



iStreet Network Limited

Annual Report – 2017-18



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### Safe Harbor Statement:

This Annual Report is solely for information & reporting purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Annual Report may also contain product demonstrations (or reference to such new products), some of which are conceptual and may not be developed or launched in the same form, with all of the -same features or at all.

Our actual results may differ materially from those included in this Annual Report for a variety of reasons, including, but not limited to – timely raising funds for the project, changes in political, business, and economic conditions; foreign exchange rate fluctuations; the impact and integration of recent and future acquisitions; our need to successfully react to the increasing importance of internet, internet or online commerce, mobile payments and mobile commerce and the social aspect of commerce; an increasingly competitive environment for our businesses; the complexity of managing an increasingly large and growing enterprise with a broad range of businesses; our need to manage regulatory, tax and litigation risks and our need to timely upgrade and develop our systems, infrastructure, and customer service capabilities at reasonable cost while maintaining site stability and performance and adding new products and features.

The Company assumes no obligation to update any forward-looking information contained in this Annual Report. Any forward-looking statements and projections made by third parties included in this Annual Report are not adopted by the Company and the Company is not responsible for such third party statements and projections.

**Board of Directors:-**

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	<b>DIN</b>
Naval Choudhary <i>Independent Director</i>	00192164
Neeraj Gupta <i>Independent Director</i>	05327106
Sanjeev Chhajed <i>Independent Director</i>	02849462
Meenu Malu <i>Non Executive Non Independent Director</i>	00444932
Pradeep Malu <i>Managing Director</i>	00001959
Dinesh Trivedi <i>Director &amp; Chief Financial Officer</i>	08065117

**Company Secretary & Compliance Officer:**

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Dipankar Basu (upto 14.10.2017)  
Surabhi Pal (from 14.10.2017)

**Statutory Auditors:**

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K U Kothari & Co.  
Chartered Accountants

**Secretarial Auditors:**

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M/s Dilip Bharadiya & Associates  
Company Secretaries

**Internal Auditors:**

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Chirag Mehta & Associates  
Chartered Accountants

**Banker:**

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HDFC Bank Ltd.

**Registered Office:**

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K-18, Old Sonal Industrial Estate, Opp. Movietime Cinema, Link Road, Malad West,  
Mumbai 400 064, CINL51900MH1986PLC040232 [www.istreetnetwork.com](http://www.istreetnetwork.com)

## **NOTICE**

NOTICE is hereby given that the 31<sup>st</sup> Annual General Meeting of iStreet Network Limited will be held on Saturday, 29<sup>th</sup> September 2018 at K-18, Old Sonal Industrial Estate, Opp. Movietime Cinema, Link Road, Malad West, Mumbai – 400064 at 11am to transact the following businesses:

### **ORDINARY BUSINESS:**

#### **Item No. 1:– Adoption of Financial Statements**

To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon.

#### **Item No. 2:– To appoint a director in place of Ms. Meenu who retires by rotation and being eligible, offers herself for re-appointment**

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the members of the Company be, and is hereby accorded to the reappointment of Ms. Meenu Malu (DIN: 00444932) as a director, to the extent that she is required to retire by rotation”.

#### **Item No. 3:- To appoint M/s. SMMP & Associates, Chartered Accountants (Firm Registration No. 120438W), as the Statutory Auditors of the Company and to fix their remuneration and in this regard to pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s SMMP & Associates, Chartered Accountants, (Firm Registration No. 120438W) be and is hereby appointed as the Statutory Auditors of the Company in place of the M/s. K U Kothari & Co., Chartered Accountants, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Thirty Sixth Annual General Meeting of the Company to be held in the calendar year 2023 (subject to ratification of their appointment at every Annual General Meeting, if so required under the Act), at such remuneration as may be mutually agreed to, between the Board of Directors and the Auditors, plus applicable taxes and reimbursement of travel and out-of-pocket expenses.”

### **SPECIAL BUSINESS:**

#### **Item No. 4:- To re-appoint Mr. Pradeep Malu as Managing Director of the company**

To consider and, if thought fit, to pass, with or without modification, the following Resolution as an **Ordinary Resolution-**

**“RESOLVED THAT** pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof, the recommendations of Nomination & Remuneration Committee and the Board of Directors, the consent of Members of the Company be and is hereby accorded to the re-appointment of Mr. Pradeep Malu (DIN:00001959) as Managing Director of the Company who would be considered as a Key Managerial Person (KMP) for a period of Three years with effect from 08<sup>th</sup> August 2018 on the terms and conditions as set out in the Explanatory Statement annexed to the Notice of this Meeting and as enumerated in the Agreement dated 08th August 2018, a copy whereof, initialed by the Chairman of the meeting for the purposes of identification, has been submitted to this meeting, which agreement is also hereby specifically approved

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedite to give effect to this resolution.”

**Item No. 5:- To ratify the appointment of Mr. Dinesh Trivedi.**

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Dinesh Trivedi (DIN : 08065117), who was appointed as an Additional Director of the Company with effect from 29<sup>th</sup> May, 2018 pursuant to Section 161 of the Act and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Place: Mumbai  
Date : 08<sup>th</sup> August, 2018

**By Order of the Board of Directors**  
**For iStreet Network Limited**

**Registered Office:**  
K-18, Sonal Industrial Estate,  
Opp Movietime Cinema, Link Road,  
Malad West, Mumbai – 400 064

**Surabhi Pal**  
**Company Secretary**

## NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Members holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. If a Proxy is appointed for more than fifty Members, the Proxy shall choose any fifty Members and confirm the same to the Company not later than 48 hours before the commencement of the meeting. In case, the Proxy fails to do so, the first fifty proxies received by the Company shall be considered as valid. The instrument of Proxy, in order to be effective, should be deposited, either in person or through post, at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 23<sup>rd</sup> September, 2018 to Saturday, 29<sup>th</sup> September, 2018 (both days inclusive) for the purpose of the AGM.
5. Members seeking any information with regard to accounts are requested to write to the Company at least 3 working days in advance so as to enable the Management to keep the information ready at the AGM.
6. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you communications including annual report, notices etc. in electronic mode.
7. Members holding shares in Electronic (Demat) Form are advised to inform the particulars of their bank account, change of address and Email ids to their respective Depository Participants with whom they are maintain their demat accounts. The Company or its Registrar and Transfer Agents i.e Adroit Corporate Services Pvt. Ltd cannot act on request received directly from the members holding shares in demat mode for changes in any bank mandate or other particulars etc., and such instructions shall be given directly to the Depository Participants by the members.
8. Members holding shares in Physical Form are advised to Submit your PAN, Address, Bank details and email ids to Adroit Corporate Services Pvt. Ltd. 19/20 Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Mumbai 400 059 by quoting the folio no.
9. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by members at the meeting.
10. Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, members are requested to bring their folio number /demat account number/DP-ID-Client ID to enable us to provide a duly filled attendance slip for your signature and participation at the meeting.
11. Members may note that the Notice of 31<sup>st</sup> Annual General Meeting, Annual Report, Attendance Slip, Proxy Form and e-voting instructions are also available on the Company's website i.e [www.istreetnetwork.com](http://www.istreetnetwork.com) in the 'Investor Relations' section. The physical copies of the documents will also be available for inspection at the Company's registered office for inspection during normal business hours on working days.

12. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
13. Details as required pursuant to Secretarial Standards on General Meeting (SS-II) and Regulation 36(3) of the Listing Regulations in respect of the Director seeking appointment / re-appointment at the Annual General Meeting is furnished as annexure to this notice of the Annual Report. Requisite consent/declarations have been received from the Director seeking appointment / re-appointment as required under Companies Act, 2013 and rules made there under.
14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 a.m to 6.00 p.m) on all working days up to and including the date of the Annual General Meeting.
15. Only bonafide members of the Company whose name appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves the right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant(s). Members of the Company who have registered their e-mail address are also entitled to receive such communication in physical form, upon request.
17. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail address with the Company or Depository Participant(s).
18. E-voting
  - (i) Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide its Members facility to exercise their right to vote on the resolutions proposed to be passed at AGM through the electronic voting service facility arranged by National Securities Depository Limited (“NSDL”). The Members may cast their votes using an electronic voting system from a place other than the venue of the AGM (“remote E-voting”) which will be provided by National Securities Depository Limited (NSDL)
  - (ii) The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote E-voting shall be able to exercise their right at the meeting through ballot paper.
  - (iii) A Member can opt for only one mode of voting i.e. either through remote e-voting or at the meeting. If a member casts votes by both modes, then voting done through remote e-voting shall prevail.
  - (iv) Members who cast their votes by remote E-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.
  - (v) The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Saturday, 22<sup>nd</sup> September 2018, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice.  
The e- period will commence at (9 a.m. IST) on Wednesday, 26<sup>th</sup> September 2018 and will end at (5 p.m. IST) on Friday, 28<sup>th</sup> September 2018. During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>nd</sup> September 2018, may cast their vote by remote E-voting. The remote E-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently

**The procedure to login to e-Voting website consists of two steps as detailed hereunder:**

**Step 1 : Log-in to NSDL e-Voting system**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below :
  - a) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*).
  - b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*).
  - c) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*).
5. Your password details are given below:
  - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need enter the ‘initial password’ and the system will force you to change your password.
  - c. How to retrieve your ‘initial password’?
    - i. If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - ii. If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a. Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b. “[Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
9. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail [dilipbcs@gmail.com](mailto:dilipbcs@gmail.com) to with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
10. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL by email at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on.: 1800 222 990.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.istreetnetwork.com](http://www.istreetnetwork.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of result by the Managing Director or a person authorized by him in writing and the same shall be communicated to the BSE Limited, Mumbai where the shares of the Company are listed. The results will also be available for inspection at the registered office of the company.

Date : 08<sup>th</sup> August, 2018  
Place: Mumbai

**By Order of the Board of Directors**  
For iStreet Network Limited

**Registered Office:**  
K-18, Sonal Industrial Estate,  
Opp Movietime Cinema, Link Road,  
Malad West, Mumbai – 400 064

**Surabhi Pal**  
**Company Secretary**

## **EXPLANATORY STATEMENT**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“THE ACT”)**

Pursuant to Section 102 of the Companies Act, 2013 (“the Act”), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 4 and 5 of the accompanying Notice dated 08<sup>th</sup> August, 2018

#### **Item No.4: Appointment of Mr. Pradeep Malu, as Managing Director**

On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company had re-appointed Mr. Pradeep Malu (DIN: 00001959) as a Managing Director of the Company. The principal terms and conditions of re-appointment of Mr. Pradeep Malu as Managing Director inter alia contain the following.

Terms and condition of the re-appointment of Mr. Pradeep Malu, as Managing Director are as follow:

The remuneration including the perquisites payable to Mr. Pradeep Malu as Managing Director with effect from 08<sup>th</sup> August, 2018 for a period of 03 years

1. Salary  
Basic Salary: Rs. 60,00,000/- p.a (Sixty Lacs) per annum  
The net salary shall however not exceed Rs. 60,00,000 (Sixty Lacs) per annum.
2. Perquisites
  - a) Contribution to Provident Fund will not be included in the computation of perquisites to the extent it is not taxable under the Income tax Act, 1961.
  - b) Gratuity, if any, payable will not exceed half a month’s salary for each completed year of service.
  - c) Encashment of leave at the end of the tenure will not be included in salary.
  - d) Provision of car for use on company’s business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone shall be billed by the company to Mr. Pradeep Malu.
  - e) Leave and Travel Concession- The First Class Air/ Air conditioned Train and/ or such other mode of conveyance as the appointee may decide, for self and family, while on Privilege Leave, together with expenses for Hotel/ Boarding/ Loading, at actual not exceeding the limit set by the company.
  - f) Medical Reimbursement for self & Family- Reimbursement of all medical and hospitalization expenses, at actual, incurred for self and family.
  - g) Personal Accident insurance cover by self.
  - h) Club fees- Actual fees for a maximum of two clubs. This will not include admission fee and Life membership fees.

The Board commends the Ordinary Resolution as set out in Item No. 4 of the Notice for your approval.

#### **Item No.5: Appointment of Mr. Dinesh Trivedi, as Director**

On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company had appointed Mr. Dinesh Trivedi (DIN:08065117) as an Additional Director of the Company in the category of Executive Director with effect from 29<sup>th</sup> May, 2018. In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Dinesh Trivedi shall hold office up to the date of the forthcoming Annual General Meeting.

The Company has received a notice along with deposit of requisite amount under Section 160 of the Companies Act, 2013 from a member signifying her candidature as Director of the Company. Mr. Dinesh Trivedi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director.

A brief profile of Mr. Dinesh Trivedi, including nature of her expertise, is provided in this Annual Report.

None of the other Directors or Key Managerial Personnel of the Company are concerned or interested, financially or otherwise, in this resolution.

The Board commends the Ordinary Resolution as set out in Item No. 5 of the Notice for your approval.

**Annexure to the Notice dated 08<sup>th</sup> August, 2018**

**Details of Directors seeking appointment at the Annual General Meeting pursuant to Secretarial Standards on General Meeting (SS-II) and Regulation 36(3) of the Listing Regulations:**

Name of Director	Mr. Pradeep Malu	Mr. Dinesh Trivedi
Director Identification Number (DIN)	00001959	08065117
Date of Birth/Age	July 29, 1958/ 60 years	September 27, 1960/ 57 years
Date of first appointment on the Board	June 26, 1986	29 <sup>th</sup> May 2018
Expertise in specific General functional area	Rich and varied experience in the field of Ecommerce.	Vast knowledge in the field of finance & General Management
Qualification	Chartered Accountant	CA, CS, LLB
Shareholding in the Company	17,13,332	Nil
Relationship with other Director/KMPs	Ms. Meenu Malu (Spouse)	Nil
No. of Board meetings held during the tenure and attended during FY 17-18	6/6	NA
List of outside Directorships held(Public Limited Companies)	None	Nil
Chairman/Member of the Committee of the Board of Directors of the Company	Stake holder Relationship Committee( Member) Securities Allotment Committee (Member) Business Review Committee (Member)	Securities Allotment Committee (Member)
Chairman/Member of the Committee of Directors of other Public Limited Companies in which he/she is a Director		
a) Audit Committee	None	None
b) Stakeholders Relationship Committee	None	None
Remuneration last drawn (including sitting fees, if any)	NIL	NIL
Remuneration proposed to be paid	Rs. 60,00,000/- p.a	NIL

Date: 08<sup>th</sup> August, 2018

Place: Mumbai

By Order of the Board of Directors

For **iStreet Network Limited**

**Registered Office**

K-18, Sonal Industrial Estate,  
Opp Movietime Cinema, Link Road  
Malad West, Mumbai – 400 064

**Surabhi Pal**  
**Company Secretary**

## DIRECTORS' REPORT

Dear Members,

Your Company's Directors are pleased to present the 31<sup>st</sup> Annual Report of the Company along with the Audited Financial Statements of the Company for the financial year ended March 31, 2018.

### 1. FINANCIAL RESULTS:

Particulars	Rs.In lacs	
	March 31,2018	March 31,2017
Total Revenues	8.46	3,487.91
Total Expenditure	73.81	3,832.60
Earning before interest, tax, depreciation and amortization (EBITDA)	(65.35)	(344.69)
Other Income (Net)	21.58	0.64
Finance Cost	-	4.51
Depreciation and amortization expense	14.99	16.55
Profit/(Loss) before exceptional item and tax	(58.75)	(365.75)
Exceptional Item	(150.00)	-
Profit /(Loss) before tax	(208.75)	(365.75)
Tax Expense	-	-
Net Profit /(Loss) for the year after tax	(208.75)	(365.75)
Balance carried forward to Balance Sheet	(1251.23)	(1042.48)

### 2. THE STATE OF COMPANY'S AFFAIRS:

During the year, the company's revenue from operations dropped to a negligible level of Rs. 8.46 lacs from Rs. 3487.27 lacs during the previous year, a drop by almost 100%. Till last year, the company was on its growth trajectory, rapidly in terms of expanding its activities – Revenue, Retail Network, Branding, Technology development, No. of transactions etc. with huge spending on continuous basis. For running and expanding its operations, the company needed continuous flow of fresh capital as the project was still in its infancy and not profitable.

In the month of February, 2017 the company was placed under Graded Surveillance Mechanism (GSM) and the Bombay Stock Exchange (BSE) started putting several restrictions in FREE tradability of the shares of the company. GSM had led to trade restrictions and a complete roadblock in terms of raising additional capital from new investors. The new fund raising became an extremely challenging and daunting task for the company due to which the company had to suspend its business operation since April 2017. GSM has devastated the company and its business during the year.

The operations of the company remained suspended during FY2017-18. There was no spending in marketing, expanding and adding new Retailers, new technology development, acquiring the new customers etc. during FY2017-18. The company is exploring different models of business driven thru Internet + Retail. The possible segments are retail aggregation, assisted online buying, change in products, adding services like Banking and Financial Services and Insurance (BFSI) etc. The company has also reduced its operating expenses in order to minimize the losses of the company during this period.

### 3. DIVIDEND:

In view of the losses, your Directors do not recommend any dividend during the year 17-18

#### 4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review, as stipulated under the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulation”) is presented in a separate section forming part of this Annual Report.

#### 5. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year, based on the recommendation of the Nomination and Remuneration Committee, Ms. Surabhi Pal, was appointed as Company Secretary in place of Mr. Dipankar Basu, who tendered his resignation w.e.f October 14, 2017.

