

Equator Trading Enterprises Private Limited

Independent Auditor's Report

TO THE MEMBERS OF EQUATOR TRADING ENTERPRISES PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **EQUATOR TRADING ENTERPRISES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards prescribed under Section 133 of the Act, as applicable.

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

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 and the Order under section 143 (11) of the Act.

We conducted our audit of the 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 financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- 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 litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For A.K. Sabat & Co.
Chartered Accountants
(Registration No.321012E)

D. Vijaya Kumar
Partner
(Membership No. 051961)

Hyderabad, April 15, 2016

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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 **EQUATOR TRADING ENTERPRISES PRIVATE LIMITED** (“the Company”) as of March 31, 2016 in conjunction with our audit of the 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. 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 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 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 misstatements 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 changes 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 explanations 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 at March 31, 2016, 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.

**For A.K. Sabat & Co.
Chartered Accountants
(Registration No.321012E)**

**D. Vijaya Kumar
Partner
(Membership No. 051961)**

Hyderabad, April 15, 2016

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 2, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

- i. The Company does not own any fixed assets and hence reporting under clause (i) of the CARO 2016 is not applicable.
- ii. Physical verification of Inventory has been conducted at reasonable intervals by the management. As explained to us, there was no material discrepancies noticed on such physical verification of inventories.
- iii. The Company has not granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- iv. The Company has not granted loans or provided guarantees. According to the information and explanations given to us, in respect of Investments made by the Company, provisions of section 186 of the Companies Act, 2013 have been complied with.
- v. The Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- vi. The Central Government under sub-section (1) of section 148 of the Companies Act, 2013 has not specified maintenance of cost records.
- vii. In respect of statutory dues:
 - a) According to the records of the Company, undisputed statutory dues including Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues, where applicable, have been generally regularly deposited 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, 2016 for a period of more than six months from the date of becoming payable.
 - b) There are no disputed dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax, where applicable, as on March 31, 2016.
- viii. The Company has not taken any loans or borrowed from financial institution, bank and Government and has no dues to debenture holders.
- ix. The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) and term loans.
- x. In our opinion, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The Company is a private company and hence the provisions of section 197 of the Companies act, 2013 do not apply to the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. The Company has made private placement of Fully Convertible Debentures during the year under review.

In respect of the above issue, we further report that:

- a. the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
- b. the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised.

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- xv. In our opinion, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For A.K. Sabat & Co.
Chartered Accountants
(Registration No.321012E)

D. Vijaya Kumar
Partner
(Membership No. 051961)

Hyderabad, April 15, 2016

Balance Sheet as at 31st March, 2016

	Note No.	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	200 00 00 000	200 00 00 000
Reserves and surplus	2	(2 69 88 981)	(2 53 15 990)
		<u>197 30 11 019</u>	<u>197 46 84 010</u>
Non-Current Liabilities			
Long-term borrowings	3	1322 00 00 000	1257 00 00 000
Current liabilities			
Short-term borrowings	4	43 65 00 000	43 65 00 000
Other current liabilities	5	7 13 984	4 10 547
Short-term provision	6	6 088	-
		<u>43 72 20 072</u>	<u>43 69 10 547</u>
TOTAL		<u>1563 02 31 091</u>	<u>1498 15 94 557</u>
ASSETS			
Non-current assets			
Non-Current investments	7	1562 96 37 953	14 97 84 01 381
Current assets			
Cash and bank balances	8	5 56 909	31 20 674
Short-term loans and advances	9	33 000	42 635
Other current assets	10	3 229	29 867
		<u>5 93 138</u>	<u>31 93 176</u>
TOTAL		<u>1563 02 31 091</u>	<u>1498 15 94 557</u>

See accompanying Notes 1-18 forming part of the Financial Statements.

As per our report of even date

For A.K.Sabat & Co.
Chartered Accountants

D. VIJAYA KUMAR
Partner
Membership No. : 051961

Place : Hyderabad
Date : 15th April, 2016

For and on behalf of the Board of Directors

Sanjiv Kulshreshtha
Director
DIN: 06788866

Bindu Trivedi
Company Secretary

Place : Noida
Date : 15th April, 2016

Kshipra Jatana
Director
DIN: 02491225

Profit and Loss for the Year Ended 31st March, 2016

	Note No.	For the year ended 31.03.2016 Rs.	For the year ended 31.03.2015 Rs.
Revenue from operation			
Trading income		27 250	-
Interest income		1 34 460	3 11 199
Total Revenue		1 61 710	3 11 199
Expenses			
Cost of goods sold		25 542	-
Other expenses	11	18 09 159	12 62 349
Total expenses		18 34 701	12 62 349
Profit / (Loss) before tax		(16 72 991)	(9 51 150)
Tax expense		-	-
Profit / (Loss) for the year		(16 72 991)	(9 51 150)
Earnings per equity share of face value of Re. 1 each			
Basic		(0.0008)	(0.0005)
Diluted		(0.0008)	(0.0005)

See accompanying Notes 1-18 forming part of the Financial Statements.

