

Deloitte Haskins & Sells LLP

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CARO 2015 REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF TV18 BROADCAST LIMITED FOR THE YEAR ENDED MARCH 31, 2015

TO THE MEMBERS OF TV18 BROADCAST LIMITED

We refer to our report on the standalone financial statements of TV18 Broadcast Limited (the Company) for the year ended March 31, 2015 issued on April 15, 2015. The Gazette version of the Companies (Auditor's Report) Order, 2015 (CARO 2015) was not available in the Official Gazette of India on the date of our report. Accordingly, our report does not contain an Annexure on the matters specified in paragraphs 3 and 4 of CARO 2015.

Subsequent to the issuance of our report dated April 15, 2015, CARO 2015 has been published in the Official Gazette of India. While it is not obligatory on our part to issue our report on the matters specified in paragraphs 3 and 4 of CARO 2015, based on the discussions with the Company, as a measure of good governance, we give hereinafter a statement on the matters specified in paragraphs 3 and 4 of CARO 2015, to the extent applicable. This may be treated as an Annexure to our aforesaid Report on standalone financial statements for the year ended March 31, 2015.

- i. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b. Some of the fixed assets of the Company were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. The Company is in the business of broadcasting, telecasting, relaying and transmitting general news, business news and programs. As such, the Company does not hold any inventory. Accordingly, the provisions of clause (ii) of the Order are not applicable to the Company.
- iii. The Company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause (iii) of the Order are not applicable to the Company.



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- iv. In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the services rendered are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and for the sale of services. The business of the Company does not involve purchase of inventory and sale of goods. During the course of our audit, we have not observed any major weakness in such internal control system.
- v. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73 to 76 or other relevant provisions of the Companies Act, 2013 and the rule framed there under with regard to the deposits accepted from the public, except for public deposits aggregating to Rs. 3.40 lacs and interest on public deposits of Rs. 21.95 lacs, accepted under the Companies (Acceptance of Deposits) Rules, 1975, for which the Company is in the process of compiling the details thereof and as informed, would take necessary steps to comply with the provisions of Companies (Acceptance of Deposits) Rules, 2014. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal with respect to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) (d) of the Act and are of the opinion that, *prima facie*, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Value added tax, Cess and other material statutory dues, applicable to it, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.



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- b. Details of dues of Income-tax that have not been deposited as on March 31, 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount Involved (Rupees)
Income Tax Act, 1961	Transfer Pricing	Income Tax Appellate Tribunal	2001-02	2,474,434
Income Tax Act, 1961	Transfer Pricing	Income Tax Appellate Tribunal	2001-02	1,927,968
Income Tax Act, 1961	Transfer Pricing	Income Tax Appellate Tribunal	2002-03	51,614
Income Tax Act, 1961	Income Taxes	Commissioner of Income Tax (Appeals)	2008-09	165,109,031
Income Tax Act, 1961	Income Taxes	Commissioner of Income Tax (Appeals)	2009-10	20,597,673
Income Tax Act, 1961	Income Taxes	Commissioner of Income Tax (Appeals)	2010-11	63,280

We are informed that there are no dues in respect of Provident Fund, Employees' State Insurance, Sales Tax, Wealth Tax, Service Tax, Customs Duty, and Cess which have not been deposited on account of any dispute.

- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies act, 1956 and rules made thereunder.
- viii. The accumulated losses of the Company at the end of the financial year are less than fifty per cent of its net worth and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and bank. The Company has not issued any debentures.



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- x. In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, *prima facie*, prejudicial to the interests of the Company.
- xi. In our opinion and according to the information and explanations given to us, the term loans have been applied during the year for the purposes for which they were obtained.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Abhijit A. Damle
(Partner)
(Membership No. 102912)

MUMBAI, June 2, 2015