During the year, Mr. Mayur Vora tendered his resignation as Chief Financial Officer (CFO) of the company w.e.f. 15<sup>th</sup> November, 2017 and Mr. Dinesh Trivedi was appointed as an Additional Director and Chief Financial Officer (CFO) of the company w.e.f. 29<sup>th</sup> May, 2018, .

The appointment of Mr. Dinesh as Director is proposed to be regularized in this Annual General Meeting.

The brief resume of the Directors seeking appointment in the forthcoming Annual General Meeting, in pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Annual General Meeting Notice.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company. The Company has received declarations from all Independent Directors of the Company that they meet the criteria of Independence prescribed under the Act and the Listing Regulations.

**Board Evaluation:** Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the formal annual evaluation was carried out for the Board’s own performance, its committee & Individual directors. The manner and detail in which evaluation was carried out is explained in the Corporate Governance Report.

**Nomination and Remuneration Policy:** The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The details of this policy are explained in the Corporate Governance Report.

**Meetings of the Board:** During the year 6 (six) Board Meetings (other than Meeting of Independent Directors) were convened and held, details of which are given in the Corporate Governance Report which is annexed to this report and forms a part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Independent Directors affirmation:** The Independent Directors of your Company have given the certificate of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as independent director during the year.

#### **Familiarisation Programmes for Independent Directors:**

The Company has put in place a system to familiarise its Independent Directors with the Company, their roles, rights & responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The details of such familiarization programme is put up on the website of the Company at <http://istreetnetwork.com/wp-content/uploads/2015/04/Familiarisation-prog.pdf>

**Key Managerial Personnel:**

During the year, Mr. Dipankar Basu resigned as Company Secretary of the Company w.e.f 14<sup>th</sup> October 2017. The Directors place on record their appreciation for the contribution made by him during his tenure. The Board at its Meeting held on 14th October 2017 has appointed Ms. Surabhi Pal as Company Secretary.

Mr. Mayur Vora resigned as Chief Financial Officer (CFO) of the company w.e.f 15th November 2017 and Mr. Dinesh Trivedi was appointed as CFO at the board meeting held on 29th May 2018.

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company are:

- Mr. Pradeep Malu- Managing Director,
- Mr. Dinesh Trivedi- Chief Financial Officer and;
- Ms. Surabhi Pal- Company Secretary.

**6. DIRECTORS RESPONSIBILITY STATEMENT:**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and the reviews performed by the relevant Board Committees, including the Audit Committee of the Board, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the year ended March 31, 2018. Accordingly, pursuant to Section 134 (5) of the Companies Act, 2013, based on the above, the Board of Directors, to the best of their knowledge and ability confirms that:

- (i) in the preparation of the Annual Accounts, the applicable Indian Accounting Standards (Ind AS) have been followed and that no material departures have been made from the same;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the losses of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls which are adequate and are operating effectively during the year ended March 31, 2018; and
- (vi) there is a proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively during the year ended March 31, 2018.

**7. WHISTLE BLOWER POLICY:**

The Company has a Whistle Blower Policy with a view to provide vigil mechanism to Directors, employees and other stakeholders to disclose instances of wrongdoing in the workplace and report instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct policy. The Whistle Blower Policy also states that this mechanism should also provide for adequate safeguards against victimization of Director(s)/ Employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Whistle Blower Policy has been posted on the website of the Company and the details of the same are explained in the Report on Corporate Governance forming part of this Annual Report. The Whistle blower Policy is available at the website of the Company <http://istreetnetwork.com/wp-content/uploads/2013/08/Whistleblower-Policy.pdf>

**8. SUBSIDIARY , JOINT VENTURE AND ASSOCIATES:**

The Company does not have any subsidiary, joint venture or Associates as on March 31, 2018 except as stated in the Note no. 29 of Audited Financials of the company.

**9. MATERIAL CHANGES AND COMMITMENTS AFTER THE DATE OF FINANCIAL STATEMENTS:**

There are no material changes and commitments affecting the financial position of your Company between the end of the financial year and the date of this report. There has been no change in the nature of business of the Company.

#### **10. INTERNAL FINANCIAL CONTROLS:**

The Companies Act, 2013 has mandated the Company to have a formal framework of Internal Financial Controls (IFC) and has also laid down specific responsibilities on the Board, Audit Committee, Independent Directors and Statutory Auditors with regard to IFC.

The financial control system and framework is required to ensure:

- The orderly and efficient conduct of its business,
- Safeguarding of its assets,
- The prevention and detection of frauds and errors,
- The accuracy and completeness of the accounting records and,
- The timely preparation of reliable financial information.

The Board reviews the effectiveness of controls documented as part of IFC framework, and take necessary corrective actions where weaknesses are identified as a result of such reviews. This review covers entity level controls, process level controls, fraud risk controls and Information Technology environment. Based on this evaluation, no significant events had come to notice during the year that have materially affected, or are reasonably likely to materially affect, our IFC. The Management has also come to a conclusion that the IFC and other financial reporting was effective during the year and is adequate considering the business operations of the Company.

The Statutory Auditors of the Company has audited the IFC over Financial Reporting and their Audit Report is annexed to this report.

#### **11. RISK MANAGEMENT:**

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. Some of the identified risks are related to adoption of the new and innovative business concept by the consumers and retailers, capabilities of our network partners to deliver the desired experience to the customers, not able to raise resources and funds for reaching to a sustainable level of business, high technology obsolesce, competition with deep pockets, logistic infrastructure etc. In order to give risk perception of our business to the investors, the Company has attempted to provide "Investor Guidance" on the website which can be accessed from the link <http://istreetnetwork.com/investors/investor-guidance/>. This section contains the risk factors as identified by the Company which shall be updated on a timely basis.

#### **12. DISCLOSURE UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL), ACT, 2013:**

The Company has a 'Prevention of Sexual Harassment Policy 'in force in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this Policy is to ensure a safe, secure and congenial work environment where employees will deliver their best without any inhibition, threat or fear. The Company has Zero Tolerance to any form of harassment especially if it is sexual in nature. There were no complaints pending for the redressal at the beginning of the year and no complaints received during the financial year.

#### **13. CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES:**

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at <http://istreetnetwork.com/wp-content/uploads/2013/08/Related-party-transcation-policy.pdf>. The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and at Arm's Length basis. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies

Act, 2013 in Form AOC-2 is not applicable. There are no materially significant related party transaction's that may have potential conflict of interest with the Company at large. The details of related party disclosure form a part of the notes to the financial statements provided in the annual report.

**14. PUBLIC DEPOSITS:**

During the year, your Company has not accepted any deposits under Section 73 of the Act, and as such, no amount on account of principal or interest on public deposits was outstanding as of March 31, 2018.

**15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Particulars of loans, guarantees and investments have been disclosed in the financial statements.

**16. COMMITTEES OF THE BOARD:**

The Board of Directors has the following Committees:

- (i) Audit Committee
- (ii) Nomination and Remuneration Committee
- (iii) Stakeholders' Relationship Committee
- (iv) Securities Allotment Committee
- (v) Business Review Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

**17. EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92(3) of the Companies Act, 2013, is annexed under "**Annexure – 2**" and form an integral part of this Report.

**18. AUDIT COMMITTEE:**

Audit Committee currently comprises of Mr. Naval Choudhary, Mr. Neeraj Gupta and Mr. Sanjeev Chhajed. Further, details relating to the Audit Committee are provided in the Corporate Governance Report, which forms a part of this report.

**19. LISTING:**

The Shares of the Company will continue to be listed on the Bombay Stock Exchange (the BSE Ltd.) which is situated at Phiroze Jeejeebhoy Towers, 25<sup>th</sup> Floor, Dalal Street, Mumbai – 400 001. The Company has paid the listing fees up to the financial year 2017-18.

**20. CORPORATE GOVERNANCE:**

The Company is committed to observe good corporate governance practices. The report on Corporate Governance for the financial year ended March 31, 2018, as per regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms a part of this Annual Report. The requisite Certificate from the Statutory Auditors of the Company confirming compliance with the conditions of Corporate Governance annexed herewith as "**Annexure – 1**"

**21. CERTIFICATION:**

The Managing Director certification on the financial statement is annexed hereto as "**Annexure- 3**"

**22. SECRETARIAL AUDIT:**

Section 204 of the Companies Act, 2013 read with rules made thereunder inter-alia requires every listed company to annex with its Board's report, a Secretarial Audit Report given by a Company Secretary in Practice, in the Form MR-3. The Board of Directors has appointed M/s Dilip Bharadiya & Associates, Practicing Company Secretaries, as Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial Year 2017-18. The report did not contain any qualification, reservation or adverse remark. The Secretarial Audit report is annexed herewith as "**Annexure – 5**" and forms an integral part of this Report.

### 23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

- (a) Consumption of Energy : Not Applicable  
We consume only Electricity for maintaining office and our systems.
- (b) Technology Absorption, Research & Development (R&D)
- (i) Technology imported and absorbed. : NIL (Previous year Nil)
- (ii) Expenditure on R&D : NIL (Previous year Nil)
- (c) Foreign exchange earnings and outgo
- (i) Foreign exchange earnings : Nil (Previous year Nil)
- (ii) Foreign exchange outgo : Nil (Previous year Rs. Rs. 6,01,192)

### 24. GREEN INITIATIVES:

Electronic copies of the Annual Report 2017-18 and Notice of the 31<sup>st</sup> Annual General Meeting are sent to all members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their email address, physical copies are sent in the permitted mode.

### 25. STATUTORY AUDITORS:

In terms of the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. K U Kothari & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company in AGM held on 26<sup>th</sup> September, 2017 for 5 years. M/s. K U Kothari & Co., Chartered Accountants have shown their unwillingness to continue as statutory auditor of the Company due to their pre-occupation, therefore the company have to appoint a new auditor in their place in the forthcoming Annual General Meeting.

The Board of Directors has at its Meeting held on 08<sup>th</sup> August, 2018 recommended appointment of M/s. SMMP & Associates, Chartered Accountants, (Firm Registration No. 120438W), as the new statutory auditors of the Company to hold office for one term of 5 years commencing from conclusion of the ensuing 31<sup>st</sup> Annual General Meeting upto the Annual General Meeting of the Company.

The Company has received a certificate from the Statutory Auditors to the effect that their appointment, if made, shall be in compliance with the provisions of Section 139 and 141 of the Companies Act, 2013.

Accordingly, the Board proposes appointment of M/s. SMMP & Associates, Chartered Accountants, as the statutory auditors of the Company in place of M/s. K U Kothari & Co., Chartered Accountants, to hold office from the conclusion of this AGM until the conclusion of the 36<sup>th</sup> AGM of your Company.

Necessary resolution seeking approval of the members for appointment of new statutory auditors has been incorporated in the Notice convening the Annual General Meeting forming part of this Annual Report.

### 26. EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE:

The reports of Statutory Auditor and Secretarial Auditor are free from any qualification, reservation or adverse remark or disclaimer.

## 27. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

Disclosures pertaining to remuneration and other details as required under section 197(12) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as “**Annexure – 4**” to this report.

In accordance with the provisions of Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid Rules, forms part of this Report. However, in line with the provisions of Section 136(1) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company excluding the aforesaid information about the employees. Any Member, who is interested in obtaining these particulars about employees, may write to the Company Secretary at the Registered Office of your Company.

## 28. EMPLOYEE STOCK OPTIONS:

With a view to provide an opportunity to the employees of the Company to share the growth of the Company and to create long-term wealth, the Company has an Employee Stock Option Scheme, namely, the iSNL Employee Stock Option Scheme, 2016 (“iSNL ESOP 2016”). The Scheme is applicable to the eligible employees that include employees and Directors of the Company. The Nomination and Remuneration Committee of the Board of Directors of the Company administers and monitors the Scheme. The Scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI ESOP Regulations”), as amended. During the financial year 2016-17, in terms of iSNL ESOP 2016, the Nomination and Remuneration Committee had granted 7,61,627 Options out of which 23,165 options were outstanding at the beginning of the year which lapsed during the Financial year due to cessation of employees. Accordingly, there are no options outstanding at the end of the financial year.

## 29. HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

Objective appraisal systems based on Key Result Areas (KRAs) are in place for senior management staff. This is a part of Corporate HR function and is a critical pillar to support the organization’s growth and its sustainability in the long run.

## 30. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the financial year 2017-18:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees Stock Option Scheme as referred to in this Report.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company’s operations in future except as stated above about Graded Surveillance Mechanism policy introduced by BSE which impacted the company’s fund raising capabilities.
4. The Company does not have any scheme of provision of money for the purchase of its own shares by employees for the benefit of employees.
5. No fraud has been reported by the Auditors to the Audit Committee or the Board.

## 31. ACKNOWLEDGEMENTS:

We thank all our stakeholders for their continued support during the difficult year. We place on record our appreciation of the contribution made by our employees at all levels.

## CAUTIONARY STATEMENT:

Statement in this report, particularly those which relate to Management Discussion and Analysis, describing company’s objectives, projections, future outlook, estimates and expectations may constitute forward looking statement within the meaning of applicable laws and regulations and actual results might differ.

**For and on Behalf of Board of Directors**

Date : 8<sup>th</sup> August, 2018  
Place : Mumbai

**Pradeep Malu**  
**Managing Director**  
**DIN: 0000001959**

**Neeraj Gupta**  
**Director**  
**DIN:0005327106**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry and the Company Business Model:

The company is in the business of Internet Retailing – fusion of online and offline. . Internet Retail can be understood as retail with ‘physical retail store which runs on virtual inventory’. The company is categorized as ‘Internet & Retail Catalogue’ by the Bombay Stock Exchange. The Indian Retail industry is changing very fast since last few years where approximately 90% retail is done by Mom & Pop Stores. The company ties up these Mom & Pop stores and provide them virtual inventory for selling locally to their customers. It is zero investment and no risk business for the retailers. These retailers need to have internet connected laptop/desktops and knowledge of Internet.

### Discussion on Financial Position Relating to Operational Performance:

There is no change in the Share capital and Securities Premium account of the company. The other comparative expenses are given below:

Particulars	FY 2017-18 (Rs. in Lakhs.)	FY 2016-17 (Rs. in Lakhs.)	Change (Rs. in Lakhs.)	Remarks
Share Capital	852.00	852.00	0.00	There is no change in the share capital of the company
Reserves & Surplus				
(i) Securities Premium Account	228.36	228.36	0	
(ii) Employee Stock Option Outstanding	0	0.56	0.56	ESOP lapsed
(iii) Profit and Loss	(1251.23)	(1042.48)	208.75	Loss during the year
Money Received Against Share Warrants	8.60	8.60	0	-
Short Term Borrowings	0	0	0	-
Trade Payables	72.30	100.76	(28.46)	Paid & Settled
Other Current Liabilities	29.89	8.56	21.33	Unpaid expenses
Fixed Assets :				
Tangible Assets	1.49	4.03	(2.54)	Depreciation charged during the FY
Intangible Assets	6.73	20.58	(13.85)	
Non-Current Investments	0.66	0.66	0	-
Long-Term Loans and Advances	0	155.77	155.77	Net of Provision for doubtful debts
Inventories	0	4.22	4.22	No inventory at the end of the year

Trade Receivables	63.64	63.64	0	B2B online receivable
Cash and Cash Equivalents	0.28	0.75	(0.47)	-
Short-Term Loans and Advances	0	0	0	-
Other Current Assets	18.17	22.65	(4.48)	

### Performance of Business:

The company is an Internet & Retail Catalogue company and sells products and services through its Internet Retail Stores known as 'iStreet Bazaar'. iStreet Bazaar – the Internet Retail Store is a physical store in a neighborhood area which runs on virtual / digital inventory. Common people who have constraints in buying products online, can do so at these stores. These stores provide good product price and huge assortments. The network of Internet Retail Stores is one of the major assets for the company to run its business. These network retailers give eCommerce shopping experience to customers based on trust and relationship. This model is unique and innovative.

The company has invested huge resources and money (several crores of rupees) to build its business. The present accounting standards does not recognize such spending as 'value of intangibles assets' like network of retailers, technology, last mile delivery infrastructure, supply chain, branding etc. However, these intangible has huge value to the company on 'business continuity' basis. The value declines sharply in any event of discontinuity and hence, such business requires continuous investments till it reaches to a threshold level. Initially, several years, these businesses shall continue to incur losses and do not build any tangible asset.

However at the beginning of the year, the company informed that it had suspended its operations as it was unable to raise fresh capital/funds due to **Graded Surveillance Mechanism** which restricted the FREE tradability of the shares of the company at BSE. The operations of the company remained suspended during FY2017-18. And the company cut its operational cost drastically. There was no spending in marketing, expanding and adding new Retailers, new technology development, acquiring the new customers etc. during FY2017-18. More details about the company are provided hereinafter.