As per our report of even date

For A.K.Sabat & Co.
Chartered Accountants

D. VIJAYA KUMAR
Partner
Membership No. : 051961

Place : Hyderabad
Date : 15th April, 2016

For and on behalf of the Board of Directors

Sanjiv Kulshreshtha
Director
DIN: 06788866
Bindu Trivedi
Company Secretary

Kshipra Jatana
Director
DIN: 02491225

Place : Noida
Date : 15th April, 2016

Cash Flow Statement for the year ended 31st March, 2016

	For the year ended 31.03.2016 Rs.	For the year ended 31.03.2015 Rs.
A. Cash flow from Operating Activities		
Net (Loss) before tax	(16 72 991)	(9 51 150)
Adjustments for:		
Interest income	1 34 460	3 11 199
Operating loss before working capital changes	(18 07 451)	(12 62 349)
Changes in working capital:		
Short-term loans and advances	9 635	5 443
Other current liabilities	3 03 437	1 65 585
Short-term provisions	6 088	-
Cash generated from operations	(14 88 291)	(10 91 321)
Net income tax (paid) / refunds	-	-
Net cash flow (used in) operating activities (A)	(14 88 291)	(10 91 321)
B. Cash flow from Investing Activities		
Purchase of long-term investments in joint controlled entities	(65 12 36 572)	-
Interest received on fixed deposits	1 61 098	3 20 831
Net cash flow from / (used in) investing activities (B)	(65 10 75 474)	3 20 831
C. Cash flow from Financing Activities		
Proceeds from Long-term borrowings	65 00 00 000	-
Net cash flow from financing activities (C)	65 00 00 000	-
Net increase in Cash and cash equivalents (A+B+C)	(25 63 765)	(7 70 490)
Cash and cash equivalents at the beginning of the year	31 20 674	38 91 164
Cash and cash equivalents at the end of the period	5 56 909	31 20 674

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 'Cash Flow statements'

As per our report of even date

For A.K.Sabat & Co.
Chartered Accountants

D. VIJAYA KUMAR
Partner
Membership No. : 051961

For and on behalf of the Board of Directors

Sanjiv Kulshreshtha
Director
DIN: 06788866

Bindu Trivedi
Company Secretary

Kshipra Jatana
Director
DIN: 02491225

Place : Hyderabad
Date : 15th April, 2016

Place : Noida
Date : 15th April, 2016

Significant Accounting Policies to the Financial Statements

1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except to the extent disclosed.

2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that effect the reported amount of assets and liabilities, disclosure of contingent liabilities and the reported amount of income and expenses during the year. Difference between the actual results and estimates are recognized in the period in which the results are known / materialise.

3 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

4 Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

5 Investments

Current investments are carried at lower of cost and quoted/fair value. Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

6 Revenue recognition

All revenues are accounted for on accrual basis.

Dividends on investments are accounted for when the right to receive dividend is established.

Interest income is recognized on time proportionate basis, taking into account the amount outstanding and the rate applicable.

7 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation, where the Company has unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

