

Setpro18 Distribution Limited

Independent Auditor's Report

TO THE MEMBERS OF SETPRO18 DISTRIBUTION LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Setpro18 Distribution Limited, ("the company"), which comprises the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 the appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 in accordance with the Standards on Auditing 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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 and presentation 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 accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31st March, 2016, and its profit/loss and its cash flows for the year ended on that date.

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 Section 143(11) of the Act, we give in the Annexure 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, to the extent applicable, 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.

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- 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors of the Company 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".
 - 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 17 to the financial statements.
 - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Mohan L Jain & Co
Chartered Accountants
Firm Registration No: 005345N

Mohan Lal Jain
Partner
Membership No: 084190

Place: New Delhi

Date:

“ANNEXURE –A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENT OF Setpro18 Distribution Limited**Report on the Internal Financial Controls 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 Setpro18 Distribution Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone 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.

Auditors’ 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 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 judgment, 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 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 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, 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 Mohan L Jain & Co

Chartered Accountants

Firm Registration No: 005345N

Mohan Lal Jain

Partner

Membership No: 084190

Place: New Delhi

Date:

Annexure to the Independent Auditor's Report**To the Members of Setpro18 Distribution Limited**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016.

On the basis of such checks as we considered appropriate and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i) Fixed assets:

- (a)** The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b)** As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management 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.
- (c)** The Company does not have any immovable properties. Accordingly, the provision of paragraph 3 (i) (c) of the Order is not applicable to the Company.

(ii) Inventories:

- (a)** The Company does not have any inventory at any time during the year. Accordingly, the provisions of paragraph 3 (ii) of the Order are not applicable to the Company.

(iii) Granting of loans to certain parties:

- (a)** According to the information and explanation given to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered by Section 2(76) of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.

(iv) Loans and investments:

- (a)** According to the information and explanation given to us, the Company has not made any loan, investment, and guarantees to any person specified under section 185 and section 186 of the Companies Act, 2013; and therefore paragraph 3(iv) of the Order is not applicable.

(v) Acceptance of Deposits:

- (a)** In our opinion and according to the information and explanation given to us, the Company has not received any public deposits during the year.

(vi) Maintenance of cost records:

- (a)** According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company

(vii) Deposit of statutory dues:

- (a)** According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
- (b)** According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues in arrears /

were outstanding as at 31 March, 2016 for a period of more than six months from the date they became payable.

Name of Statute	Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount demanded (INR)	Amount deposited/ Adjusted(INR)
Income Tax Act,1961	Income Taxes	Commissioner of Income Tax (Appeals)	AY 2010-11	63,897,510	Deposit Rs. 6,125,000. Refund adjusted AY 2012-13 – Rs. 47,875,540

(viii) Default in repayment of dues:

(a) 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, banks and debenture holders.

(ix) Application of term loans/public issue/follow on offer:

(a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

(x) Fraud reporting:

(a) 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.

(xi) Managerial remuneration:

(a) In our opinion and according to the information and explanations given to us, the Company has provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) Nidhi Company:

(a) The Company is not Nidhi Company as per Companies Act 2013. Accordingly, the provision of paragraph 3(xii) of the Order is not applicable.

(xiii) Related party transactions:

(a) All transactions with the related parties are in compliance with section 177 and 188 of the Companies act 2013 where applicable and details have been disclosed in financial statements etc., as required by the applicable accounting standards.

(xiv) Preferential allotment/private placement:

(a) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable

(xv) Non-cash transactions:

(a) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provision of paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For Mohan L Jain & Co

Chartered Accountants

Firm Registration No: 005345N

Mohan Lal Jain

Partner

Membership No: 084190

Place: New Delhi

Date:

Balance Sheet as at 31st March, 2016

	Notes	As at 31.03.2016	(All amounts in INR) At at 31.03.2015
EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	34,00,000	34,00,000
(b) Reserves and surplus	4	(1,96,65,209)	(1,93,91,734)
		<u>(1,62,65,209)</u>	<u>(1,59,91,734)</u>
2. Current liabilities			
(a) Trade payables	5	8,91,06,576	8,68,45,909
(b) Other current liabilities	6	3,79,82,238	4,33,22,086
		<u>12,70,88,814</u>	<u>13,01,67,995</u>
Total		<u>11,08,23,605</u>	<u>11,41,76,261</u>
ASSETS			
1. Non - current assets			
(a) Fixed assets			
(i) Tangible assets	7	55,046	75,005
		<u>55,046</u>	<u>75,005</u>
2. Current assets			
(a) Cash and cash equivalents	8	61,17,773	93,15,443
(b) Short - term loans and advances	9	10,45,72,607	10,46,04,333
(c) Other Current Assets	10	78,179	1,81,480
		<u>11,07,68,559</u>	<u>11,41,01,256</u>
Total		<u>11,08,23,605</u>	<u>11,41,76,261</u>
See accompanying notes to the financial statements	1 - 22		