The comparative performance and the reasons of variation is given in the following table:

Particulars	FY 2017-18 (Rs. in Lakhs.)	FY 2016-17 (Rs. in Lakhs.)	Change (Rs. in Lakhs.)	Remarks
Revenue from Operations	8.46	3487.27	3478.81	Company's operation were suspended during the year
Employee Benefit Expense	26.32	81.01	(54.69)	number of employees got reduced and new hiring at lower cost
Depreciation & Amortization Expenses	14.98	16.54	(1.56)	Minor decrease
Finance Cost	0	4.51	(4.51)	The Loans were made interest free from 01 <sup>st</sup> April 2017
Other Expenses	39.16	392.04	352.88	Due to the suspension of company's operation no major expenses were incurred during the year
Net Profit/(Loss)	(208.75)	(365.74)	(156.99)	Major loss due to making provision for doubtful debts for Rs. 150 lacs

## Overall Business during FY2017-18

The company has 13,242 network partner at the beginning of FY2017-18. The Company during the FY2017-18 has did not make any new network partners. The company had made huge investments in past in creating technologies, network of retailers, customers, supply chain, store brand etc. The assets created by the company are **intangible** in nature.

An intangible asset is an asset that is not physical in nature and don't have the obvious physical value, they can prove valuable for a company as they drive the company's business.

### Legal Compliances:

The Company is legally compliant and taken all the necessary steps to protect its brand image at all levels. The company timely complies with all the mandatory compliances to be done with regulatory authorities

### Internal controls:

The Company is responsible for establishing and ongoing maintenance of adequate and effective internal controls and for the preparation and presentation of the financial statements, in particular, the assertions on the internal financial controls in accordance with broader criteria established by the Company. We have established an internal control system for the Company, comprising of the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation and presentation of reliable financial information.

### Opportunity & Our Focus:

Retail in India is changing very rapidly and hence, there exist a huge opportunity. The company is also looking at various other opportunities in the space of Banking, Financial Services and Insurance (BFSI) to deliver thru its existing retail network. However, all would be dependent upon how the company is able to infuse fresh money.

### Risk & Concerns

Challenges and Risks are classified as Internal and External.

External Challenges identified are:

- Competition with Discounters
- Time taken to fulfill orders
- Inactive Network Partners
- Customer Experience by Network Partners
- Brand / Manufacturers support

### Internal challenges are:

- Fund raising
- Organization Scaling
- Tax and Regulatory Structure
- Risk, Fraud and Cyber Security
- Compliance Framework
- Technology resources
- Improper quality checks

### Fund Raising:

Our Business is an Asset Light Business – Internet Retail which require huge capital to funds its project. The company faced this as the biggest risk during the recent times. The Company has been making efforts to raise money through various routes like Preferential Issue, Venture funds, Private Equity etc. However, there has been no major success so far. The funds are required for running and scaling business in various heads like technology, marketing, branding, fulfillment infrastructure etc. While the company was finding it hard to raise money for funding the project, it became further difficult due to classification of the Company's shares into Graded Surveillance Measure (GSM) list by Bombay Stock Exchange (BSE). It has led to a complete roadblock in terms of raising of further capital and thus new fund raising has become an extremely challenging and a daunting task.

### Graded Surveillance Measure (GSM):

Suddenly, in February, 2017, the company was placed under GSM and the Bombay Stock Exchange (BSE) started putting several restrictions in FREE tradability of the shares of the company. As per the information available on BSE website and elsewhere on Internet, in order to safeguard interest of investors, the BSE under the guidance of the regulatory authorities, has introduced GSM on securities which are listed on BSE. Grading of security in this list is based on certain 'pre-defined objective criteria'. More details can be accessed on BSE Website at <http://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20170223-44>. Consequently, GSM had led to trade restrictions and a complete roadblock in terms of raising additional capital from new investors. The new fund raising has become an extremely challenging and daunting task for our company due to which the company had to suspend its business operation since April 2017. GSM has devastated the company and its business. We have been making continuous representation to the BSE that our Company (iStreet Network Limited) should not be included in the GSM list due to the nature of its business and sector in which it operates. However, there is no response from the authorities so far.

GSM has different staging process. Let's examine the impact of GSM Staging in our case:

GSM stage	No of shares traded	No. of Trades	Delivery %
Stage 1 – Two months – No ASD 08/01/18- 05/03/18	4,51,873	533	100
Stage 2 – Three months – 100% ASD (06/03/18- 01/06/18)	23,058	48	100

It can be observed from the above that GSM Staging and ASD is impacting the tradability of shares as the number of shares traded have gone down by 95% (from 4,51,873 to 23,058) and number of trades have also gone down by 91% (from 533 to 48) while comparing Stage 1 and Stage 2 trades.

### Overall GSM Impact:

It can also be observed from the following table as how the tradability has been impacted due to GSM and worked counterproductively for our shareholders/investors:

Year (April-March)	Volume (No.)	High price	Low price	Delivery %	*Market cap (in cr.)
2015-16 (Pre GSM)	62,83,753	44.95	12.65	79%	35.44
2016-17 (Pre GSM)	171,74,821	29.60	13.00	78%	30.75
2017-18 (Post GSM)	12,53,969	19.68	2.93	100%	10.80

\*Market cap is calculated as on 31<sup>st</sup> March of every year

In the above table it can be observed that post GSM and restricted tradability, the volume of the shares traded gone down by 93% (from 171 lacs in FY 2016-17 to 12 lacs in FY 2017-18).

### Future Outlook

The company is working on different models of business driven thru Internet + Retail. The possible segments are retail aggregation, assisted online buying, change in products, adding services like Banking and Financial Services and Insurance (BFSI) etc. The company has also reduced its operating expenses in order to minimize the losses of the company during this period and has been able to do it successfully. For update, we request you to keep visiting our website [www.istreetnetwork.com](http://www.istreetnetwork.com)

**Cautionary Statement**

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. The Company disclaims any obligation to update these forward-looking statements, except as may be required by law.

## CORPORATE GOVERNANCE REPORT

[Pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 “SEBI Listing Regulations”]

### 1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to sound principles of Corporate Governance with respect to all its procedures, policies, disclosures and practices. Comprehensive disclosures, structured accountability in exercise of powers, adhering to best practices and commitment to compliance with regulations and statutes have enabled the Company to enhance shareholder value.

Timely and accurate disclosure of information regarding the financial situation, performance, ownership, compliances with laws and governance of the Company is an important part of corporate governance. This improves public understanding of the structure, activities and policies of the organization. Consequently, the organisation is able to enhance the trust and confidence of the stakeholders.

While practicing good Corporate Governance the company strives to communicate, all the material developments and its financial performance in a timely, meaningful and truthful manner. The Company has infused the philosophy of Corporate Governance into all its activities. Fairness, accountability, disclosures and transparency are the four strong pillars supporting the foundation of the Company’s philosophy of Corporate Governance.

### 2. BOARD OF DIRECTORS

The Company believes that an active, well-informed and Independent Board is necessary to ensure the highest standards of Corporate Governance. The Board oversees the performance of the Company and ensures shareholder protection and maximization of their long term values. The Company is committed to sound principles of Corporate Governance with respect to all its procedures, policies, disclosures and practices. Comprehensive disclosures, structured accountability in exercise of powers, adhering to best practices and commitment to compliance with regulations and statutes have enabled the Company to enhance shareholder value.

To succeed, we believe, requires highest standards of corporate behavior towards everyone we work with, the communities we touch and the environment on which we have an impact.

The Board is duly supported by the Senior Management Personnel in ensuring effective functioning of the Company.

#### **Composition and category of Directors:**

The Company has a balanced and diverse Board, which includes independent professionals and confirms to the provisions of the Companies Act, 2013 and the Listing Regulations. Your Company’s Board represents a confluence of experience and expertise from diverse areas of industry, management, export and financial background. The Company is managed by the Board of Directors in coordination with the Senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

The Board consists of five Directors as on March 31, 2018. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The composition of the Board is in conformity with the listing agreement. The day-to-day management of the Company is carried on by

Mr. Pradeep Malu Managing Director of the Company subject to the supervision and control of Board of Directors.

Name	Date of Appointment	Category of Director	Directorship in other Companies (excluding iStreet Network)	No of Board Committees in which Member/Chairman (excluding iStreet Network)
Mr. Pradeep Malu	26/06/1986	Managing Director	NIL	NIL
Mr. Neeraj Gupta	18/09/2014	Independent Director	NIL	NIL
Mr. Sanjeev Chhajed	13/01/2005	Independent Director	NIL	NIL
Mr. Naval Choudhary	20/05/2015	Independent Director	6	4
Ms. Meenu Malu	08/02/2017	Non- Executive Director	1	NIL

**Note:**

- (i) As per regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, other directorships exclude directorship of private limited companies, foreign companies and companies under Section 8 of the Act. Chairmanships/Membership of Board Committees shall only include Audit Committee and Stakeholders Relationship Committee.
- (ii) None of the Directors on the Board hold membership of more than 10 committees nor any director is the Chairman of more than 5 committees across all companies where he/she holds directorships.

**a) Directors' Profile:**

The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures. The Company's Board presently consists of a majority of non-executive / independent Directors, many of whom are senior, competent and highly respected persons from their respected fields. The brief profiles of the Board of Directors of the Company are as hereunder:-

**Naval Choudhary, Independent Director, DIN 00192164**

Mr. Naval Choudhary has done his Masters of Business Administration from Indian Institute of Management, Ahmedabad (IIMA), B.E (Mechanical) from University of Rajasthan. He has rich experience of more than 38 years and has served as the Managing Director of Albright & Wilson Chemicals India Limited and Rhodia Specialty Chemicals India. He has experience in various management disciplines such as Strategic Planning, Marketing, Finance & Banking, and Production & Inventory Control. He also serves as an Independent Director of several companies.

**Neeraj Gupta, Independent Director, DIN 05327106**

Mr. Neeraj Gupta is a Commerce Graduate with Diploma in Export Management. He has vast and versatile experience of over 37 years across various industries. He maintains excellent relationship with all the stakeholders across industries. He has in-depth knowledge of culture and beliefs of different states of India, which help Company immensely while planning for expanding its network across the geography of India.

**Sanjeev Chhajed, Independent Director, DIN 02849462**

Sanjeev Chhajed is a Fellow Member of the Institute of Chartered Accountants of India. He has rich experience in Finance and Taxation. He is practicing in Mumbai and advises large number of mid size companies in various fields of business. He is associated with the Company as an Independent director for over ten years.

**Meenu Malu, Director, DIN 00444932**

Meenu Malu holds a Bachelor of Science degree. She has been active throughout her life in various business and social activities. She serves on the Board of several companies and as a Managing Director of Inovent Solutions Ltd. - an eCommerce services company. She has also served as a Merchandiser in past for product categories ranging from Apparel to Fashion to Jewellery to Ethnic products.

**Pradeep Malu, Managing Director , DIN 00001959**

Mr. Pradeep Malu, is a Chartered Accountant and an Entrepreneur. An eCommerce professional since late 90's and has set new rules for business growth using eCommerce. He has conceptualized and executed large number of eCommerce projects in B2C, B2B and C2C space. As a Managing Director, he is responsible for exercise of overall control, driving the team with his vision, implementing ethical and good governance practices.

**Dinesh Trivedi, Additional Director, DIN 08065117**

Mr. Dinesh Trivedi (C.A, C.S, LLB, B.Com) is a Chartered Accountant by profession and has 32 years of experience in finance, tax planning and accounts management along with handling secretarial and legal functions. He has expertise in financial planning, analysis, risk management, forecasting and working capital management and building internal financial controls. Mr. Trivedi has a vast experience in cost analysis, formulating and implementing credit & pricing policies and designing cost saving measures. He has experience in successful implementation of Projects (Project Management) & is well conversant with MIS and Variance Reports. He also has expertise in conceptualizing & implementing accounting policies, and monitoring the efficiency levels of various functional areas. He is also experienced in raising funds, monitoring of financial activities and managing Public issue of equity shares. He has worked with number of companies like Nikom/Stellar Group of Companies, Prakash Steelage Ltd., Hiran Orgochem Ltd. and more as Finance Manager, Vice President and Finance Head.

**b) Appointment, tenure and training of Directors:**

The Directors of the Company are appointed by Members at the General Meetings. The Managing Director and the Independent Directors of the Company is appointed for a term of five years as per the requirement of the statute. The Executive Director on the Board is appointed as per the provisions of the Companies Act, 1956/2013 and serve in accordance with the terms of their contract of service with the Company.

At the time of appointing a Director, a formal letter of appointment is given to him, which *inter-alia* explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under Companies Act, 2013, SEBI Listing Regulations and other various statutes and an affirmation is obtained. The Managing Director also has a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters *inter-alia* covering the Company's businesses and operations, industry and regulatory updates, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization programme for Directors are available on the Company's website – <http://istreetnetwork.com/wp-content/uploads/2015/04/Familiarisation-prog.pdf>

**c) Board Support**

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the Agenda and convening of the Board and Committee meetings. The Company Secretary attends all the meetings of the Board and its Committees, either in the capacity of Secretary of the Committees or Member of the Committee, advises / assures the Board on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings. With a view to leverage technology and reducing paper consumption, the Directors of the Company receive the Agenda and Pre-reads in electronic form through e-mail.

**d) Board evaluation**

In terms of the requirement of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board was undertaken. During the year, the Board undertook the process of evaluation through discussions and made an oral assessment of its functioning. The Board had, during the year, opportunities to

interact and make an assessment of its functioning as a collective body. In addition, there were opportunities for Committees to interact, for Independent Directors to interact amongst themselves and for each Independent Director to interact with the Managing Director. The Board found there was considerable value and richness in such discussions and deliberations. During the financial year the Board constantly monitored the business of the company, as it was the difficult time for the company.

The overall assessment of the Board was that it was functioning as a cohesive body including the Committees of the Board that were functioning well with periodic reporting by the Committees to the Board on the work done and progress made during the period.

**e) Board Meetings and attendance at Board Meetings:**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company apart from other Board business. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director. The Agenda of the Board/Committee meetings is set by the Company Secretary in consultation with the Managing Director of the Company. The Agenda is circulated normally a week prior to the date of the meeting. This ensures timely and informed decisions by the Board. The Agenda for the Board and Committee meetings cover items as set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting. The Managing Director appraises the Board on the overall performance of the Company at every Board meeting. The Members of the Board have complete freedom to express their opinion and have unfettered and complete access to information in the Company. All the decisions are taken after detailed deliberations by the Board members at the meetings. Legal issues, write-offs, provisions, purchase and disposal of capital assets are all brought to the notice of the Board.

During the Financial year 2017-18, the Board met six times. The meetings were held 30<sup>th</sup> May 2017, 27<sup>th</sup> July 2017, 11<sup>th</sup> August 2017, 14<sup>th</sup> October 2017, 14<sup>th</sup> November 2017, 13<sup>th</sup> February 2018. The Interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the SEBI Listing Regulation.

The details of attendance of Directors at the Board Meetings and at the Last Annual General Meeting are as under:

Sr. No.	Name of Directors	No. of Board meetings attended	Whether attended last AGM held on September, 26, 2017
1.	Mr. Pradeep Malu	6	Yes
2.	Mr. Neeraj Gupta	6	Yes
3.	Mr. Naval Choudhary	3	No
4.	Mr. Sanjeev Chhajed	5	No
5.	Ms. Meenu Malu	6	No

**f) Disclosure of relationship between directors inter-se:**

None of the directors are related to each other except Ms. Meenu Malu, Non Executive - Non Independent Director who is the wife of Mr. Pradeep Malu, Managing Director.

**g) Shareholding of Non-Executive Directors:**

As on March 31, 2018, Mr. Naval Choudhary holds 500 shares and Ms. Meenu Malu holds 415,500 shares in the equity share capital of the Company.

**h) Separate Independent Directors' Meeting:**

Independent Directors met on March 17, 2018 without the presence of Non-Independent Director and members of the Management. At this meeting, the Independent Directors *inter-alia* evaluated the performance of the Non-Independent Director and the Board of Directors as a whole, and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company's Management and the Board.

**i) Code of Business Conduct & Ethics:**

The Company has adopted Code of Business Conduct & Ethics (“the Code”) which is applicable to the Board of Directors and Senior Management Team of the Company. The Board of Directors and the members of Senior Management Team are required to affirm annual Compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company’s website – <http://istreetnetwork.com/wp-content/uploads/2013/08/Code-of-Conduct.pdf>

**j) Conflict of Interests:**

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of the Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

**3. COMMITTEES OF THE BOARD**

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board has currently established the following statutory and non-statutory Committees.

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- Securities Allotment Committee
- Business Review Committee

**A. AUDIT COMMITTEE**

**Composition:**

Audit Committee of the Board of Directors (“the Audit Committee”) is entrusted with the responsibility to supervise the Company’s internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the SEBI Listing Regulation. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function. The Company’s Audit Committee comprises of three independent directors Mr. Sanjeev Chhajed, Mr. Neeraj Gupta and Mr. Naval Choudhary.

**Meetings and Attendance:**

The Audit Committee met four times during the Financial Year 2017-18. The maximum gap between two meetings was not more than 120 days. The Committee met on 30<sup>th</sup> May 2017, 11<sup>th</sup> August 2017, 14<sup>th</sup> November 2017 and 13<sup>th</sup> February, 2018. The necessary quorum was present for all Meetings. Mr. Neeraj Gupta, as member of Audit Committee attended the last Annual General Meeting of the Company All the Audit Committee meetings in the financial year were chaired by Mr. Neeraj Gupta. The Table below provides the Attendance of the Audit Committee members:

Sr. No.	Name of the Directors	Position	Category	No. of Meetings attended
1	Sanjeev Chhajed	Member	Independent, Non Executive	4 out of 4
2	Neeraj Gupta	Member	Independent, Non Executive	4 out of 4
3	Naval Choudhary	Member	Independent, Non Executive	1 out of 4

**Terms of reference:**

The Audit Committee *inter-alia* performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on financial results, interaction with Statutory and Internal Auditors, recommendation for the appointment of Statutory Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions and Analysis, Review of Internal Audit Reports, significant related party transactions.