8 Provisions, Contingent Liabilities and Contingent Assets

Provision recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

Notes to the Financial Statements for the year ended 31st March, 2016

	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
1. Share Capital		
<i>Authorised</i>		
Equity shares 322,00,00,000 (previous year 322,00,00,000), Re.1 par value	322 00 00 000	322 00 00 000
Preference shares 5,00,00,000 (previous year 5,00,00,000), Re. 1 par value	5 00 00 000	5 00 00 000
	<u>327 00 00 000</u>	<u>327 00 00 000</u>
<i>Issued, Subscribed and Paid up :</i>		
Equity shares 200,00,00,000 (previous year 200,00,00,000), Re.1 par value, fully paid up	<u>200 00 00 000</u>	<u>200 00 00 000</u>
Notes:		
A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:		
Equity shares opening balance	Nos. 200,00,00,000 200 00 00 000	200 00 00 000
Add : Shares issued during the year	Nos. NIL -	-
Equity shares closing balance year	Nos.200,00,00,000 <u>200 00 00 000</u>	<u>200 00 00 000</u>
B. Rights and restrictions attached to the equity shares:		
The Company has only one class of equity share having par value Re.1 per share. Each holder of equity share is entitled to one vote per share held. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
C. Details of Shares held by the Holding company:		
Equity shares held by the Holding company, TV18 Broadcast Limited along with its nominee - Nos. 200,00,00,000 amounting Rs.200,00,00,000 (Previous year - Nos. 200,00,00,000 amounting Rs.200,00,00,000 (Previous year 2,49,59,608)		
D The details of Shareholders holding more than 5% equity shares		
Name of Shareholder	No. of Shares	% Holding
TV18 Broadcast Limited alongwith its Nominee	200,00,00,000	100%
	200,00,00,000	100%
	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
2. Reserves and Surplus		
(Deficit) in the Statement of Profit and Loss		
Opening Balance	(2 53 15 990)	(2 43 64 840)
Add: Profit/(Loss) for the year	(16 72 991)	(9 51 150)
Closing Balance	<u>(2 69 88 981)</u>	<u>(2 53 15 990)</u>
3. Long-term borrowings		
13,22,00,000 (Previous year 12,57,00,000) Zero Coupon Compulsorily and Fully Convertible Debentures of Rs.100 each*	<u>1322 00 00 000</u>	<u>1257 00 00 000</u>

*Convertible into equity shares in the ratio of 100 equity shares of Re.1 par value for one Debenture held, at any time after 30th March, 2009 upto 30th March,2018. The debenture are held by TV18 Broadcast Limited.

Notes to the Financial Statements for the year ended 31st March, 2016

	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
4. Short-term borrowings		
Unsecured Loan from Related Party	43 65 00 000	43 65 00 000
	<u>43 65 00 000</u>	<u>43 65 00 000</u>
5. Other current liabilities		
TDS Payable	52 000	33 000
Service tax payable	63 950	-
Auditor's remuneration payable	3 78 600	3 70 788
Other payables	2 19 434	6 759
Total	<u>7 13 984</u>	<u>4 10 547</u>
6 Short-term Provision		
Provision for income tax (net of advance tax)	6 088	-
Total	<u>6 088</u>	<u>-</u>
7. Non-Current investments		
(Long term, unquoted and at cost)		
Other Investments		
Investment in Equity Shares-Subsidiaries, Fully paid up		
2,49,59,608 (previous year 2,49,49,630) equity shares of Panorama Television Private Limited of Rs.10 each fully paid up.	63 20 42 582	63 20 42 582
Nil (previous year 1,25,25,670) equity shares of Prism TV Private Limited of Rs.10 each fully paid up. (*Refer Note 13)	-	279 52 62 315
Investment in Equity Joint Venture - Fully paid up		
1,35,76,616 (previous year Nil) equity shares of Prism TV Private Limited of Rs.10 each fully paid up.*	344 52 61 907	-
Investment in Equity Shares-Associate - Fully paid up		
60,94,190 (previous year 60,94,190) equity shares of Eenadu Television Private Limited of Rs.10 each fully paid up.	408 77 68 350	408 77 68 350
Investment in Equity Shares-Others - Fully paid up		
27,500 (previous year 27,500) equity shares of Ushodaya Enterprises Private Limited of Rs.100 each fully paid up.	746 33 28 134	746 33 28 134
Investment in Preference Shares-Joint Venture - Fully paid up		
2,000 (previous year Nil) 0.001% Optionally Convertible Non-cumulative Redeemable Preference shares of Rs.10 each fully paid up.	12 36 980	-
Total	<u>1562 96 37 953</u>	<u>1497 84 01 381</u>
Aggregate amount of unquoted investments	1562 96 37 953	1497 84 01 381