In terms of our report attached

For and on behalf of the Board of Directors

For Mohan L Jain & Co.

Chartered Accountants
Firm Reg. No. 005345N

Mohan Lal Jain
Partner
M. No. 084190

Sanjiv Kulshreshtha
Director

Karanvir Singh Gill
Director

Place:- New Delhi
Date :

Statement of Profit and Loss Account for the period ended 31st March, 2016

	Notes	Year ended 31.03.2016	(All amounts in INR) Year ended 31.03.2015
1. Revenue			
(a) Other income	11	96,46,219	13,25,902
Total		96,46,219	13,25,902
2. Expenses:			
(a) Finance costs	12	206	1,60,685
(b) Depreciation and amortization expenses	7	19,959	74,482
(c) Other expenses	13	98,99,529	8,88,824
Total		99,19,694	11,23,991
3. Profit / (Loss) before exceptional item and Tax		(2,73,475)	2,01,911
Exceptional items		-	57,07,442
Profit / (Loss) before tax		(2,73,475)	(55,05,531)
4. Tax expenses:			
Provision of Income Tax		-	1,25,815
Prior period adjustment		-	6,84,820
5. Profit / (Loss) for the period		(2,73,475)	(63,16,166)
6. Earnings per equity share (See note 15) (Face value of Rs. 10 each)			
(a) Basic		(0.80)	(18.58)
(b) Diluted		(0.80)	(18.58)
See accompanying notes to the financial statements	1 - 22		

In terms of our report attached

For and on behalf of the Board of Directors

For Mohan L Jain & Co.

Chartered Accountants
Firm Reg. No. 005345N

Mohan Lal Jain

Partner
M. No. 084190

Place:- New Delhi

Date :

Sanjiv Kulshreshtha
Director

Karanvir Singh Gill
Director

Cashflow Statement for the year ended 31st March 2016

	<i>(All amounts in INR)</i>	
	Year ended 31.03.2016	Year ended 31.03.2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	(2,73,475)	(55,05,531)
Adjustments for :		
- Depreciation	19,959	74,482
- Sundry Balance written back	89,83,969	-
- Exceptional Item	-	57,07,442
- Interest income	(6,62,250)	(12,94,583)
- Finance charges	206	1,60,685
- Operating profit before working capital changes	80,68,409	(8,57,505)
Adjustments for :		
- Decrease/(Increase) in current and non-current assets	-	(9,46,509)
- Increase/(Decrease) in current and non-current liabilities	(1,20,63,150)	1,67,362
- Cash Generated from/(used in) operations	(39,94,741)	(16,36,651)
- Tax paid	-	(8,10,635)
Net cash from/ (used in) operating activities (A)	(39,94,741)	(24,47,286)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	7,97,277	13,16,345
Net cash from/ (used in) investing activities (B)	7,97,277	13,16,345
C. CASH FLOW FROM FINANCING ACTIVITIES		
Other financial charges	(206)	(1,60,684)
Net cash from/ (used in) financing activities (C)	(206)	(1,60,684)
Net increase/ (decrease) in cash and cash equivalents (A)+(B)+(C)	(31,97,670)	(12,91,626)
Cash and cash equivalents as at the beginning of the year	93,15,443	1,06,07,069
Cash and cash equivalents as at the end of the year	61,17,773	93,15,443
Component of Cash and cash equivalent		
- Cash on hand	1,274	1,314
- Bank Balance in current A/c	61,16,499	93,14,129
Closing Balance of Cash and Cash Equivalent	61,17,773	93,15,443

Notes :

- The above Cash flow statement has been prepared under the indirect method set out in AS-3
- Figures in brackets indicate cash outflow.

In terms of our report attached

For and on behalf of the Board of Directors

For Mohan L Jain & Co.