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations.

The Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and under applicable legislation or by way of good practice. This periodic review ensures that all areas within the scope of the Committee are reviewed.

**Functions of Audit Committee:**

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Indian Accounting Standards (Ind AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2018. The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. Managing Director, Chief Financial Officer and the Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as a Secretary to the Committee as required by Regulation 18(1)(e) of the SEBI Listing Regulation. The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Consolidated Financial Results as required by the Regulation 33 of the SEBI Listing Regulation. The Company's quarterly Un-audited Standalone Financial Results are made available on the web-site link <http://istreetnetwork.com/investors/quarterly-results/> and are also sent to the Bombay Stock Exchange where the Company's equity shares are listed for display at their website. The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as a Whistle Blower Policy) and reviews the finding of investigation into cases of material nature and the actions taken in respect thereof.

**Internal Controls and Governance Processes:**

The Company continuously work in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

**B. NOMINATION AND REMUNERATION COMMITTEE****Composition:**

The Company's Nomination and Remuneration Committee comprises of three independent Directors Mr. Sanjeev Chhajed, Mr. Neeraj Gupta and Mr. Naval Choudhary. The Composition of Remuneration and Nomination Committee is in pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulation.

**Meeting and Attendance:**

The Nomination Remuneration and Committee met once during the financial year on 14<sup>th</sup> October 2017. The necessary quorum was present for the Meeting. The Table below provides the Attendance of the Nomination Remuneration and Committee members:

Sr. No.	Name of the Directors	Position	Category	No. of Meetings attended
1	Sanjeev Chhajed	Member	Independent, Non-Executive	1 out of 1
2	Neeraj Gupta	Member	Independent, Non –Executive	1 out of 1
3	Naval Choudhary	Member	Independent, Non-Executive	1 out of 1

**Terms of Reference:** The Board has framed the Remuneration and Nomination Committee Charter which ensure effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulation, which are as follows.

- Formulate the criteria for determining qualifications, positive attributes and independence of a director
  - Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy
  - To carry out evaluation of Director's performance
  - Recommend to the Board - appointment and removal of Director, KMP and Senior Management Personnel;
  - To devise a policy on Board diversity, composition, size
  - Oversee the formulation and implementation of ESOP Schemes, its administration, supervision, and formulating detailed terms and conditions in accordance with SEBI Guidelines
- The Committee also plays the role of the Compensation Committee and is responsible for administering the Employee Stock Open Scheme and determining eligibility of employees for stock options.

#### REMUNERATION POLICY

##### i. Remuneration to Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of Sitting Fees for the Board Meetings attended by them. The sitting fees to the Non-Executive Directors were paid in the beginning of the Financial Year 2017-18. The Non-Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company. The Company has not granted any stock options to any of its Non-Executive Independent Directors.

##### ii. Remuneration to Executive Directors:

The appointment and remuneration of Executive Directors including Managing Director is governed by the recommendation of the Remuneration and Nomination Committee, resolutions passed by the Board of Directors and shareholders of the Company. The remuneration package of Managing Director comprises of salary, allowances and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. Annual increments are linked to performance and are decided by the Remuneration and Nomination Committee and recommended to the Board for approval thereof. The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

However no Remuneration was paid to the executive director in view of the losses incurred by the company. The Remuneration and Nomination Policy is displayed on the website of the Company at the link <http://istreetnetwork.com/wp-content/uploads/2016/07/Nomination-and-Remuneration-Policy.pdf>

#### Details of Remuneration Paid To Directors for the Year Ended March 31, 2018

##### (a) Non Executive Directors

Name of the Director	Sitting Fees (Rs.)	No. of Shares held
Neeraj Gupta	4000	Nil
Sanjeev Chhajed	4000	Nil
Naval Choudhary	Nil	500
Meenu Malu	2500	4,15,500

##### (b) Executive Director

Name	Salary	Commission	Contribution to Provident Fund and other funds	Perquisites	Total
Mr. Pradeep Malu	Nil	Nil	Nil	Nil	Nil

### Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulation, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Managing Director and the Non Independent Director was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

### C. STAKEHOLDER RELATIONSHIP COMMITTEE

#### Composition and Attendance

The Stakeholders Relationship Committee comprises of Mr. Neeraj Gupta - Independent Director and Mr. Pradeep Malu - Managing Director as members of the Committee. \*Ms. Surabhi Pal acts as Secretary to the Committee. The table below highlights the attendance of the Members of the Committee. The necessary quorum was present for all the Committee meeting. The Committee is headed by Mr. Neeraj Gupta. The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.

Sr. No.	Name of the Directors	Position	Category	No. of Meetings attended
1	Neeraj Gupta	Chairperson	Independent, Non-Executive	2 out of 2
2	Pradeep Malu	Member	Managing Director	2 out of 2

The role of Stakeholders' Relationship Committee is as follows:

- considering and resolving the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc.;
- ensuring expeditious share transfer process in line with the proceedings of the Stakeholder Relationship Committee;
- evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company;
- providing guidance and making recommendations to improve service levels for the investors.

Ms. Surabhi Pal, Company Secretary, is the Compliance Officer for resolution of Shareholder's/Investors complaints. The Minutes of the Stakeholders' Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action. During the financial year ended March 31, 2018, No complaint was received from the shareholders which was redressed to the satisfaction of the regulatory authorities and none of them were pending as on March 31, 2018.

*\*Ms. Surabhi Pal was appointed wef 14<sup>th</sup> October, 2017*

### D. SECURITIES ALLOTMENT COMMITTEE

The Securities Allotment Committee comprises of Mr. Neeraj Gupta - Independent Director, Mr. Pradeep Malu - Managing Director, Ms. Meenu Malu- Non executive Non Independent Director, Mr. Dinesh Trivedi\*- CFO as members of the Committee. Ms. Surabhi Pal acts as Secretary to the Committee. There was no meeting of Securities Allotment Committee held during the financial year.

The purpose of the Securities Allotment Committee is to issue and allot all kind of securities that may be issued by the Company, from time to time subject to the provisions of the Companies Act, 2013 and subject to the Memorandum and Articles of Association of the Company and in accordance with the Companies (Issue of Share Certificate) Rules, 1960. The Committee is also empowered to issue share certificates to the shareholders of the Company and to settle any question, difficulty or doubts of the shareholders that may arise in regard to the issue and allotment of shares.

*\*Mr. Dinesh Trivedi was appointed wef 29<sup>th</sup> May, 2018*

#### **E. BUSINESS REVIEW COMMITTEE**

The Business Review Committee comprises of Mr. Naval Choudhary - Independent Director, Mr. Neeraj Gupta-Independent Director and Mr. Pradeep Malu - Managing Director. Since the business of the company during the financial year 17-18 was critical, the business was reviewed directly by the board and no meeting was held of Business Review Committee . The purpose of the Business Review Committee is to review and discuss with senior management of the Company, key operational performance and other important topics related to the business performance of the Company. The objective of this committee is to provide a forum outside of regular Board meetings of Directors to stay informed about key operational matters and to provide a platform for discussion and the expression of views by committee members to senior management of the Company.

#### **4. COMPANY POLICIES**

##### **a) Whistle Blower Policy**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the SEBI Listing Regulation, the Company The Company has adopted a Whistle Blower Policy and has established necessary mechanisms for employees to report concerns about unethical behaviour. The said policy has also been put up on the website of the Company at the following link: <http://istreetnetwork.com/policies/>

This policy is intended to:

- i. To create an environment where every officer feels free and secure to report specific incidents of unethical behavior, actual or suspected incidents of fraud or violation of the Company's Code;
- ii. To investigate such reported incidents in a fair manner;
- iii. To take appropriate disciplinary action against the delinquent officer(s);
- iv. To ensure that no officer is victimized or harassed for bringing such incidents to the attention of the Company.

The policy also provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. No person has been denied access to the Audit Committee. All complaints received under the said policy are reviewed by the Audit Committee at its meeting held every quarter.

Your Company believes that every employee is a trustee of its stakeholders and must adhere to the Company's Code of Conduct and Business Ethics and conduct himself or herself at all times in a professional and ethical manner.

##### **b) Code of Conduct for Directors and Senior Management:**

The Board has laid down Codes of Conduct for Directors & Senior Management and for employees and professionals serving in the key roles of the Company. The Codes of Conduct have been circulated to the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director in this regard is attached to this Report. The Code of Conduct is available on website of the Company at the link viz. <http://istreetnetwork.com/wp-content/uploads/2013/08/Code-of-Conduct.pdf>

##### **c) Code of Conduct for Prohibition of Insider Trading:**

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This policy also includes practices and procedures for fair disclosure of unpublished price-sensitive information, initial and continual disclosure. The Company has automated the disclosures and declarations to identified designated employees and the Board reviews the policy on a need basis.

The Code for prohibition of Insider Trading is available at the website of the Company at the link viz. <http://istreetnetwork.com/wp-content/uploads/2015/05/Code-of-Internal-Procedures-for-Insider-Trading.pdf>

**d) Related Party transactions policy:**

As required under Regulation 23(1) of the SEBI Listing Regulation, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company at the <http://istreetnetwork.com/wp-content/uploads/2013/08/Related-party-transcation-policy.pdf>

**e) Nomination and Remuneration policy:**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel and Employees of the company, to harmonize the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company. The Nomination and Remuneration Policy is available at the website of the Company at the link viz. <http://istreetnetwork.com/wp-content/uploads/2016/07/Nomination-and-Remuneration-Policy.pdf>

**5. AFFIRMATIONS AND DISCLOSURE**

**a) Compliances with Governance Framework:**

The Company is in compliance with all mandatory requirements under SEBI Listing Regulation. All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

**b) Disclosure on Website:**

The following information has been disseminated on the website of the Company at [www.istreetnetwork.com](http://www.istreetnetwork.com) :

1. Details of business of the Company
2. Terms and conditions of appointment of Independent Directors
3. Composition of various Committees of Board of Directors
4. Code of Conduct for Board of Directors and Senior Management Personnel
5. Details of establishment of Whistle Blower policy
6. Criteria of making payments to Non-Executive Directors
7. Policy on dealing with Related Party Transactions
8. Policy for determining material subsidiaries
9. Details of familiarization programmes imparted to Independent Directors
10. Policy for determination of materiality of events
11. Investor Guidance

**c) Related Party transactions:**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulation during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with Related Parties during the financial year. Related party transactions have been disclosed under the note 29 of significant accounting policies and notes forming part of the financial statements in accordance with "Indian Accounting Standard". A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval. Further, All Related Party Transactions are placed before the Audit Committee/Board, as applicable, for their approval. Omnibus approvals are taken for the transactions which are repetitive in nature. None of the transactions with Related Parties were in conflict with the interest of the Company. All the transactions are in the ordinary course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.

**d) Details of non-compliance with regard to the Capital Markets**

The Company has complied with all requirements Specified under SEBI Listing Regulations as well as other regulations and guidelines of SEBI. There have been no penalties imposed by either SEBI or the BSE or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

**e) Secretarial Audit Report**

The Company has undertaken Secretarial Audit for the financial year 2017-18 which, inter alia, includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by the Securities and Exchange Board of India and Secretarial Standards issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report forms part of this Annual Report.

**f) Disclosure of Accounting Treatment:**

The financial statements have been prepared in accordance with Indian Accounting Standard (IndAS). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards, notified under section 133 of the Companies Act, 2013 ("the Act") read together with paragraph 7 of the Companies (Accounts) Rules 2014.

**g) Risk Management:**

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

**h) Reconciliation of share capital audit:**

Mr. Dilip Bharadiya (FCS 7956), Practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and demat form held with NSDL and CDSL.

**i) Non-mandatory requirements:**

The Board of Directors periodically review the compliance of all applicable laws and steps are taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations.

**6. SUBSIDIARY COMPANY**

The company does not have any subsidiary and is nor subsidiary of any other company.

**7. GENERAL BODY MEETINGS**

The location and time of the Annual General Meeting held during the last 3 years is as follows:

General Body Meetings	Financial Year	Date and Time	Venue	Special Resolution
28 <sup>th</sup> AGM	2014-15	September 23, 2015 11.00A.M	On Toes , One Up Banquets ,1 <sup>st</sup> Floor , Palm Spring, Link Road, Malad West, Mumbai -400064.	Revision in remuneration of Managing Director – Mr. Pradeep Malu
29 <sup>th</sup> AGM	2015-16	September 20, 2016 11.00 A.M	On Toes , One Up Banquets ,1 <sup>st</sup> Floor , Palm Spring, Link Road, Malad West, Mumbai -400064.	1. Approval to implement Employee Stock Option Scheme, 2016 and Grant of Employee Stock Options to the Employees of the Company there under 2. Grant of Employee Stock Options to the Employees of the Subsidiary Company(ies) or Associate Company(ies) or Holding Company of the Company under

				iSNL Employee Stock Option Scheme 2016 3. Grant of Options to issue securities equal to or exceeding one per cent of the issued Capital of the Company during any one financial year to identified employees under iSNL Employee Stock Option Scheme 2016 4.To approve the limit of transactions with related parties
30 <sup>th</sup> AGM	16-17	September 26, 2017 11.00 A.M	On Toes , One Up Banquets ,1 <sup>st</sup> Floor , Palm Spring, Link Road, Malad West, Mumbai -400064.	All resolution passed were Ordinary Resolution

## 8. POSTAL BALLOT

During the financial year 2017-18, the Company had not sought any approval of the members through postal ballot

## 9. MEANS OF COMMUNICATION

- i. The Unaudited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the SEBI Listing Regulation.
- ii. The approved financial results are forthwith sent to the Stock Exchanges and are published in Regional and English daily newspapers within forty-eight hours of approval thereof.
- iii. The Company's financial results and official press releases are displayed on the Company's Website at the link <http://istreetnetwork.com/investors/quaterly-results/>
- iv. Any presentation made to the institutional investors or / and analysts are also posted on the Company's website.
- v. Management Discussion and Analysis forms part of the Company's Annual Report.
- vi. The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited are filed electronically. The Company has complied with filing submissions through BSE Listing Centre.

### Share Transfer System

Transfer of shares in dematerialized form is done through the depositories without any involvement of the Company. Transfer of shares in physical form is normally processed and completed by Registrar & Transfer Agent within a period of 15 working days from the date of the lodgment, subject to documents being valid and complete in all respects. Company also obtains half yearly certificate from a Practicing Company Secretary confirming compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and same is filed with the Stock Exchange.

### Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the byelaws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

**10. GENERAL SHAREHOLDER'S INFORMATION**

Day and Date of Annual General meeting	Saturday, 29 <sup>th</sup> September 2018
Time	11:00 a.m
Venue	K-18, Old Sonal Industrial Estate, Opp Movetime Cinema, Link Road, Malad West, Mumbai- 400 064
Financial year	01 <sup>st</sup> April 2017 to 31 <sup>st</sup> March 2018
Dividend payment date	NA
Listing of Equity Shares on stock Exchanges	BSE Ltd. Floor 25, Phiorze Jeejeebhoy Towers, Dalal Street Mumbai 400 001
Stock Exchange Code	524622
International Securities Identification Number (ISIN)	INE532B01020
Corporate Identification Number (CIN)	L51900MH1986PLC040232
Face Value per share	Rs 4/-
Date of Book Closure/Record Date	23 <sup>rd</sup> September 2018 to 29 <sup>th</sup> September 2018
Payment of Annual Listing Fees	Listing fees paid for the financial year 17-18
Financial calendar for 2018-19 (tentative dates):	
For the quarter ending June 30, 2018	Mid of August, 2018
For the quarter ending September 30, 2018	Mid of November, 2018
For the quarter ending December 31, 2018	Mid of February, 2019
For the quarter ending March 31, 2019	End of May 2019
Suspension from trading	No

**11. MARKET PRICE DATA FOR 2017-18**

The Company's shares are frequently traded on BSE Limited. The monthly high/low (based on daily closing prices) and volume of shares of the Company is given below:

Months	High Price(Rs.)	Low Price (Rs.)	Volume of Equity Shares
April 2017	19.68	14	78,32,923
May 2017	16.7	7.9	22,14,945
June, 2017	7.72	6.33	5,57,679
July 2017	6.02	60.2	0
August 2017	6.02	6.02	3,010
September 2017	6.02	6.02	0
October 2017	6.02	6.02	0
November 2017	6.25	4.23	1,76,317
December 2017	4.15	3.94	40,809
January 2018	4.85	2.93	15,27,397
February 2018	5.35	3.76	3,42,260
March 2018	5.7	4.6	1,82,933

**12. a) Distribution of shareholding as on March 31, 2018:**

No of Equity Shares	No of Shareholders	% of shareholders	No. of shares held	Amount in Rs	% shareholding of
1-500	8033	80.16	1932631	7730524	9.07
501-1000	1036	10.4	862320	3449280	4.05
1001-2000	416	4.15	664475	2657900	3.11
2001-3000	142	1.42	372109	1488436	1.74
3001-4000	68	0.68	249091	996364	1.17

4001-5000	121	1.1	583680	2334720	2.74
5001-10000	124	1.24	964839	3859356	4.53
10001 & Above	126	1.26	15670855	62683420	73.57
<b>TOTAL</b>	<b>10,514</b>	<b>100.00</b>	<b>2,13,00,000</b>	<b>8,52,00,000</b>	<b>100.00</b>

**b) According to categories of shareholders as on March 31, 2018:**

S. N.	Categories	No of Shares	Percentage
1.	Resident Individuals	9683970	45.46
2.	Non Resident Indians	446429	2.09
3.	Corporate Bodies – Promoter	7075525	33.21
4.	Corporate Bodies	1326470	6.22
5.	Directors – Promoter	2128832	9.99
6.	Directors	500	0.002
7.	Directors Relative – Promoter	636752	2.98
8.	Clearing Member	100	0.0004
9.	Corporate Body – Broker	1422	0.006
	<b>Total</b>	<b>2,13,00,000</b>	<b>100.00</b>

**c) Details of Shares held by Directors as on March 31, 2018:**

Name of Directors	No. of Equity Shares Held
Pradeep Malu	17,13,332
Neeraj Gupta	NIL
Sanjeev Chhajed	NIL
Meenu Malu	4,15,500
Naval Choudhary	500

**d) Statement Showing Shareholding Pattern as March 31, 2018:**

Category	No. of Shares held	%
<b>(A). Promoters – Indian</b>	<b>98,41,109</b>	<b>46.20</b>
<b>(B). Public</b>		
Bodies Corporate	1326470	6.23
Individuals	9683970	45.46
Clearing member	100	0.0004
NRIs	446429	2.10
Directors	500	0.002
<b>Total Public Shareholding</b>	<b>1,14,58,891</b>	<b>53.80</b>
<b>TOTAL (A)+(B)</b>	<b>2,13,00,000</b>	<b>100.00</b>

**e) Dematerialization of shares and liquidity:**

93.34% of the total equity share capital of the Company have been dematerialised (NSDL – 69.65% and CDSL 23.69%) as on March 31, 2018. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialise their shares with either of the Depositories Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Share Registrars and Transfer Agents for assistance in this regard.