Notes to the Financial Statements for the year ended 31st March, 2016

	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
8. Cash and bank balances		
Balance with banks		
Current accounts	2 17 376	24 029
Deposit accounts	3 39 533	30 96 645
Total	<u>5 56 909</u>	<u>31 20 674</u>
9. Short-term loans and advances		
Advance recoverable in cash or kind	33 000	33 000
Income Tax (net of taxes paid)	-	9 635
Total	<u>33 000</u>	<u>42 635</u>
10. Other current assets		
Interest accrued on Fixed deposits	3 229	29 867
Total	<u>3 229</u>	<u>29 867</u>
	For the year ended 31.03.2016 Rs.	For the year ended 31.03.2015 Rs.
11. Other expenses		
Auditor's remuneration :		
Audit fees	8 91 600	5 05 620
Other Services	-	5 82 025
Professional fees	3 59 435	90 921
Miscellaneous expenses	44 174	83 783
Director Sitting Fee	5 13 950	-
Total	<u>18 09 159</u>	<u>12 62 349</u>
12	Based on the available information with the Company under the Micro, Small and Medium Enterprises Development Act, 2006, amounts unpaid as at year end/payment made during the year/ payable at the year end to such Enterprises under this Act is Nil.	
13	Prism TV Private Limited ceased to be a subsidiary of the Company and became a 50% Joint Venture of the Company w.e.f. 1 August 2015.	
14	The Company operates solely in one segment, hence no separate segment information is provided.	

Notes to the Financial Statements for the year ended 31st March, 2016

15 Related Party Disclosures

As per Accounting Standard 18, the disclosures are :

A. Related party and their relationship

S.No.	Name of the entity	Relationship
1	TV18 Broadcast Limited (w.e.f.22.01.2014)	Enterprises exercising control
2	Network18 Media & Investments Ltd. (w.e.f 22.01.2014)	Enterprises exercising control
3	Independent Media Trust (IMT). (w.e.f. 07.07.2014)	Enterprises exercising control
4	Adventure Marketing Private Limited (w.e.f. 07.07.2014)#	Enterprises exercising control
5	Watermark Infratech Private Limited (w.e.f. 07.07.2014)#	Enterprises exercising control
6	Colorful Media Private Limited (w.e.f. 07.07.2014)#	Enterprises exercising control
7	RB Media Holdings Private Limited (w.e.f. 07.07.2014)#	Enterprises exercising control
8	RB MediasoftPvt Limited (w.e.f. 07.07.2014)#	Enterprises exercising control
9	RRB MediasoftPvt Limited (w.e.f. 07.07.2014)#	Enterprises exercising control
10	RB Holding Private Limited (w.e.f. 07.07.2014)#	Enterprises exercising control
11	Reliance Industries Limited (RIL) (w.e.f. 07.07.2014)	Beneficiary/Protector of Independent Media Trust
12	Reliance Industrial Investments and Holdings Limited (w.e.f. 07.07.2014)	Beneficiary/Protector of Independent Media Trust
13	Panorama Television Private Limited	Subsidiary
14	Prism TV Private Limited (Upto 31st July 2015)	Subsidiary
15	AETN18 Media Private Limited	Fellow Subsidiary
16	Big Tree Entertainment Private Limited	Fellow Subsidiary
17	Big Tree Entertainment Singapore Pte. Ltd.	Fellow Subsidiary
18	BK Holdings Limited (Amalgamated with Network18 Holdings Ltd w.e.f. 03.06. 2014)	Fellow Subsidiary
19	Capital18 Fincap Private Limited	Fellow Subsidiary
20	Capital18 Limited, Mauritius(Amalgamated with Network18 Holdings Ltd w.e.f. 03.06. 2014)	Fellow Subsidiary
21	Colosseum Media Private Limited	Fellow Subsidiary
22	Digital 18 Media Limited	Fellow Subsidiary
23	e - Eighteen.com Limited	Fellow Subsidiary
24	E-18 Limited, Cyprus	Fellow Subsidiary
25	Fantain Sports Private Limited (Wef February 2016)	Fellow Subsidiary
26	Greycells 18 Media Limited	Fellow Subsidiary
27	Space Bound Web Labs Private Limited	Fellow Subsidiary
28	ibn18 (Mauritius) Limited	Fellow Subsidiary
29	Infomedia Press Limited	Fellow Subsidiary
30	Moneycontrol Dot Com India Limited	Fellow Subsidiary
31	Network18 Holdings Limited	Fellow Subsidiary
32	NW 18 HSN Holdings Plc (formerly TV18 HSN Holdings Limited) Cyprus	Fellow Subsidiary
33	Reed Infomedia India Private Limited	Fellow Subsidiary
34	RRB Investments Private Limited	Fellow Subsidiary
35	RRK Finhold Private Limited	Fellow Subsidiary
36	RVT Finhold Private Limited	Fellow Subsidiary
37	RVT Media Private Limited	Fellow Subsidiary
38	Setpro18 Distribution Limited	Fellow Subsidiary
39	Stargaze Entertainment Private Limited (upto 23.04.2015)	Fellow Subsidiary
40	Television Eighteen Media and Investments Limited	Fellow Subsidiary
41	TV18 Home Shopping Network Limited	Fellow Subsidiary
42	Television Eighteen Mauritius Limited	Fellow Subsidiary

