				
PARTICULARS	For the Year Ended 31.03.20		For the Year Ended 31.03.19	
	AMOUNT	AMOUNT	AMOUNT	AMOUNT
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
A				
CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit/(Loss) before tax as per Statement of Profit and Loss		(240,410)		(3,400,305)
Adjustments for :				
Depreciation and Amortization Expenses	116,825		659,938	
Interest/Dividend/Other Income	(2,046)		(1,850)	
Sundry Balances Written off/(Written Back)	-		1,437,243	
Operating Profit/(Loss) before Working Capital Changes				
Adjustments for :				
(i) Trade and Other Receivables	1,803,570		6,364,629	
(ii) Trade Payable	(268,253)		(4,707,421)	
(iii) Inventories	-		-	
(iv) Other Current Assets			8,550	
(v) Short Term Loans			-	
(vi) Provisions	45,000		(26,000)	
(vii) Current Tax liabilities	617		(77,592)	
(vi) Other Current liabilities	(1,378,684)		1,175,589	
Cash used/generated in/ from Operating activities		76,619		1,432,782
Income Tax			-	-
Net cash used in /generated from Operating activities		76,619		1,432,782
B				
CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets		-		-
Deposits Received/ (Paid)				

	6,000	130,000
Long Term Loans and Advances		
Short Term Loans and Advances		
Dividend/Rent/other Received	2,046	1,850
Net cash from Investing activities	8,046	131,850
C		
. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Loan	-	-
Short term Receivables now written back	-	(6,364,629)
Short term Receivables now written back	-	4,927,386
Net Cash From Financing activities	-	(1,437,243)
Net Increase in Cash and Cash equivalents	84,665	127,389
Cash and cash equivalents as at (Opening Balance)	155,004	27,615
Cash and cash equivalents as at (Closing Balance)	239,669	155,004

Notes:

1. The above Audited Financial Result has been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 27th June 2020.
2. The Statutory Auditors of the company have carried out the Audit of the Company and issued an Audit Report, now attached herewith.
3. The figures of the three months ended 31st March 2020 and 31st March 2019 are the balancing figures between audited figures in respect of full financial year and published year to date figures up to the previous quarter of the respective financial year.
4. The company invested huge resources in developing technology, infrastructure, marketing, promotions, business process and fulfillment services over the last years in order to expand its retail network and customer base. Since it is an innovative process of Retailing where the company orchestrates 3rd party physical retail stores with virtual inventory, the business model requires continuous investments till it reaches the breakeven point and turns profitable.
In March 2017, the company had been classified into the Graded Surveillance Measure (GSM) list by BSE. The criteria for classifying the company into GSM was not very clear to us. The impact of classifying company in GSM by BSE had led to trade restrictions and a complete 'roadblock' in terms of raising additional capital from new investors. Thus new fund raising had become an extremely challenging and a daunting task. At present the company is placed in stage I of GSM list. Consequent to classifying into GSM and failing in raising fresh capital for Internet Retail business the business, the company has suspended it's Internet Retail operation wef 1st April, 2017.
The company is exploring various opportunities and partnerships in order to revive its Internet Retail activities.
5. Acquisition process of Citicycle India Pvt. Limited and making it as 100% subsidiary of the company is under process as per the Memorandum of Understanding signed with the company and its promoters. The target company needs to comply with certain terms and conditions, precedent to such event.
6. Upon the recommendation of the Audit Committee towards financial rehabilitation of the company, subject to the approval of the members and other regulatory authorities, the Board recommended & approved the reduction of capital of the company by way of reducing the present face value of Rs. 4 (Rs. FOUR) each share to Re. 1 (Re. ONE) which shall result in reduction of capital by Rs. 639 lacs. The effect of the same however, shall be given in the financial statement only upon obtaining all the required approvals from the members and regulatory

authorities. The scheme of financial rehabilitation is under review based on the development in the recent past and shall be revised based on the overall business conditions.

7. Previous period/year figures have been regrouped re-arranged, wherever necessary, to confirm to current year presentation.

Place : Mumbai
Dated: 27th June 2020

By Order of the Board



Mahesh Palshetkar
Managing Director
DIN:00152552

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF FINANCIAL RESULTS

The Board of Directors
iStreet Network Limited
03, C-2 Compound, 04th Bldg,
Near Hotel Abbot, Vashi,
Navi Mumbai- 400703

Opinion

We have audited the accompanying Statement of Financial Results of iStreet Network Limited (the "Company"), for the three months and year ended March 31, 2020 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- b. gives a true and fair view in conformity with Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the three months and year ended March 31, 2020.

Basis for Opinion

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA"s) 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 Standalone Financial Results 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The Company has been incurring constant losses and also the net worth of the Company has been fully eroded. Further, since the Company had been classified into the Graded Surveillance Measure (GSM - Stage 1 of GSM List) list by BSE, it has led to trade restrictions and a complete 'roadblock' in terms of raising additional capital from new investors. The Company has suspended its Internet Retail operation with effect from 1st April 2017. If the



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management is not able to infuse adequate money on appropriate time than the going concern assumption might get impacted. However the Audited financial results for the quarter and year ended 31st March 2020 of the Company are prepared on going concern basis.

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Standalone Financial Results

This Statement, is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited Interim condensed standalone financial statements for the year ended March 31, 2020. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole is 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 this Standalone Financial Results.

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



- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit 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 such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company 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 Statement 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. (Also Refer Other Matter paragraph)
- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.

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.



For S M M P & Associates
Chartered Accountants
Firm Registration No. 120438 W

A handwritten signature in black ink, appearing to read "Chintan Shah".

Chintan Shah
Partner

Membership No. 166729
UDIN No. 20166729AAAACW1062

Mumbai, dated 27th June 2020