Members holding old share certificate in the name of Principal Pharmaceuticals & Chemicals Limited having face value of Rs. 10 each, are requested to print stickers (for both – change of name and change of face value) available on Investors section of our website and stick the same as directed in the old certificate, before lodging the same with their respective depository participant for dematerialization purposes.

**f) Outstanding GDRs / ADRs / Warrants / Convertible instruments and their impact on equity:**

The Company has 1,70,500 outstanding Equity Warrants entitling the holder to exchange the same for equal number of Equity Share by paying balance 75% of the issue price by August 4, 2018. Post - conversion, the Shareholding pattern would be as follows:-

<b>Shareholding pattern post conversion of Warrants</b>				
Category	Pre		Post	
	No of Shares	%	No of Shares	%
Promoters and Promoter Group	98,41,109	46.20	98,41,109	45.84
Public	1,14,58,891	53.80	1,16,29,391	54.16
<b>Total</b>	<b>2,13,00,000</b>	<b>100.00</b>	<b>21,470,500</b>	<b>100.00</b>

Apart from this, the Company does not have any outstanding GDRs / ADRs / any other convertible instruments as on 31<sup>st</sup> March 2018.

**g) Plant Location**

The Company has no manufacturing unit as on March 31, 2018

**h) Registrar and Transfer Agent:**

The Company has appointed Registrar and Transfer Agent to handle the share transfer work and to solve the complaints of shareholders. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Share Registrars and Transfer Agents. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Share Registrars and Transfer Agents (RTA). Kindly respond to the same directly to RTA as per the address given below.

Name, Address and telephone number of Registrar and Transfer Agent is given hereunder:

Adroit Corporate Services Pvt. Ltd.  
19/20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Mumbai 400 059  
Tel No: 2859 0942 / 2859 4060 / 2859 6060  
Email : [adroits@vsnl.net](mailto:adroits@vsnl.net)

**i) Investor Correspondence:**

In order to facilitate quick redressal of the grievances/queries, the Investors and Shareholders may contact the Company Secretary at the under mentioned corporate office address for any assistance:

Ms. Surabhi Pal  
Company Secretary  
iStreet Network Limited  
K-18, Sonal Industrial Estate, OppMovietime Cinema,  
Link Road, Malad West, Mumbai-400 064.  
Tel No. 022 4257 6767,  
Email : [investors@istreetnetwork.com](mailto:investors@istreetnetwork.com)

**For and on Behalf of Board of Directors**

Date: 08<sup>th</sup> August, 2018  
Place: Mumbai

**Pradeep Malu**  
**Managing Director**  
**DIN : 00001959**

**Neeraj Gupta**  
**Director**  
**DIN: 05327106**

**Annexure 1**  
**Auditors' Certificate on Corporate Governance**

**To the Members of**  
**iStreet Network Limited**

We, K U Kothari & Co Chartered Accountants, the Statutory Auditors of iStreet Network Limited, have examined the compliance of conditions of corporate governance by iStreet Network Ltd. ('the Company'), for the year ended 31<sup>st</sup> March 2018, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange of Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

We have examined the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent relevant for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1 Quality Control for firms that perform audit & Reviews of Historical Financial Information, and Other Assurance & Related Services Engagements.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange of Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as applicable

We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For K U Kothari & Co**  
**Chartered Accountants**  
**Firm Registration No. 105310W**

**Prakash Chechani**  
**M.No. 045701**

**Place : Mumbai**  
**Date : 29-05-2018**

## **ANNEXURE -2**

**Form No. MGT 9**

### **EXTRACT OF ANNUAL RETURN**

**For the Financial Year ended on March 31, 2018**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### **I. REGISTRATION AND OTHER DETAILS:**

- (i) CIN : L51900MH1986PLC040232  
(ii) Registration Date : 26/06/1986  
(iii) Name of the Company : iStreet Network Limited  
(iv) Category / Sub-Category of the Company : Company Limited by shares/  
Indian Non-Government Company  
(v) Address of the Registered office and contact details : K-18, Sonal Industrial Estate, Link Road, Malad  
West ,Mumbai 400064. Tel: +91- 22- 42576767  
Email: [info@istreetnetwork.com](mailto:info@istreetnetwork.com)  
Website: [www.istreetnetwork.com](http://www.istreetnetwork.com)  
(vi) Whether listed company : Yes  
(vii) Name, Address and Contact details of Registrar and Transfer Agent : M/s. Adroit Corporate Services Private Limited  
19, Jafarbhoy Industrial Estate, 1<sup>st</sup> Floor Industrial  
Estate, 1<sup>st</sup> Floor Andheri (East), Mumbai 400059  
Tel No. 022-28590942 Email: [adroit@vsnl.net](mailto:adroit@vsnl.net)  
Website: [www.adroitcorporate.com](http://www.adroitcorporate.com)

#### **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

S.N.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Digital Marketing & eCommerce (Internet & Catalogue Retail)	99623500	100%

#### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S.N.	Name and Address of the Company	CIN/GLN	Holding / Associate	Subsidiary/	% of shares Held	Applicable Section
1.	-	-	-	-	-	-

#### **IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

##### **(i) Category-wise Share Holding**

Please refer next page

Category of Shareholder's	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	7385525	0	7385525	34.67	7075525	0	7075525	33.21	-1.46
e) Banks /FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other									
f-1) Directors Relatives	636752	0	636752	2.99	636752	0	636752	2.99	0.00
f-2) Directors	1818832	0	1818832	8.54	2128832	0	2128832	9.99	1.46
<b>Total Shareholding of promoter (A)</b>	<b>9841109</b>	<b>0</b>	<b>9841109</b>	<b>46.20</b>	<b>9841109</b>	<b>0</b>	<b>9841109</b>	<b>46.20</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(2) Non – Institutions</b>									
a) Bodies Corp.									
i) Indian	1677546	14400	1691946	7.94	1312070	14400	1326470	6.23	-1.71
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	5171721	1257500	6429221	30.18	5968403	1253200	7221603	33.9	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakh	2543646	200000	2743646	12.88	2462367	0	2462367	11.56	0.00
c) Others (Specify)	0	0	0	0	0	0	0	0	0.00
c-1) Foreign Individuals (Including FDI)	2000	0	2000	0.01					0.01
c-2) Foreign Individuals (Individuals)	429412	151300	580712	2.73	295129	151300	446429	2.1	0.63
c-3) Clearing Member	10866	0	10866	0.05	100	0	100	0	-0.05
c-4) Directors	500	0	500	0.00	500	0	500	0.00	0.00
c-5) Corporate Body- Broker	0	0	0	0	1422	0	1422	0.01	0.01
<b>Sub-total (B)(2)</b>	<b>9835691</b>	<b>1623200</b>	<b>11458891</b>	<b>53.8</b>	<b>10039991</b>	<b>1418900</b>	<b>11458891</b>	<b>53.8</b>	<b>0.00</b>
<b>Total Public Shareholding(B)= (B)(1)+(B)(2)</b>	<b>9835691</b>	<b>1623200</b>	<b>11458891</b>	<b>53.8</b>	<b>10039991</b>	<b>1418900</b>	<b>11458891</b>	<b>53.8</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs.</b>									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
Public -	0	0	0	0	0	0	0	0	0
<b>Sub-total (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>19676800</b>	<b>1623200</b>	<b>21300000</b>	<b>100</b>	<b>19881100</b>	<b>1418900</b>	<b>21300000</b>	<b>100</b>	<b>0</b>

(ii) Shareholding of Promoters (including promoter group)

Sl No.	Shareholder's Name	No. of Shares held at the beginning of the year 01/04/2017			No. of Shares held at the end of the year 31/03/2018			% Change during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Inovent Solutions Limited	7075525	33.22	0.00	7075525	33.22	0.00	0.00
2	Pradeep Malu	1713332	8.04	0.00	1713332	8.04	0.00	0.00
3	Meenu Malu	105500	0.50	0.00	415500	1.95	0.00	1.46
4	Manju Gang	217700	1.03	0.00	217700	1.02	0.00	0.00
5	Meethu Malu	200000	0.95	0.00	200000	0.94	0.00	0.00
6	Lakshya Malu	219052	1.03	0.00	219052	1.03	0.00	0.00
7	Cardioid Plasteel Pvt Ltd	100000	0.47	0.00	0	0	0.00	-0.47
8	Radelf Pharmaceuticals Pvt Ltd	100000	0.47	0.00	0	0	0.00	-0.47
9	Crest Latex Pvt Ltd	110000	0.52	0.00	0	0	0.00	-0.52
	<b>Total</b>	<b>9841109</b>	<b>46.20</b>	<b>0.00</b>	<b>9841109</b>	<b>46.20</b>	<b>0.00</b>	<b>0.00</b>

(iii) Change in Promoters' (including promoter group) Shareholding (please specify, if there is no change)

Sl No.	Name of Promoter's	Particulars	As On Date	No. of Shares held at the beginning of the year		Cumulative Shareholding at the year end	
				No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Inovent Solutions Limited	At the beginning of the year	01/04/2017	7075525	33.22	7075525	33.22
		Transaction during the year	-	-	-	-	-
		At the End of the year	31/03/2018	7075525	33.22	7075525	33.22
2	Pradeep Malu	At the beginning of the year	01/04/2017	1713332	8.04	1713332	8.04
		Transaction during the year	-	-	-	-	-
		At the End of the year	31/03/2018	1713332	8.04	1713332	8.04
3	Meenu Malu	At the beginning of the year	01/04/2017	105500	0.50	105500	0.50
		Purchased during the year	14/03/2018	310000	1.45	-	-
		At the End of the year	31/03/2018	415500	1.46	415500	1.46
4	Manju Gang	At the beginning of the year	01/04/2017	217700	1.02	217700	1.02
		Transaction during the year	-	-	-	-	-
		At the End of the year	31/03/2018	217700	1.02	217700	1.02
5	Meethu Malu	At the beginning of the year	01/04/2017	200000	0.94	200000	0.94
		Transaction during the year	-	-	-	-	-

		At the End of the year	31/03/2018	200000	0.94	200000	0.94
6	Lakshya Malu	At the beginning of the year	01/04/2017	219052	1.03	219052	1.03
		Transaction during the year	-	-	-	-	-
		At the End of the year	31/03/2018	219052	1.03	219052	1.03
7	Cardioid Plasteel Pvt. Ltd	At the beginning of the year	01/04/2017	100000	0.47	100000	0.47
		Shares sold during the year	14/03/2018	100000	0.47	-	-
		At the End of the year	31/03/2018	-	-	-	-
8	Radelf Pharmaceutical s Pvt Ltd	At the beginning of the year	01/04/2017	100000	0.47	100000	0.47
		Shares sold during the year	14/03/2018	100000	0.47	-	-
		At the End of the year	31/03/2018	-	-	-	-
9	Crest Latex Pvt. Ltd.	At the beginning of the year	01/04/2017	110000	0.52	110000	0.52
		Shares sold during the year	14/03/2018	110000	0.52	-	-
		At End of the year	31/03/2018	-	-	-	-

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on March 31, 2018:**

Sr No.	Top Ten Shareholders*	Shareholding at the beginning of the year		Cumulative Shareholding end of the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Kushalchand Sacheti	750000	3.52	750000	3.52
2	Mangal Keshav Capital Limited	388500	1.82	388500	1.82
3	Paresh N Bhagat	305070	1.43	305070	1.43
4	Arcadia Share and Stock Brokers Pvt. Ltd	286600	1.35	282634	1.32
5	Pravinchandra Batavia	200000	0.94	200000	0.94
6	Sanjyot Shashank Joshi	153000	0.72	200000	0.94
7	Dimple Jain	136200	0.65	153000	0.72
8	Puran Chhaganlal Chhaged	125612	0.59	136200	0.64
9	Sushil Narendra Shah	111234	0.52	108400	0.51
10	Amit Jugraj Jain	100500	0.47	105000	0.47

Note : \*The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated

**(v) Shareholding of Directors and Key Managerial Personnel:**

Name Of Shareholder	Shareholding		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>Naval Choudhary, Independent, Non Executive Director</b>				
At the beginning of the year	500	0	500	0
Transaction during the year	NIL	NIL		
At the end of the year	500	0	500	0

Note: (i) Details of Shareholding of Mr. Pradeep Malu, Managing Director and Ms. Meenu Malu, Director is shown under Promoter category

(ii) Other Directors and Key Managerial Personnel do not hold any shares in the Company as on March 31,2018

## V. INDEBTEDNESS

### Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
• Addition		NIL		
• Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Executive Chairman

Sl. no.	Particulars of Remuneration	Name of MD Pradeep Malu	Total Amount Rs.
1.	Gross salary	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission NIL NIL	NIL	NIL
5.	Others (Contribution to PF)	NIL	NIL
	<b>Total (A)</b>	NIL	NIL
	Ceiling as per the Act*	60,00,000	60,00,000

## B. Remuneration to other Directors

Sr. No	Particulars of Remuneration	Fee for board/ meetings	Attending committee	Commission	Others, please Specify	Total Amount
1.	<b>Independent Directors</b>					
	Neeraj Gupta	4000	-	-	-	NIL
	Sanjeev Chhajed	4000	-	-	-	NIL
	Naval Choudhary	NIL	-	-	-	NIL
	<b>Total (1)</b>		-	-	-	
2.	<b>Other Non-Executive Directors</b>					
	Ms. Meenu Malu	2500	-	-	-	NIL
	<b>Total (2)</b>		-	-	-	
	<b>Total (B)=(1+2)</b>		-	-	-	
	<b>Total Managerial Remuneration</b>					
	Overall Ceiling as per the Act				Sitting fees @ Rs. 100,000 Per meeting	

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Dipankar Basu Company Secretary*	Ms. Surabhi Pal Company Secretary**	Mr. Mayur Vora CFO***	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,06,488	1,76,651	2,56,488	5,39,627
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-		-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		-	-
2	Stock Option	-		-	-
3	Sweat Equity	-		-	-
4	Commission	-		-	-
	- as % of profit	-		-	-
	- others, specify...	-		-	-
5	Others, please specify	-		-	-
	<b>Total (C)</b>	1,06,488	1,76,651	2,56,488	5,39,627

\*Resigned w.e.f14<sup>th</sup> October, 2017

\*\*Appointed w.e.f14<sup>th</sup> October, 2017

\*\*\*Resigned w.e.f15<sup>th</sup> November, 2017

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Authority (RD/NLCLT/Court)	Appeal made, if any (give details)
<b>A. COMPANY</b>				
Penalty				
Punishment				
Compounding				
<b>B. DIRECTORS</b>				
Penalty				
Punishment		<b>NIL</b>		
Compounding				
<b>C. OTHER OFFICERS IN DEFAULT</b>				
Penalty				
Punishment				
Compounding				

For and on Behalf of Board of Directors

Place : Mumbai  
Date: 08<sup>th</sup> August, 2018

**Pradeep Malu**  
Managing Director  
DIN :00001959

**Neeraj Gupta**  
Director  
DIN:05327106

**Annexure-3**

**COMPLIANCE CERTIFICATE**

**In terms of Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015**

To,  
The Board of Directors,  
iStreet Network Limited,

I Mr. Pradeep Malu, Managing Director of iStreet Network Limited do hereby certify that:

- A. I have reviewed financial statements and the cash flow statement for the quarter and year ended 31.03.2018 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
1. significant changes, if any, in the internal control over financial reporting during the year;
  2. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai  
Date: 28<sup>th</sup> May, 2018

**Pradeep Malu**  
**Managing Director**  
**DIN: 00001959**

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**Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of conduct**

This is to confirm that the company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct as applicable to them.