Notes to the Financial Statements for the year ended 31st March, 2016

S.No.	Name of the entity	Relationship
43	Web 18 Holdings Limited, Cyprus	Fellow Subsidiary
44	Web 18 Software Services Limited	Fellow Subsidiary
45	Reliance Retail Limited (w.e.f. 07.07.014)	Fellow Subsidiary
46	Reliance Brand Limited (w.e.f. 07.07.2014)	Fellow Subsidiary
47	Reliance Corporate IT Park Limited (w.e.f. 07.07.2014)	Fellow Subsidiary
48	IMG Reliance Limited (w.e.f. 07.07.2014)	Fellow Subsidiary
49	Prism TV Private Limited (w.e.f 1 August 2015)	Joint venture
50	Eenadu Television Private Limited	Associates

B. Transactions during the year and balances with related parties :

i) Transactions during the year

a) Issue of Zero Coupon Compulsorily and Fully Convertible Debentures

65,00,000 No. Zero Coupon Compulsorily and Fully Convertible Debentures of Rs.100 each issued to TV18 Broadcast Limited of Rs. 65,00,00,000.

b) Investment

(i) Investment in 10,50,946 nos. equity share of Prism TV Private Limited on considering value of Rs.64,99,99,592.

(ii) Investment in 2,000 nos. 0.001% Optionally convertible non-cumulative redeemable preference shares of Rs.10 each in Prism TV Private Limited for Rs.12,36,980.

ii) Balances as at 31st March 2016

a) Short-term borrowings: Panorama Television Private Limited: Unsecured loan Rs 43,65,00,000 (Previous Year Rs.43,65,00,000)

b) Long-term borrowings: TV18 Broadcast Limited-Unsecured-Nos.13,22,00,000 (previous year Nos.12,57,00,000) Zero Coupon Compulsorily and Fully Convertible Debentures of Rs. 100 each amounting Rs.1322,00,00,000 (previous year Rs.1257,00,00,000)

c) Non-current Investments:

i) Panorama Television Private Limited - Nos.2,49,59,608 (previous year Nos.2,49,49,630) equity shares of Rs.10 each fully paid up amounting Rs.63,20,42,582 (previous year Rs.63,20,42,582).

ii) Prism TV Private Limited -Nos.1,35,76,616 (previous year as a subsidiary Nos.1,25,25,670) equity shares of Rs.10 each fully paid up amounting Rs.344,52,61,907 (previous year as a subsidiary Rs.279,52,62,315)

iii) Eenadu Television Private Limited - Nos.60,94,190 (previous year Nos.60,94,190) equity shares of Rs.10 each fully paid up amounting Rs.408,77,68,350 (previous year Rs.408,77,68,350).

16. Earnings Per share

	For the year ended 31.03.2016	For the year ended 31.03.2015
Net Loss for the year attributable to equity shareholders (Rs.)	(16 72 991)	(9 51 150)
Weighted average number of equity shares outstanding during the period	200 00 00 000	200 00 00 000
Add: Weighted average number of Equity shares to be issued on conversion of Debentures	1322 00 00 000	1257 00 00 000
Weighted average number of equity shares outstanding during the period for Diluted Earnings Per Share (Nos.)	1522 00 00 000	1457 00 00 000
Basic Earnings per share (Rs)	(0.0008)	(0.0005)
Diluted Earnings per share (Rs)	(0.0008)	(0.0005)
Face value per share (Re.)	1	1

Notes to the Financial Statements for the year ended 31st March, 2016

- 17 The Company has no deferred tax assets or liabilities in accordance with Clause 7 of the Significant Accounting Policies.
- 18 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date

For A.K.Sabat & Co.
Chartered Accountants

D. VIJAYA KUMAR
Partner
Membership No. : 051961

Place : Hyderabad
Date : 15th April, 2016

For and on behalf of the Board of Directors

Sanjiv Kulshreshtha
Director
DIN: 06788866

Bindu Trivedi
Company Secretary

Kshipra Jatana
Director
DIN: 02491225

Place : Noida
Date : 15th April, 2016