Chartered Accountants
Firm Reg. No. 005345N

Mohan Lal Jain

Partner
M. No. 084190

Sanjiv Kulshreshtha

Director

Karanvir Singh Gill

Director

Place:- New Delhi

Date :

Notes to the financial statements for the year ended 31st March, 2016

1.1 Corporate information

The company was incorporated on September 28, 1993 to engage in the **business of investment, leasing and hire purchase, and to carry on financial operations, trading business and commercial services**. The name of the company was changed to Setpro 18 Distribution Private Limited with effect from May 11, 2007 (Formerly Setpro Holdings Private Limited). The Company was converted into a public limited company w.e.f. 20th May, 2008 and fresh Certificate of Incorporation was issued by The Registrar of Companies, NCT of Delhi & Haryana on 9th June 2008

1.2 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India and to comply with the Accounting Standard specified under Section 133 of the Companies Act, 2013 (the Act') read with Rule 7 of the Companies (Accounts) Rule, 2014 (as amended). The accounting policies have been consistently applied by RRB Investment Private Limited ('the Company')

1.3 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.

1.4 Fixed Assets

Fixed assets, carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

1.5 Revenue recognition

1. Band Placement Fee

Income from services is recognised upon completion of services as per the term of contract. Period based services are accrued and recognised pro-rata over the contractual period.

Service revenue comprises of Income from subscription, placement of channels, and other services. These are recognised to the extent the amount is billable.

Revenue billed but not recognised at the end of the year is disclosed as deferred revenue under current liabilities.

1.6 Other Income

Dividends on investments are accounted for when the right to receive dividend is established. And Interest is recognized only when it is reasonably certain that the ultimate collection will be made.

1.7 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with AS-20, the Accounting Standard on Earnings Per Share. Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year. Diluted earnings per equity share have been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

1.8 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

Notes to the financial statements for the year ended 31st March, 2016

the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset, if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

1.9 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

2.0 Depreciation and amortisation

Depreciation on all Fixed Assets is provided as per Schedule II of Companies Act, 2013 under SLM over estimated useful lives for each category of assets as under:

- Plant & Machinery	15 years
- Furniture & Fixture	10 years
- Computer hardware	3 years

Intangible assets are amortised over their estimated useful life as follows:

Notes to the financial statements for the year ended 31st March, 2016

		(All amounts in INR)		
		As at 31.03.2016	As at 31.03.2015	
3. Share Capital				
a. Authorised				
340,000 (Previous year 340,000) Equity Shares of Rs. 10/- each		34,00,000	34,00,000	
b. Issued, Subscribed and Paid up				
Issued				
340,000 (Previous year 340,000) Equity Shares of Rs. 10/- each fully paid up		34,00,000	34,00,000	
Subscribed and Paid up shares				
340,000 (Previous year 340,000) Equity Shares of Rs. 10/- each fully paid up		34,00,000	34,00,000	
Total		34,00,000	34,00,000	
c. Shares held by holding company		No. of Shares held	No. of Shares held	
Capital18 Fincap Private Limited		3,40,000	3,40,000	
		3,40,000	3,40,000	
d. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:		As at 31.03.2016 (Rupees)	As at 31.03.2015 (Rupees)	
i. 340,000 (Previous year 340,000) Shares outstanding at the beginning of the year		34,00,000	34,00,000	
ii. Shares Issued		-	-	
iii. 340,000 (Previous year 340,000) shares outstanding at the end of the year		34,00,000	34,00,000	
e. Shareholders holding more than 5 % shares:				
		As at 31.03.2016	As at 31.03.2015	
Name of Shareholder	% holding	No. of Shares held	% holding	No. of Shares held
Capital18 Fincap Private Limited	100	3,40,000	100	3,40,000

f. Description of the rights, attached to equity shares

Each holder of equity share is entitled to one vote per share held. The shares rank *pari passu* in all respects. In the event of liquidation, the holders are eligible to receive remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