For iStreet Network Limited

**Pradeep Malu**  
**Managing Director**

Date: 29/05/2018  
Place: Mumbai

#### Annexure 4

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) the Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year; (no other Director draw any remuneration)	Disclosure	
	Name of the Director	Ratio
	Mr. Pradeep Malu, Managing Director	Nil
	1. None of the Directors has drawn any remuneration.	
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Managing Director – No change CFO – No change CS – No change (CS was appointed on 14 <sup>th</sup> October, 2017)	
(iii) the percentage increase in the median remuneration of employees in the financial year	During FY 2017-18, there was no increase in Median Remuneration.	
(iv) the number of permanent employees on the rolls of company as on 31 <sup>st</sup> March, 2017	There were 2 permanent employees on the rolls of the Company as on March 31, 2018.	
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Nil – For Managerial Remuneration. Mr. Pradeep Malu, Managing Director was entitled to draw 60 lakh p.a. , however he didn't drew any remuneration in FY17-18	
(vi) the key parameters for any variable component of remuneration availed by the directors;	Not Applicable	
(vii) affirmation that the remuneration is as per the remuneration policy of the Company.	It is hereby affirmed that the remuneration paid during the year is as per the Remuneration policy of the Company	

## Annexure 5

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**iStreet Network Limited**  
**Mumbai**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **iStreet Network Limited** (hereinafter called "the Company") for the financial year ended **March 31, 2018** ("the year"/ "audit period"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure I**, for the financial year ended on **March 31, 2018**, according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder ("the Rules");
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder applicable to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **NOT APPLICABLE**;
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
    - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - (e) The Securities and Exchange Board of India (Share based Employee Benefits), Regulations, 2014;
    - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **NOT APPLICABLE DURING THE AUDIT PERIOD**
    - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **NOT APPLICABLE DURING THE AUDIT PERIOD**

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **NOT APPLICABLE DURING THE AUDIT PERIOD**

2. We have relied on the representations made by the Company and its Officers and report of the Internal Auditors for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is as follows:

- (i) The Information Technology Act, 2000;
- (ii) The Sale of Goods Act, 1930;
- (iii) The Indian Contract Act, 1872;
- (iv) The Consumer Protection Act, 1986

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board and Committee Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and at times at a shorter notice and the consent of the Directors were taken for the same, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All resolutions/ decisions at the Board and Committee Meetings are carried out unanimously/ with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees. Majority decisions are carried through, while the dissenting members' views are captured and recorded as part of the minutes.

We further report that the Company has adequate systems and processes commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under review, the Company has:

- i. Ms. Surabhi Pal – Key Managerial Personnel was appointed as Company Secretary in place of Mr. Dipankar Basu, who tendered his resignation w.e.f October 14, 2017.
- ii. Mr. Mayur Vora – Key Managerial Personnel resigned as Chief Financial Officer (CFO) of the company w.e.f. 15<sup>th</sup> November, 2017

- iii. The Company had granted 7,61,627 Options of iSNL ESOP 2016, out of which 23,165 options were outstanding at the beginning of the year which lapsed during the Financial year due to cessation of employees.
- iv. The company was placed under Graded Surveillance Measure (GSM) Stage I of the Bombay Stock Exchange (BSE) and restricted FREE tradability of the shares of the company.

Place : Mumbai

Date : 29<sup>th</sup> May, 2018

**DILIP BHARADIYA**

**Proprietor**

**DILIP BHARADIYA & ASSOCIATES**

**FCS No.: 7956., C P No.: 6740**

Note : This report is to be read with letter of even date by the Secretarial Auditors , which is annexed and forms an integral part of this report.

## **ANNEXURE - I**

### **List of documents verified:**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended March 31, 2017.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee held during the financial year under review, along with Attendance Registers;
4. Minutes of General Body Meetings held during the financial year under review;
5. Statutory Registers;
  - Register of Directors' & KMP
  - Register of Directors' Shareholding
  - Register of loans, guarantees and security and acquisition made by the Company
  - Register of Charge
  - Register of Related Party Transaction
  - Register of Members
6. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013.
8. Intimations received from directors under the Prohibition of Insider Trading Code.
9. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the financial year under review.
10. Intimations / documents / reports / returns filed with the Stock Exchange pursuant to the provisions of the Listing Agreements entered into by the Company with the Stock Exchange(s), from time to time and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year under review.

**Annexure - II**

To,  
The Members,  
**iStreet Network Limited**  
**Mumbai**

Our report of even date is to be read along with this letter,

- 1) Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed by us provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4) Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**DILIP BHARADIYA**

Proprietor

DILIP BHARADIYA & ASSOCIATES

FCS No.: 7956., C P No.: 6740

Place : Mumbai

Date : 29<sup>th</sup> May, 2018

## **INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of  
**iStreet Network Limited**

### **Report on the Audit of the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of **iStreet Network Limited** ('the Company') which comprises the Balance Sheet as at 31<sup>st</sup> March 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "Ind AS financial statements")

### **Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors are 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, profit/loss (including other comprehensive income) changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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

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.

### **Auditor's 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 the 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 are 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 Board of Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We are also responsible to conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to event or conditions that may cast significant

doubt on the entities ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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, of the state of affairs of the Company as at 31 March 2018, its loss (including other comprehensive income) , its changes in equity and its cash flows for the year ended on that date.

## Other Matter

Corresponding figures for the year ended 31<sup>st</sup> March 2017, have been audited by another auditor who expressed an unmodified opinion dated 30<sup>th</sup> May 2017 on the financial statements of the company for the year ended 31<sup>st</sup> March 2017. Our opinion on the financial statements is not modified in respect of the above matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's 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**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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 Statement of Changes in Equity and the Cash Flow Statement 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 Indian Accounting Standards specified under Section 133 of the Act,
  - e. On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the Director is disqualified as on 31<sup>st</sup> March 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 with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in '**Annexure B**'; and
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with 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 litigation which would impact its financial position.
    - ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise; and

- iii) There has not been an occasion in case of the company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
- iv) The disclosures regarding details of Specified Bank Notes held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 has not been made since the requirement does not pertain to financial year ended 31<sup>st</sup> March 2018.

**For K U Kothari & Co**  
**Chartered Accountants**  
**(Firm Registration No.105310W)**

Place : Mumbai  
Date: 29<sup>th</sup> May 2018

**Prakash Chechani**  
**Partner**  
**M. No. 104203**

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in Independent Auditor's Report to the members of the Company on the Ind AS financial statements for the year ended 31<sup>st</sup> March 2018, we report that:

- i)
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
  - (b) The company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified over a year. As explained to us no discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) There are no immovable properties held by the company, hence clause not applicable.
- ii)
- The company has a regular programme of physical verification of inventory at monthly intervals. As explained to us no material discrepancies were noticed on such verification.
- iii)
- (a) According to the information and explanations given to us the company has not granted any loans, secured or unsecured to the companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a),(b) and (c) of the Order are not applicable to the Company.
- iv)
- In our opinion and according to the information and explanations given to us, the Company has complied with the provision of the Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.
- v)
- The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- vi)
- The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for of the goods and services dealt in by the Company.
- vii)
- (a) According to the information and explanations 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, Income tax, Sales tax, Service tax, Value added tax, GST, cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities except in case of Provident Fund, Profession Tax, Tax deducted at source, VAT, Service Tax. As explained to us, the Company did not have any dues on account of employees' state insurance, duty of customs and duty of excise.  
According to the information and explanations given to us, the below mentioned undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

Particulars	Amount (Rs.)
Tax Deducted at Source	1,73,299
VAT	2,55,596
Profession Tax	2,400

(b) According to the information and explanations given to us, there are no dues of disputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

viii)

In our opinion and according to the information and explanations given to us, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the company.

ix)

In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the company.

x)

To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.

xi)

In our opinion and according to the information and explanations given to us, and based on our examination of the records of the company, the company has not paid / provided for managerial remuneration to the Managing Director for the year in accordance with the requisite approvals mandated by the provisions of the section 197 read with Schedule V to the Act in view of waiver letter received from Managing Director.

xii)

In our opinion and according to the information and explanations given to us, the company is not a Nidhi company as prescribed under section 406 of the Act. 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 Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.

xiv)

According to the information and explanations given to us and based on our examination 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 examination of the records of the Company, the company has not entered into any non-cash transaction with directors or person connected with directors in compliance with section 192 of the Act. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi)

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

**For K U Kothari & Co**  
**Chartered Accountants**  
**(Firm Registration No. 105310W)**

**Prakash Chechani**  
**Partner**  
**M. No.104203**

Place : Mumbai  
Date: 29<sup>th</sup> May 2018

## **ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT**

### **Report on the Internal Financial Controls over financial reporting under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of **iStreet Network Limited** ('the company') as of 31<sup>st</sup> March 2018 in conjunction with our audit of the Ind AS financial statements of the company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These Responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the Ind AS financial statements, whether due to fraud and error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial controls over financial reporting those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2018 based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For K U Kothari & Co  
Chartered Accountants  
(Firm Registration No. 105310W)**

Place: Mumbai  
Date: 29<sup>th</sup> May 2018

**Prakash Chechani  
Partner  
M. No.104203**

## BALANCE SHEET AS AT 31ST MARCH, 2018

(in. Rs)

Particulars	Note No.	As At 31.03.2018	As At 31.03.2017	As At 01.04.2016
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
a) Property, Plant & Equipment	1	1,44,862	4,03,065	6,72,225
b) Other Intangible assets	1A	6,72,504	20,58,136	34,43,769
c) Financial Assets				
(i) Investments	2	66,000	66,000	1,66,000
(ii) Others	3	2,06,000	8,66,000	13,60,000
e) Other Non-current assets	4	45,000	45,000	45,000
		11,34,366	34,38,201	56,86,994
<b>Current Assets</b>				
a) Inventories	5	-	4,21,832	28,51,099
b) Financial Assets				
(i) Trade Receivables	6	63,64,629	63,64,631	56,844
(ii) Cash & Cash equivalents	7	27,615	75,070	3,50,406
(iii) Loans	8	-	155,76,636	188,71,129
d) Other current assets	9	18,16,624	22,64,581	179,40,500
		82,08,868	247,02,750	400,69,978
<b>Total Assets</b>		<b>93,43,234</b>	<b>281,40,951</b>	<b>457,56,972</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
a) Equity Share Capital	10	852,00,000	852,00,000	844,00,000
b) Other Equity	11	(1014,27,282)	(804,95,818)	(480,72,988)
		(162,27,282)	47,04,182	363,27,012
<b>LIABILITIES</b>				
<b>Non-current Liabilities</b>				
a) Financial Liabilities				
(i) Borrowings	12	150,00,000	120,71,260	-
		150,00,000	120,71,260	-
<b>Current Liabilities</b>				
a) Financial Liabilities				
(i) Trade Payables	13	72,30,388	100,76,995	10,17,085
b) Other Current Liabilities	14	29,89,391	8,56,727	78,38,064
c) Provisions	15	81,000	-	-
d) Current Tax Liabilities (Net)	16	2,69,737	4,31,787	5,74,811
		105,70,516	113,65,509	94,29,960
<b>Total Equity and Liabilities</b>		<b>93,43,234</b>	<b>281,40,951</b>	<b>457,56,972</b>

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss.

As per our report of even date

For K U Kothari &amp; Co

Firm Registration No. 105310W

Chartered Accountants

Prakash Chechani

(Partner)

Membership No. 104203

Place : Mumbai, Dated : 29 May, 2018

For and on behalf of the Board of Directors

Pradeep Malu

(Managing Director)

DIN : 00001959

Neeraj Gupta

(Director)

DIN : 05327106

Surabhi Pal

(Company Secretary)

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2018

<u>Particulars</u>	<u>Note No.</u>	<u>Year Ended</u> <u>31.03.2018</u>	<u>Year Ended</u> <u>31.03.2017</u>
<b><u>INCOME</u></b>			
I. Revenue from operations	17	8,46,336	3487,27,019
II. Other Income	18	21,58,354	64,302
III. <b>Total Income (I + II)</b>		<b>30,04,690</b>	<b>3487,91,321</b>
<b><u>Expenses</u></b>			
Purchase of Stock in trade	19	4,10,569	3335,25,815
Change in Inventory	20	4,21,832	24,29,267
Employee benefit expense	21	26,32,701	81,01,193
Finance cost	22	-	4,51,110
Depreciation and amortization	23	14,98,843	16,54,793
Other Expenses	24	39,16,242	392,04,112
<b>Total Expenses</b>		<b>88,80,187</b>	<b>3853,66,290</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)		<b>(58,75,497)</b>	<b>(365,74,970)</b>
VI. Exceptional Items	25	150,00,000	-
VII. Profit before extraordinary items and tax (V-VI)		<b>(208,75,497)</b>	<b>(365,74,970)</b>
VIII. Extraordinary Items		-	-
IX. Profit Before Tax		<b>(208,75,497)</b>	<b>(365,74,970)</b>
X. Tax expenses:			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
XI. Profit/(Loss) for the period from continuing operations (IX-X)		<b>(208,75,497)</b>	<b>(365,74,970)</b>
XII. Profit/(Loss) from discontinued operations		-	-
XIII. Tax expenses of discontinued operations		-	-
XIV. Profit/(Loss) from discontinued operations after tax		-	-
XV. <b>Profit/(Loss) for the period ( XIV + XI )</b>		<b>(208,75,497)</b>	<b>(365,74,970)</b>
XVI. Other Comprehensive Income		-	-
XVII. <b>Total Comprehensive Income for the period (XV + XVI)</b>		<b>(208,75,497)</b>	<b>(365,74,970)</b>
<b>Earning per equity shares (for continuing operations):</b>			
Basic		(0.98)	(1.73)
Diluted		(0.98)	(1.73)

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss.

As per our report of even date

For K U Kothari & Co

For and on behalf of the Board of Directors

Firm Registration No. 105310W

Chartered Accountants

Prakash Chechani

(Partner)

Membership No. 104203

Place : Mumbai Dated : 29 May, 2018

Pradeep Malu

(Managing Director)

DIN : 00001959

Neeraj Gupta

(Director)

DIN : 05327106

Surabhi Pal

(Company Secretary)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(in. Rs)

	31.03.2018	31.03.2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit/(Loss) before tax as per Statement of Profit and Loss	(208,75,496.53)	(365,74,969)
Adjustments for :		
1. Depreciation and Amortization Expenses	14,98,843.00	16,54,793
2. Discarded Assets	1,70,652.00	-
3. Interest/Dividend/Other Income	(52,658)	(60,000)
4. ESOP Provision write back	(55,996)	
5. Operating Profit/(Loss) before Working Capital Changes	<b>(19,314,626)</b>	<b>(349,80,176)</b>
Adjustments for :		
(i) Trade and Other Receivables	2	93,68,132
(ii) Trade Payable	(28,46,607)	
(iii) Inventories	4,21,832	24,29,267
(iv) Other Current Assets	4,47,957	
(v) Short Term Loans	155,76,636	19,35,549
(vi) Provisions	81,000	
(vii) Current liabilities	(1,62,050)	
(vi) Other Current liabilities	21,32,664	
6. Reserves - Employee Stock Option	-	55,966
<b>Cash used/generated in/ from Operating activities</b>	<b>(3,663,189)</b>	<b>(211,91,263)</b>
<b>Income Tax</b>	<b>-</b>	<b>-</b>
<b>Net cash used in /generated from Operating activities</b>	<b>(3,663,189)</b>	<b>(211,91,263)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	25,664	-
Long Term Loans and Advances	6,60,000	4,94,000
Short Term Loans and Advances	-	32,94,493
Dividend/Rent/other Received	(52,658)	60,000
<b>Net cash from Investing activities</b>	<b>6,33,006</b>	<b>38,48,493</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Issue of Share Capital	-	40,36,000
Proceeds from Issue of Equity Share Warrant	-	8,60,173
Proceeds from Loan	29,28,740	120,71,260
Investment in Subsidiary Co	-	1,00,000
Investment in Mutual Funds	-	-
<b>Net Cash From Financing activities</b>	<b>29,28,740</b>	<b>170,67,433</b>
<b>Net Increase in Cash and Cash equivalents</b>	<b>(47,455)</b>	<b>(2,75,336)</b>
<b>Cash and cash equivalents as at (Opening Balance)</b>	<b>75,070</b>	<b>3,50,406</b>
<b>Cash and cash equivalents as at (Closing Balance)</b>	<b>27,615</b>	<b>75,070</b>

As per our report of even date

For K U Kothari &amp; Co

Firm Registration No. 105310W

Chartered Accountants

Prakash Chechani

(Partner)

Membership No. 104203

Place : Mumbai, Dated : 29 May, 2018

For and on behalf of the Board of Directors

Pradeep Malu

(Managing Director)

DIN : 00001959

Neeraj Gupta

(Director)

DIN : 05327106

Surabhi Pal

(Company Secretary)

**iStreet Network Limited**

CIN L51900MH1986PLC040232

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st March, 2018

**A) Equity Share Capital**

Equity share capital of face value 4.00 each	No. of shares	Rs.
Balance as at April 1, 2016	211,00,000	844,00,000
Changes in equity share capital during the year 2016-17	2,00,000	8,00,000
Balance as at March 31, 2017	213,00,000	852,00,000
Changes in equity share capital during the year 2017-18	-	-
<b>Balance as at March 31, 2018</b>	<b>213,00,000</b>	<b>852,00,000</b>

**B) Other Equity**

	Reserves & Surplus		Other item*	Money received against share warrants	Total
	Security premium Reserve	Retained Earnings			
As at 1 April 2016	196,00,000	(676,72,988)			(480,72,988)
Profit for the year 2016-17	-	(365,74,969)			(365,74,969)
Changes during the year 2016-17	32,36,000			8,60,173	40,96,173
Employee Stock Option			55,966		55,966
Balance as on March 31, 2017	228,36,000	(1042,47,957)	55,966	8,60,173	(804,95,818)
Profit for the year 2017-18		(208,75,497)			(208,75,497)
Comprehensive Income for the year 2017-18			(55,966)		(55,966)
Employee Stock Option Outstanding					-
<b>Balance as on March 31, 2018</b>	<b>228,36,000</b>	<b>(1251,23,455)</b>	<b>-</b>	<b>8,60,173</b>	<b>(1014,27,282)</b>

\* The Company had granted 23,165 for options to the confirmed employee under ISNL ESOP 2016 scheme on 15th December, 2016 which would be vesting in 3 subsequent years.