Notes to the financial statements for the year ended 31st March, 2016

	<i>(All amounts in INR)</i>	
	As at 31.03.2016	As at 31.03.2015
4. Reserves and Surplus		
Surplus/(deficit) in the Statement of Profit and Loss Account		
Opening Balance	(1,93,91,734)	(1,30,20,908)
Add/(less):		
- Dep. Adj. due to schedule II	-	(54,660)
- Profit/(Loss) for the year	(2,73,475)	(63,16,166)
Total	<u><u>(1,96,65,209)</u></u>	<u><u>(1,93,91,734)</u></u>
5. Trade Payables		
Others*	8,91,06,576	8,68,45,909
Total	<u><u>8,91,06,576</u></u>	<u><u>8,68,45,909</u></u>
* include balance of related party		
6. Other Current Liabilities		
Other Liabilities		
- Other Liability	3,72,37,638	3,72,73,065
- Provision For Expenses	7,44,600	59,23,206
- Provision For Tax	-	1,25,815
Total	<u><u>3,79,82,238</u></u>	<u><u>4,33,22,086</u></u>

Notes to the financial statements for the year ended 31st March, 2016

(All amounts in INR)											
Particulars	Gross Block			Accumulated Depreciation			Net Block				
	Balance as at 1-Apr-15	Additions	Deletions	Closing balance as at 31-Mar-16	Balance as at 1-Apr-15	Dep. Tfd to retained earnings	Depreciation charge for the period	Closing balance as at 31-Mar-16	Closing balance as at 31-Mar-15		
(a) Tangible Assets											
Plant and Equipment	98,949	-	-	98,949	84,280	-	3,388	87,668	14,669		
- others	11,58,343	-	-	11,58,343	11,58,343	-	-	11,58,343	-		
Computers	1,20,122	-	-	1,20,122	59,786	-	16,571	76,357	60,336		
- others	13,77,414	-	-	13,77,414	13,02,409	-	19,959	13,22,368	75,005		
Furniture and Fixtures											
Total											
(b) Intangible Assets											
Computers software	4,00,000	-	-	4,00,000	4,00,000	-	-	4,00,000	-		
Total	4,00,000	-	-	4,00,000	4,00,000	-	-	4,00,000	-		
Grand Total	17,77,414	-	-	17,77,414	17,02,409	-	19,959	17,22,368	75,005		
Previous period	17,77,414	-	-	17,77,414	15,73,267	54,660	74,482	17,02,409	75,005	2,04,147	

Notes to the financial statements for the year ended 31st March, 2016

14. Related Party Disclosures

a. Details of related parties:

Description of relationship	Names of related parties
Enterprises exercising control	Independent Media Trust (w.e.f. 07.07.2014) Adventure Marketing Private Limited (w.e.f. 07.07.2014)# Watermark Infratech Private Limited (w.e.f. 07.07.2014)# Colorful Media Private Limited (w.e.f. 07.07.2014)# RB Media Holdings Private Limited (w.e.f. 07.07.2014)# RB Mediasoft Private Limited (w.e.f. 07.07.2014)# RRB Mediasoft Private Limited (w.e.f. 07.07.2014)# RB Holdings Private Limited (w.e.f. 07.07.2014)# Network18 Media & Investments Limited Capital 18 Fincap Private Limited
Beneficiary/Protector of Independent Media Trust	Reliance Industries Limited (RIL) (w.e.f. 07.07.2014) Reliance Industrial Investments and Holdings Limited (w.e.f. 07.07.2014)
Fellow Subsidiaries	AETN18 Media Private Limited Big Tree Entertainment Private Limited Big Tree Entertainment Singapore Pte. Ltd. BK Holdings Limited (Amalgamated with Network18 Holdings Ltd w.e.f. 03 June 2014) Capital18 Limited, Mauritius (Amalgamated with Network18 Holdings Ltd w.e.f. 03 June 2014) Colosseum Media Private Limited Digital 18 Media Limited e - Eighteen.com Limited E-18 Limited, Cyprus Equator Trading Enterprise Limited Fantain Sports Private Limited (Wef February 2016) Greycells 18 Media Limited ibn18 (Mauritius) Limited Infomedia Press Limited Moneycontrol Dot Com India Limited Network18 Holdings Limited NW 18 HSN Holdings Plc (formerly TV18 HSN Holdings Limited) Cyprus Panorama Entertainment Private Limited Prism TV Private Limited (up to 31st July 2015 by virtue of board control) Reed Infomedia India Private Limited Reliance Retail Limited (w.e.f. 07 July 2014)* RRB Investments Private Limited RVT Finhold Private Limited RVT Media Private Limited RRK Finhold Private Limited Space Bound Web Labs Private Limited Stargaze Entertainment Private Limited (up to 23rd April 2015) Television Eighteen Mauritius Limited Television Eighteen Media and Investments Limited TV18 Broadcast Limited TV18 Home Shopping Network Limited Web 18 Holdings Limited, Cyprus Web 18 Software Services Limited

Notes to the financial statements for the year ended 31st March, 2016

14. Related Party Disclosures

a. Details of related parties:

Description of relationship	Names of related parties
Joint ventures	IBN Lokmat News Private Limited Indiacast Media Distribution Pvt. Limited Indiacast UK Limited Indiacast US Limited Indiacast UTV Media Distribution Private Limited Prism TV Private Limited (wef 1 st August 2015) Roptonal Limited, Cyprus The Indian Film Company Limited [merged with Roptonal Limited w.e.f. 19th January, 2015] Ubona Technologies Private Limited Viacom 18 Media Private Limited Viacom18 Media UK Limited Viacom18 US Inc.
Associates	24X7 Learnings Private Limited Aeon Learnings Private Limited Eenadu Television Private Limited Wespro Digital Private Limited (up to 8th April 2015)

Control by Independent Media Trust of which RIL is the sole beneficiary.

* Subsidiary of RIL, the sole beneficiary of Independent Media Trust.

b. Details of balances and transactions during the period with related parties

Transactions	Enterprises exercising control	Fellow Subsidiaries	Joint ventures	Associates
Reimbursement of expenses paid				
Network18 Media & Investment Ltd	- (9,314)			
Other Payable				
TV18 Broadcast Limited		8,68,45,909 (8,68,45,909)		
Network18 Media & Investment Ltd	- (9,314))			

15. Earnings Per Equity Shares

Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the period ended 31 March, 2015. Diluted earnings per equity share have been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year. The details are:

Particulars	Unit	Year ended 31.03.2016	Year ended 31.03.2015
Earnings Per Equity Shares:			
Net profit after tax	Rupees	(2,73,475)	(63,16,166)
Weighted average number of equity shares outstanding during the year	Numbers	3,40,000	3,40,000
Nominal Value of Equity Shares	Rupees	10.00	10.00
Basic Earnings per Share	Rupees	(0.80)	(18.58)
Weighted average of number of equity shares used in computing diluted earnings per share	Numbers	3,40,000	3,40,000
Diluted Earnings per Share	Rupees	(0.80)	(18.58)

16 Segment Reporting

- (i) The Company has only one business segment "Band Placement Operations" as its primary segment and hence disclosure of segment-wise information is not required under Accounting Standard 17.
- (ii) The Company has only one Geographical Segment. The Company caters mainly to the needs of the domestic market. The export turnover is not significant in the context of total turnover.

17 Contingent Liabilities

Claim against the company not acknowledged as debts is the demand raised by the income Tax Authorities relating to the AY10-11 amounts to Rs.63,897,510/-. The company has deposited Rs 6,125,000 against the claim and Rs 47,875,540 has been adjusted against the refund of the AY 12-13 against the demand.

- 18** The Board of Directors of the company, in its meeting held on 7th January, 2014 considered and approved a scheme of Arrangement ("the scheme") which inter alia envisaged merger of RVT Finhold Private Limited , RRB Finhold Private Limited, RRB Investment Private Limited, Reeds Infomedia Private Limited and the company with Capital18 Fincap Private Limited. The scheme was approved by the Hon'ble High Court of Delhi and Hon'ble High Court of Bombay on May 23,2014 and January 30, 2015 respectively. The Scheme was to become effective on filing of certified copies of the Hon'ble High Court's orders with the respective jurisdictional Registrar of Companies. During the year, the plan for the proposed merger was shelved by complying with the required legal process.

19 Exceptional Item

In the previous year, based on a review of the current and non-current assets, the Company and its subsidiaries has accounted for (a) provisions of Income tax & Service Tax to the extent of Rs. 57,07,442/-. However, these adjustments have no impact on the future profitability and cash flows of the operating businesses of the Company.

20 Going Concern

The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued support of the shareholder. The directors are of the opinion that this support will be forthcoming over the next twelve months.

21 Previous Year's Figures

The previous year figures have been reclassified/ regrouped to conform to this year's classification.

22 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid or is payable under the terms of the MSMED Act, 2006.

For and on behalf of the Board of Directors

Sanjiv Kulshreshtha
Director

Karanvir Singh Gill
Director