The difference between the market price and offer price was accounted, by charging the same to Profit & Loss account in previous years now

reversed during the current year as the Granted Options stands cancelled due to cessation of the relevant employees.

As per our report of even date  
For K U Kothari & Co  
Firm Registration No.105310W  
Chartered Accountants

Prakash Chechani  
(Partner)  
Membership No. 104203

For and on behalf of the Board of Directors

Pradeep Malu  
(Managing Director)  
DIN : 00001959

Neeraj Gupta  
(Director)  
DIN : 05327106

Place : Mumbai  
Dated : 29<sup>th</sup> May, 2018

Surabhi Pal  
(Company Secretary)

**iStreet Network Limited**

CIN L51900MH1986PLC040232

**Statement of Significant Accounting policies and Other Explanatory Notes****A. Corporate Information**

iStreet Network Ltd is a public limited company and listed on BSE Ltd. (ISTRNETWK – 524622). The company is an Internet & Retail Catalogue company and sells products and services through its Internet Retail Stores known as 'iStreet Bazaar'. iStreet Bazaar – the Internet Retail Store is a physical store in a neighborhood area which runs on virtual inventory. Common people who have constraints in buying products online, can do so at these stores. The network of Internet Retail Stores is one of the major assets for the company to run its business. These network retailers give eCommerce shopping experience to customers based on trust and relationship. This model is unique and innovative.

The company has invested huge resources to build its business. The present accounting standards does not recognize such spending as 'value of intangibles assets' like network of retailers, technology, last mile delivery infrastructure, supply chain, branding etc.

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. At present the company is placed in stage II of GSM list.

Consequent to classifying into GSM, and its restriction of FREE tradability of it's shares, the company was unable to raise fresh capital for the business and hence suspended it's operation wef April, 2017. The company is implementing its new business strategy with a focus on 'profitability' with available internal resources.

**B. Significant Accounting Policies****I) Basis of Preparation**

These financial statements are Separate Financial Statements as per Indian Accounting Standards (hereinafter referred to as the 'Ind AS') - Separate Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

For all periods upto and including the year ended March 31, 2017 the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

The year ended March 31, 2018 is the first period for which the Company has prepared its financial statements in accordance with Ind AS. The previous period comparatives for the period ended March 31, 2017 which were earlier prepared as per the aforesaid Companies (Accounts) Rules, 2014 have been restated as per Ind AS to make them comparable. The date of transition to Ind AS is therefore April 1, 2016 for which the Opening Balance Sheet is prepared.

These financial Statements are prepared under the historical cost convention on the accrual basis except stated otherwise.

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

**II) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

**(a) Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

**(b) Property, Plant and Equipment**

i) Capital Work In Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes Project expenses pending allocation. Project expenses pending allocation are apportioned to the property, plant and equipment of the project proportionately on capitalisation.

ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

iii) The residual useful life of Property is reviewed at each balance sheet date and adjusted if required in the depreciation rates.

iv) The Property existing on the date of transition are accounted on deemed cost basis by applying para D7AA in accordance with the exemption provided in Ind AS 101 "First-time Adoption of Indian Accounting Standards" at previous GAAP carrying value.

v) Depreciation methods, estimated useful lives and residual value:

Depreciation on all assets of the Company is charged on straight-line method over the useful life of assets mentioned in Schedule II to the Companies Act, 2013 or the useful life previously assessed by the management based on technical review whichever is lower for the proportionate period of use during the year.

The management's estimated useful life/ useful life as per schedule II whichever is lower for the various tangible assets are as follows.

<b>Assets</b>	<b>Estimated useful life (Years)</b>
Office and other equipments	5
Computers	3
Furniture and fixtures	10

**c) Intangible assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use.

The management has estimated the economic useful life for the intangible assets as follows:

<b>Assets</b>	<b>Estimated useful life (Years)</b>
Software	4

**d) Borrowings**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other Borrowing costs are expensed in the period in which they are incurred.

**e) Impairment Loss**

Assets subject to amortization/ depreciation are tested for impairment provided that an event or change in circumstances indicates that their carrying amount might not be recoverable. An impairment loss is recognized in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher between an asset's fair value less sale costs and value in use.

**f) Inventories**

Traded Goods are valued at lower of purchase cost and net realizable value. Cost is determined on First-in-First-out basis.

**g) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities on the balance sheet.

**h) Provisions**

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

**i) Retirement and other benefits****Provident Fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

**Gratuity**

Gratuity, a defined benefit obligation for the confirmed employees, is provided on the basis of an actuarial valuation made at the end of each year on projected unit credit method. The company used to have a Group Gratuity Scheme managed by Life Insurance Corporation of India (LIC) which was dormant, now getting revived. The company shall make the necessary contribution at the end of each year as calculated by LIC. There were no employees qualifying for Gratuity as on 31st March 2018 hence no provision has been made. In case of any employee giving up his/her retirement and other employee benefits in writing, no provision being made for the same.

**Compensated Absences**

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature for the confirmed employees. The expected cost of accumulating compensated absences is determined as per the method well accepted method.

Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

**j) Financial Instruments****(i) Financial Assets & Financial Liabilities****Initial recognition and measurement**

All financial assets and liabilities are recognised initially at fair value.

In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset is treated as cost of acquisition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in creditrisk.

**(ii) Investments in Subsidiaries/ Associates/ Joint ventures**

Investments in subsidiaries are carried at cost.

## **k) Revenue Recognition**

- i) Revenue from sale of goods is recognised net of returns, and trade discount, on transfer of significant risk and rewards in respect of ownership to the buyer which is generally on dispatch of goods. Sales exclude sales tax and value added tax or GST.
- ii) Revenue from services is recognised when all relevant activities are completed and the right to receive income is established.
- iii) Revenue in respect of insurance/ other claims, commission, etc. are recognised only when it is reasonably certain that the ultimate collection will be made
- iv) Interest income is recorded using the effective interest rate (EIR) on accrual basis.

## **l) Taxes**

Tax expenses comprise Current Tax and Deferred Tax.:

### **i) Current Tax:**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

### **ii) Deferred Tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting assets relate to the same taxable entity and same taxation authority.

Deferred Tax Assets are recognized only to the extent there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. A deferred tax asset shall be recognized for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against it which the unused tax losses and unused tax credits can be utilized. To the extent that it is not probable that taxable profit will be available against which the unused tax losses or unused tax credit can be utilized, the deferred tax asset is not recognized.

### **iii) MAT Credit**

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT Credit available as an asset only to the extent that there is reasonable certainty that the company will pay normal income tax during the specified period, i.e, the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the company will utilize the credit is recognized in the statement of Profit and Loss and corresponding debit is done to the Deferred Tax Assets s unused tax credit

### **m) Service Tax and GST Credit**

Service Tax and GST credit utilised during the year is accounted in Service Tax and unutilised Service Tax credit at the year end is considered as duties and taxes refundable.

### **n) Market and Technology Development Expenses**

Revenue expenditure on market and technology development is charged to Statement of Profit and Loss in the year in which it is incurred. Capital expenditure in nature of acquiring licenses etc on marketing and technology development is considered as an addition to tangible assets.

## 1. Property, Plant & Equipment

Particulars	Office Equipment	Computer Systems	Furniture & Fixtures	Total
Gross Block				
As on 01/ 04/ 2016	4,69,456	7,86,973	51,821	13,08,250
Additions	-	-	-	-
Adjustments	-	-	-	-
As on 31/ 03/ 2017	4,69,456	7,86,973	51,821	13,08,250
Additions	25,664	-	-	25,664
Adjustments	2,85,961	5,46,195	-	8,32,156
<b>As on 31/ 03/ 2018</b>	<b>2,09,159</b>	<b>2,40,778</b>	<b>51,821</b>	<b>5,01,758</b>
Accumulated Depreciation				
As on 01/ 04/ 2016	3,04,187	3,26,470	5,368	6,36,025
For the year 2016-17	40,288	2,23,948	4,924	2,69,160
Adjustments	-	-	-	-
As on 31/ 03/ 2017	3,44,475	5,50,418	10,292	9,05,185
For the year 2017-18	37,341	70,946	4,924	1,13,211
Adjustments	2,68,279	3,93,221	-	6,61,500
<b>As on 31/ 03/ 2018</b>	<b>1,13,537</b>	<b>2,28,143</b>	<b>15,216</b>	<b>3,56,896</b>
Net Block as on 31/ 03/ 2017	1,24,981	2,36,555	41,529	4,03,065
<b>Net Block as on 31/ 03/ 2018</b>	<b>95,622</b>	<b>12,635</b>	<b>36,605</b>	<b>1,44,862</b>

## 1A Intangible Assets

Particulars	Software	Total
Gross Block		
As on 01/ 04/ 2016	55,42,531	55,42,531
Additions	-	-
As on 31/ 03/ 2017	55,42,531	55,42,531
Additions	-	-
<b>As on 31/ 03/ 2018</b>	<b>55,42,531</b>	<b>55,42,531</b>
Accumulated Depreciation		
As on 01/ 04/ 2016	20,98,762	20,98,762
For the year 2016-17	13,85,633	13,85,633
As on 31/ 03/ 2017	34,84,395	34,84,395
For the year 2017-18	13,85,632	13,85,632
<b>As on 31/ 03/ 2018</b>	<b>48,70,027</b>	<b>48,70,027</b>
Net Block as on 31/ 03/ 2017	20,58,136	20,58,136
<b>Net Block as on 31/ 03/ 2018</b>	<b>6,72,504</b>	<b>6,72,504</b>

## 2. Unquoted Equity Instruments fully paid at cost Investment in wholly owned subsidiary

Particulars	As at	As at	As at
	31/3/2018	31/3/2017	01/4/2016
Shares @ Rs. 10 fully paid	-	-	1,00,000
<b>Total</b>	-	-	1,00,000

Particulars	As at	As at	As at
	31/3/2018	31/3/2017	01/4/2016
2A Other Non - Current Investments			
Investment in Equity	11,000	11,000	11,000
Total	11,000	11,000	11,000
2B Non Current Investments			
Investment in NSC	55,000	55,000	55,000
Total	55,000	55,000	55,000

## 2. Investments in wholly owned subsidiary at Cost

Name of the Body Corporate	Relationship	Extent of Holding / No. of shares			(Amount in Rs.)		
		31/3/2018	31/3/2017	01/4/2016	31/3/2018	31/3/2017	01/4/2016
(1) Unquoted Equity Shares							
(i) Investment in Equity Instruments (At cost)							
1. Principal Marketing Pvt Ltd Shares of Rs. 10 fully paid up	Subsidiary*			10,000			1,00,000

## 2A. Other Long Term Investments

Name of the Body Corporate	Relationship	Extent of Holding / No. of shares			(Amount in Rs.)		
		31/3/2018	31/3/2017	01/4/2016	31/3/2018	31/3/2017	01/4/2016
Unquoted Equity Shares							
1. Saraswat Co-op Bank	Others	1000	1000	1,000	10,000	10,000	10,000
2. Malad Sahakari Bank Ltd	Others	100	100	100	1,000	1,000	1,000
Total					11,000	11,000	11,000

## 2B. Non-Current Investment

Name of the Government or Trust Securities	Relationship	No. of Units			(Amount in Rs.)		
		31/3/2018	31/3/2017	01/4/2016	31/3/2018	31/3/2017	01/4/2016
Investments in Government Securities							
1. National Saving Certificate**	Others	-	-	-	5,000	5,000	5,000
2. National Saving Certificate	Others	-	-	-	50,000	50,000	50,000
Total					55,000	55,000	55,000

Particulars	31/3/2018	31/3/2017	01/4/2016
Aggregate amount of unquoted investments	66,000	66,000	1,66,000

\*The company has sold 10,000 Equity shares of Principal Marketing Pvt Ltd of Rs.10 in previous financial year on 15.06.2016 hence it is no longer a Subsidiary of the company.

\*\*The company is holding investment in Banks for 1,100 shares @ Rs. 10 and Investment in National Saving Certificate (Lodged with Sales Tax Authority, Bombay) for Rs. 5,000.

Notes to financial statements as at the end and for the year ended March 31, 2018

**3 Other financial assets**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Deposits with others			
- Considered good	2,06,000	8,66,000	13,60,000
<b>Total</b>	<b>2,06,000</b>	<b>8,66,000</b>	<b>13,60,000</b>

**4 Other Non-current Assets**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Deposits with Govt. departments			
- Considered good	45,000	45,000	45,000
<b>Total</b>	<b>45,000</b>	<b>45,000</b>	<b>45,000</b>

**5 Inventories**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Stock in Trade	-	4,21,832	28,51,099
<b>Total</b>	<b>-</b>	<b>4,21,832</b>	<b>28,51,099</b>

Stock is valued at cost or market price whichever is lower.

**6 Trade Receivable**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Receivables from others			
Unsecured, considered good	63,64,629	63,64,631	56,844
<b>Total</b>	<b>63,64,629</b>	<b>63,64,631</b>	<b>56,844</b>

**7 Cash & Cash Equivalents**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Balances with Banks in Current Account	16,128	66,577	3,50,237
Cash on hand	11,487	8,493	169
<b>Total</b>	<b>27,615</b>	<b>75,070</b>	<b>3,50,406</b>

**8 Loans**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Loans to Others	150,00,000	155,76,636	188,71,129
Less: Provision for bad and doubtful debt	150,00,000	-	-
<b>Total</b>	<b>-</b>	<b>155,76,636</b>	<b>188,71,129</b>

**9 Other Current Assets**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Amount Recoverable in Cash or Kind	18,06,370	21,37,445	1,98,631
Trade Advances to Related Parties	-	-	159,73,236
Interest Receivable	-	-	18,530
TDS Receivable	4,504	84,664	81,179
Service tax, VAT Credits	-	-	16,17,148
Advance to Staff	-	-	9,300
Prepaid Expense	5,750	42,472	42,476
<b>Total</b>	<b>18,16,624</b>	<b>22,64,581</b>	<b>179,40,500</b>

## 10 Share Capital

The authorised, issued, subscribed and fully paid-up share capital comprises of the following:

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
<b><u>i) Authorised</u></b>			
50,000,000 Equity Shares of Rs.4/- each (As on March 31st,2017- 50,000,000 Equity Shares of Rs.4/- each)	2000,00,000	2000,00,000	1000,00,000
(As on April 1st, 2016 - 25,000,000 Equity Shares of Rs. 4 /- each)	2000,00,000	2000,00,000	1000,00,000
<b><u>ii) Issued, Subscribed and Fully paid up</u></b>			
21,300,000 Equity Shares of Rs.4/- each fully paid up (As on March 31st,2017- 21,300,000 Equity Shares of Rs.4/- each) (As on April 1st, 2016 - 21,100,000 Equity Shares of Rs. 4 /- each)	852,00,000	852,00,000	844,00,000
	<u>852,00,000</u>	<u>852,00,000</u>	<u>844,00,000</u>
<b><u>iii) Reconciliation of the number of shares outstanding</u></b>			
At the beginning of the year	213,00,000	211,00,000	211,00,000
Add: Issued during the Year*	-	2,00,000	-
At the end of the year	<u>213,00,000</u>	<u>213,00,000</u>	<u>211,00,000</u>

\*The Company has allotted 200,000 Equity Shares of Rs. 4 each during the Financial year on various dates on preferential basis against equal number of Equity warrants on full payment of Rs. 20.18/- per share. These shares are locked in as per followings -

Name of Shareholder	No of Equity Shares	Issued To	Lock-in Till
Mr. Sanjyot Shashank Joshi	75,000	Non-Promoter	10.04.2018
Mr. Sanjyot Shashank Joshi	25,000	Non-Promoter	30.07.2018
Mr. Sanjyot Joshi and Ms. Asha Joshi	1,00,000	Non-Promoter	30.07.2018

### **iv) Details of shareholders holding more than 5%shares**

Name of Shareholder	%	No. of Shares	%	No. of Shares	%	No. of Shares
Pradeep Malu	8.04	17,13,332	8.04	17,13,332	18.61	39,25,843
Inovent Solutions Ltd	33.22	70,75,525	33.22	70,75,525	33.53	70,75,525
Devkant Synthetics (I) Pvt. Ltd.	-	-	-	-	11.47	24,19,501
	41.26	87,88,857	41.26	87,88,857	63.61	134,20,869

### **v) Rights, preferences and restrictions in respect of equity shares issued by the Company**

The Equity shareholders are entitled to receive dividends as and when declared; a right to vote in proportion to holding etc. and their rights, preferences and restrictions are governed by / in terms of their issue under the provisions of the Companies Act, 2013.

## 11. Other Equity

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
a. Securities Premium	228,36,000	228,36,000	196,00,000
b. Employee Stock Option Outstanding	-	55,966	-
c. Profit and Loss Account	(1251,23,455)	(1042,47,957)	(676,72,988)
d. Money received against share warrants	8,60,173	8,60,173	-
Total	(1014,27,282)	(804,95,818)	(480,72,988)

Securities Premium: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

Money received against share warrants: The Company has issued equity warrants for 3,70,500 equity shares at Rs. 20.18 each on 03.02.2017 on receipt of 25% amount to Non -Promoter on preferential basis. These equity warrants are convertible into equity shares on payment of balance amount within 18 months from the date of issue at the option of equity warrant holder. The company has received Rs. 18,69,172.50/- from equity warrant holder against 3,70,500 equity share warrants, out of which 200000 equity warrants get converted into equity in the same financial year i.e. 2016-17.

## 12 Borrowings

### Long-term Borrowings - Unsecured

Particulars	31.03.2018	31.03.2017	01.04.2016
Loan from Related Party	150,00,000	120,71,260	-
Total	150,00,000	120,71,260	-

Note: Interest on Long Term Borrowing was provided till 31.03.2017. From 01.04.2017, no provision of interest has been made on Loan from Related Party as terms agreed and repayment of Loan from Related Party are not specified.

Note: Interest on Long Term Borrowing was provided till 31.03.2017. From 01.04.2017, no provision of interest has been made on Loan from Related Party as terms agreed and repayment of Loan from Related Party are not specified.

## 13 Trade Payables

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Trade Payables for goods and services:			
Total outstanding dues of Micro and small enterprises	-	-	-
Others	72,30,388	100,76,995	10,17,085
Total	72,30,388	100,76,995	10,17,085

Trade payables and acceptances are non-interest bearing and of B2B transactions and shall be settled only upon receipt of Trade Receivables.

<b>14 Other current liabilities</b>			
<b>Particulars</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>As at 01.04.2016</b>
Revenue received in advance	1,66,598	2,33,270	40,06,850
Other Payables - Related Parties	28,22,793	6,23,457	38,31,214
Total	29,89,391	8,56,727	78,38,064
<b>15 Provisions</b>			
<b>Particulars</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>As at 01.04.2016</b>
Provision for expenses	81,000	-	-
Total	81,000	-	-
<b>16 Current Tax Liabilities (Net)</b>			
<b>Particulars</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>As at 01.04.2016</b>
Statutory Dues	2,69,737	4,31,787	5,74,811
Total	2,69,737	4,31,787	5,74,811
<b>17 Revenue from Operations (Gross)</b>			
<b>Particulars</b>		<b>2017-18</b>	<b>2016-17</b>
Sale of Products		8,46,336	3487,27,019
Total		8,46,336	3487,27,019
<b>18 Other Income</b>			
<b>Particulars</b>		<b>2017-18</b>	<b>2016-17</b>
Dividend Received		3,000	1,500
Miscellaneous Receipts		97,206	212
Sundry Balance W/off		20,12,837	2,590
Interest Received		45,041	60,000
Interest Received on Income Tax FY 16-17		270	-
Total		21,58,354	64,302
<b>19 Purchases of Traded Goods</b>			
<b>Particulars</b>		<b>2017-18</b>	<b>2016-17</b>
Purchase of FMCG goods		4,10,569	3335,25,815
Total		4,10,569	3335,25,815
<b>20 Changes in inventories of stock in trade</b>			
<b>Particulars</b>		<b>2017-18</b>	<b>2016-17</b>
Stock in Trade		4,21,832	24,29,267
Total		4,21,832	24,29,267
<b>21 Employee Benefits Expenses</b>			
<b>Particulars</b>		<b>2017-18</b>	<b>2016-17</b>
Salary & Wages		25,60,722	78,03,214
Contribution to PF & other funds		92,307	1,80,083
Staff Welfare expenses		35,638	61,930
Employee Stock option Expenses		(55,966)	55,966
Total		26,32,701	81,01,193
<b>22 Finance Cost</b>			
<b>Particulars</b>		<b>2017-18</b>	<b>2016-17</b>
Interest on borrowings		-	4,51,110
Total		-	4,51,110
<b>23 Depreciation &amp; Amortisation</b>			
<b>Particulars</b>		<b>2017-18</b>	<b>2016-17</b>
Depreciation on tangible assets		1,13,211	2,69,160
Amortisation on intangible assets		13,85,632	13,85,633
Total		14,98,843	16,54,793
<b>24 Other Expenses</b>			
<b>Particulars</b>		<b>2017-18</b>	<b>2016-17</b>
Payment to Auditors:			

- As Auditors	60,000	3,10,500
- For Other Services	41,500	47,627
- Out of Pocket Exp	10,941	9,161
Listing & Depository Fee	3,90,618	4,92,110
Advertisement & Marketing Expenses	2,15,314	52,76,053
Director Sitting Fees	10,500	1,04,500
Fulfillment Expense	4,43,307	82,87,610
Insurance	-	5,724
Professional & Legal Fees	2,20,300	7,55,178
Miscellaneous Expenses	34,033	2,88,279
Printing & Stationery	52,071	1,94,614
Rates & Taxes	28,186	32,32,355
Repairs & Maintenance	1,19,888	2,21,596
Share Transfer Expenses	52,390	85,194
Sundry Advance W/o	-	33,20,126
Travelling Expenses – Others	13,048	1,84,429
Technology Expenses	3,35,011	11,56,920
Electricity Expenses	2,15,500	3,18,156
Commission to Network Partner	6,861	1,51,958
E-Coupons Expenses	-	123,04,530
Rent	10,93,500	17,62,536
Discarded Assets	1,70,652	-
Late fee	6,640	59,700
Donation	-	11,000
License Fee	1,632	-
Office Expenses	1,61,724	2,14,914
Conveyance Expenses	7,140	24,889
Bank Charges	57,108	1,29,018
Internet Expenses	1,00,849	1,55,669
Telephone Expenses	67,529	99,767
<b>Total</b>	<b>39,16,242</b>	<b>392,04,112</b>
<b>25 Exceptional Item</b>		
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Provision for Bad & Doubtful debts	150,00,000	-
Total	150,00,000	-

**iStreet Network Limited**

CIN L51900MH1986PLC040232

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

- 26 Disclosure as required by Accounting Standard – Ind AS 33 “Earning Per Share” of the Companies (Indian Accounting Standards) Rules 2015. The earning per share is calculated by dividing the profit after tax by weighted average number of shares outstanding for basic & diluted EPS.
- 27 Disclosure in accordance with Ind AS – 17 “Leases”, of the Companies (Indian Accounting Standards) Rules, 2015. The Company has taken the office premises under leave and license agreements. The period is for 2 years under leave and license basis. These arrangements are renewable by mutual consent on mutually agreed terms. Under some of these arrangements the Company has given refundable security deposits.
- 28 **Segment Reporting**  
Disclosure as required by Ind AS 108 “Operating Segment”, of the Companies (Indian Accounting Standards) Rules, 2015. In accordance with Ind AS “Operating Segment”, the Company has only one reportable operating segment i.e. Internet & Retail Catalogue.
- 29 Disclosure in accordance with Ind AS - 24 “Related Party Disclosures”, of the Companies ( Indian Accounting Standards) Rules, 2015:

**Related Party Disclosures**

- (i) Key management personnel and their relatives:

(a) Mr. Pradeep Malu	Managing Director
(b) Ms. Surabhi Pal	Company Secretary (from 14th October, 2017)
(c) Mr. Lakshya Malu	Relative of Director
(d) Mrs. Meenu Malu	Non Executive Non Independent Director
(e) Mr. Mayur Vora	CFO (till 15th November, 2017)
(f) Mr. Dipankar Basu	Company Secretary (till 14th October, 2017)
(g) Mr. Naval Choudhary	Director
(h) Mr. Sanjeev Chhajed	Director
(i) Mr. Neeraj Gupta	Director

- (ii) Other parties where key Management Personnel and /or their relatives have significant influence:

(a) Principal Marketing Pvt Ltd	Associates
(b) Cardioid Plasteel Pvt. Ltd.	Associates
(c) Crest Latex Pvt. Ltd.	Associates
(d) Last Mile Services Pvt Ltd	Associates
(e) Inovent Solutions Ltd.	Associates
(f) Radelf Pharmaceuticals Pvt Ltd	Associates

- (iii) Details relating to person referred to in items (i) above:

	<b>31.03.2018</b>	<b>31.03.2017</b>
Remuneration [ With (i)(b, e and f) ]	5,39,627	40,43,113
Interest Expenses [ With (i)(a) ]	-	4,51,110
Directors Sitting Fees [ With (i)(d) ]	2,500	4,000
Directors Sitting Fees [ With (i)(i) ]	4,000	-
Directors Sitting Fees [ With (i)(h) ]	4,000	-
Expenses incurred [ With (i)(c) ]	2,45,035	-

(iv) The following transactions were carried out with the related parties referred to in item (ii) above in the ordinary course of business:

<b>Trade Advance [ With (ii)(a to e) ]</b>	<b>31.03.2018</b>	<b>31.03.2017</b>
Opening Balance	13,81,881 Cr	1,59,73,236 Dr
Trade money given during the year*	26,04,579 Dr	71,07,226 Dr
Trade money settled during the year*	16,10,892 Cr	2,44,62,343 Cr
Closing Balance	3,88,194 Cr	13,81,881 Cr

\* This includes all transactions entered during the year.

<b>Purchase of Products recorded in Profit &amp; Loss Account [ With (ii)(a to c) ]</b>	-	24,22,007
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<b>Shipping Services received and booked under Profit &amp; Loss Account [ With (ii)(a and d) ]</b>	5,88,153	39,18,957
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<b>Technology Support services received [ With (ii)(e) ]</b>	-	2,87,500
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<b>Sale of Investment [ With (i)(a and c) ]</b>	-	1,00,000
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<b>Short term Borrowings [ with (i)(a) ]</b>		
Opening Balance	1,23,915	1,72,148
Amount received during the year	26,59,548	28,00,854
Amount settled during the year	19,72,900	28,49,087
Transfer from Long Term Borrowing	11,66,324	-
Closing Balance	19,76,887	1,23,915

<b>Warrants Money received [ with (i)(e) ]</b>	-	90,810
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<b>Long term Borrowings [ with (i)(a) ]</b>		
Opening Balance	120,71,260	-
Amount received during the year	54,17,500	256,11,000
Amount transferred to Short term Borrowings during the year	11,66,324	-
Interest amount*	-	2,35,260
Amount settled during the year	13,22,436	137,75,000
Closing Balance	150,00,000	120,71,260

\*Note: Interest on Long Term Borrowing was charged till 31.03.2017. As per the terms revised, from 01.04.2017, interest will not be charged on Long Term Borrowing and terms for repayment of Long Term Borrowing are not specified.

**(v) Year End Outstanding**

Mr. Pradeep Malu	1,69,76,887 Cr	1,21,95,174 Cr
Mr. Lakshya Malu	4,57,712 Cr	-
Inovent Solutions Ltd.	3,41,864 Cr	2,59,974 Cr
Principal Marketing Pvt Ltd	46,330 Cr	24,359 Cr

**30** Corporate Social Responsibility (CSR) expenditure: Provisions are not applicable to the company.

**31** Contingent liabilities and Commitments

A. Contingent Liabilities : NIL

B. Commitments : NIL

**32 Significant accounting judgments, estimates and assumptions:**

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**33 First-time adoption of Ind AS:**

These financial statements, for the year ended March 31, 2018, are the first financial statements. The Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

**34 Reconciliation between previous GAAP and Ind AS:**

A. Reconciliation of Balance Sheet as at March 31, 2017 and April 01, 2016.

There is no adjustments as per IND AS and previous GAAP hence no reconciliation required.

B. Reconciliation of Profit and Loss as at March 31, 2017 and April 01, 2016.

There is no adjustments as per IND AS and previous GAAP hence no reconciliation required.

C. Reconciliation of total Equity as at March 31, 2017 and April 01, 2016.

There is no adjustments as per IND AS and previous GAAP hence no reconciliation required.

**35 Financial Risk Factors**

**a. Last Mile Logistic Infrastructure**

There is very poor infrastructure for last mile delivery of the products –cost is very high and the time taken to deliver the products is abnormally very high. Though the company is working with local logistic companies to solve this last mile delivery problem however, it is taking extra ordinary cost and time. Due to high last mile delivery cost, the company may incur losses on unit basis till the infrastructure is improved.

**b. High Technology Obsolescence**

Back bone of our business is technology. A continuous investment (huge) is required to sustain the growth. If the financial resources are not mobilized on timely basis and investment in technology stops, the business of the company would suffer adversely. A continuous investment in technology is key to success for our business.

**c. Competition:**

We face competition from modern retail (large format retail) and eCommerce companies. Prices of these competitors are normally subsidized and that becomes a comparison bench mark for our products. Our network retailers get influenced with such prices and stop showcasing our products to the customers. This directly brings down our sales.

**d. Financial Resources:**

The company needs to spend and invest in the iStreet Bazaar project continuously during its initial few years. The company has been making efforts for raising resources since quite some time. However there has been a very little success. Delays in raising resources may impact operations and the growth plan of the company to a great extent. These delays are sometimes beyond the control of the company.

**e. Free Tradability on Exchange:**

The Company's shares are traded on the BSE Limited (BSE). To maintain the exchange integrity and protect investors interest, BSE may impose restriction on trading of shares in the company on exchange from time to time which may impact FREE TRADABILITY and fresh fund raising capability of the company required to maintain and expand its business. The business of the company required continuous fresh capital infusion till it reaches a threshold level.

The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Statement of changes in equity, Statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2018.

**For K U Kothari & Co.**

**Firm Registration number: 105310W**

**Chartered Accountants**

**Prakash Chechani**

**(Partner)**

**Membership No. 104203**

Place: Mumbai Dated: 29<sup>th</sup> May, 2018

**Pradeep Malu**

**Managing Director**

**DIN: 00001959**

**Neeraj Gupta**

**Director**

**DIN: 05327106**

**Surabhi Pal**

**Company Secretary**

**iStreet Network Limited**

**CIN: L51900MH1986PLC040232**

Registered Office: K-18, Sonal Industrial Estate, Opp Movietime Cinema, Link Road, Malad West, Mumbai 400064, Maharashtra, India. Tel. No.: +91 22 42576767; Website : [www.istreetnetwork.com](http://www.istreetnetwork.com) ; Email: [info@istreetnetwork.com](mailto:info@istreetnetwork.com)

**Form No. MGT-11**

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s)	:
Registered address	:
E-mail Id	:
Folio / DP ID-Client ID No.	:

1. Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

2. Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

3. Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on Saturday, 29th September 2018 at K-18, Old Sonal Industrial Estate, Opp. Movietime Cinema, Link Road, Malad West, Mumbai – 400064 at 11am and at any adjournment thereof in respect of such resolutions as are indicated below:

	Resolutions	Optional	
		For	Against
1.	Adoption of Financial Statements		
2.	To appoint a director in place of Ms. Meenu who retires by rotation and being eligible, offers herself for re-appointment		
3.	To appoint M/s. SMMP & Associates, Chartered Accountants (Firm Registration No. 120438W), as the Statutory Auditors of the Company and to fix their remuneration.		
4.	Re-appointment of Mr. Pradeep Malu as Managing Director of the company		
5.	Appointment of Mr. Dinesh Trivedi as Director of the company		

Signed this..... Day of ..... 2018.

Signature of shareholder..... Signature of Proxy holder(s).....

Affix  
revenue  
stamp

**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- A proxy need not be a member of the Company.
- In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or besigned by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the Proxy Form.
- For the Resolutions, Explanatory Statement and notes please refer to the Notice of the Annual General Meeting.
- It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of member(s) in above box before submission.
- A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder

**iStreet Network Limited**  
**(CIN: L51900MH1986PLC040232)**

Registered Office: K-18, Sonal Industrial Estate, Opp Movietime Cinema, Link Road, Malad West, Mumbai 400064, Maharashtra, India

Email: investors@istreetnetwork.com, website: www.istreetnetwork.com Tel No. 022 4257 6767

**ATTENDANCE SLIP**

Please fill attendance slip and hand it over at the entrance of the meeting venue.

Folio No. / DP Client ID	No. of shares held
Name and address of the shareholders:	

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the 31<sup>st</sup> Annual General Meeting of the Company held on Saturday, 29<sup>th</sup> September, 2018 at the Registered office of the company, K-18, Old Sonal Industrial Estate, Opp Movietime Cinema, Link road, Malad West, Mumbai – 400064

.....

.....

Name of Proxy/Member/Authorised Representative  
(In BLOCK LETTERS)

Proxy's / Member's  
Authorised Representative's Signature

Notes:

1. This Meeting is of Members only and you are requested not to bring with you any person who is not a Member.
2. Shareholders/Proxy holders are requested to bring the attendance slips with them when they come to the Meeting and hand over at the entrance after affixing their signature on them.
3. If it is intended to appoint a proxy, the Form of Proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.

**Venue of the AGM along with route map**





