

COLOSCEUM MEDIA PRIVATE LIMITED

Colosceum Media Private Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of **Colosceum Media Private Limited**

1. Reports on the Financial Statements

We have audited the accompanying financial statements of **Colosceum Media Private Limited**, which comprise the Balance Sheet as at March 31, 2015 the Statement of Profit & Loss, and a cash flow statement for the year then ended on that date, and a summary of significant accounting policies and other explanatory information.

2. 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 preparation of the 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 Standards specified under section 133 of the Act, read with Companies (Accounts) Rules, 2014 ("the Act"). This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control 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.

3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements 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.

4. Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of a cash flow statement, of the cash flows of the company for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report that:

- a) we have 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 appears from our examination of those books
- c) The Balance Sheet, Statement of Profit & Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

COLOSCEUM MEDIA PRIVATE LIMITED

- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the accounting standards referred specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.

For Mohan L. Jain & Co

Chartered Accountants

Firm Registration No: 005345N

Nitin Aggarwal

Partner

Membership No: 528066

Place: New Delhi

Date: April 9, 2015

Balance Sheet as at 31st March, 2015

		(Amount in Rs.)	
	Notes	As at 31st March, 2015	As at 31st March, 2014
Equity and liabilities			
1 Shareholders' funds			
(a) Share capital	3	12,846,010	12,846,010
(b) Reserves and surplus	4	116,342,943	104,943,834
2 Non-current liabilities			
(a) Long-term provisions	5	1,631,284	1,233,957
3 Current liabilities			
(a) Short-term borrowings	6	-	39,208,557
(b) Trade payables	7	40,462,762	45,692,662
(c) Other current liabilities	8	31,828,196	36,726,767
(d) Short-term provisions	9	65,263	29,079
Total		<u>203,176,458</u>	<u>240,680,867</u>
Assets			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	1,729,456	3,589,587
(ii) Intangible assets	11	-	8,387
(b) Deferred tax assets (net)	12	1,263,256	612,642
(c) Long-term loans and advances	13	2,452,396	2,993,106
2 Current assets			
(a) Inventories	14	8,816,490	24,881,191
(b) Trade receivables	15	100,292,576	79,604,680
(c) Cash and Bank Balance	16	22,104,022	85,645,848
(d) Short-term loans and advances	17	66,518,262	43,345,426
Total		<u>203,176,458</u>	<u>240,680,867</u>
See accompanying notes to the Financial statements	1 to 32		

As per our report of even date attached

For **MOHAN L. JAIN & CO.**
Chartered Accountants
Firm Registration No. 005345N

Nitin Aggarwal
Partner
Membership No. 528066

Place: New Delhi
Date:

For and on behalf of the Board

Kshipra Jatana
Director

Sarbvir Singh
Director

Jayesh Gokalgandhi
Chief Finance Officer

Statement of Profit and Loss for the year ended 31st March, 2015

	Notes	Year Ended 31st March, 2015	(Amount in Rs.) Year Ended 31st March, 2014
I. Income			
Revenue from operations	18	450,798,383	730,718,523
Other income	19	4,351,647	6,104,979
Total revenue		455,150,030	736,823,502
II. Expenses			
Production and other direct expenses	20	357,979,097	568,950,643
(Increase)/Decrease in inventories of Work in Progress	21	33,697,681	86,362,499
Employee benefits expense	22	22,758,762	23,903,186
Other expenses	23	24,239,478	27,379,838
Depreciation and amortization expense	24	1,266,193	964,874
Finance costs	25	76,418	6,183,059
Total Expenses		440,017,629	713,744,099
Exceptional Items		1,103,120	-
Profit/(Loss) before tax		14,029,281	23,079,402
Tax expense			
Prior Period Adjustments		-	(106,749)
Current tax		2,969,410	3,983,631
Deferred tax		(650,615)	641,056
Total Tax expense		2,318,795	4,517,938
Profit/(Loss) for the year		11,710,486	18,561,464
Earnings per equity share [nominal value of share Rs. 10/- (31st March 2014: Rs. 10/-)]			
(a) Basic		9.95	15.78
(b) Diluted		9.95	15.78
Summary of significant accounting policies			

As per our report of even date attached

For **MOHAN L. JAIN & CO.**
Chartered Accountants
Firm Registration No. 005345N

Nitin Aggarwal
Partner
Membership No. 528066

Place: New Delhi
Date:

For and on behalf of the Board

Kshipra Jatana
Director

Sarbvir Singh
Director

Jayesh Gokalgandhi
Chief Finance Officer

Cashflow Statement for the year ended 31st March, 2015

	(Amount in Rs.)	
	Year Ended 31st March 2015	Year Ended 31st March, 2014
Cash flows from Operating activities		
Profit/(Loss) before income tax	14,029,281	23,079,402
Adjustments for:		
Depreciation & Amortisation	1,266,193	964,874
Interest & Financial Charges	76,418	6,184,302
Exceptional Items	1,103,120	-
Interest Income	(3,890,691)	(1,011,671)
Loss on sale of Fixed Assets	-	1,235,158
Loss on Scrap of Fixed Assets	43,603	
Changes in working capital		
Increase in:		
- Non-Current Liabilities	397,327	-
- Current Assets	(28,592,055)	
Decrease in:		
- Non-Current Liabilities	-	(350,006)
- Current Liabilities	(10,092,288)	(12,370,950)
- Non-Current Assets	540,710	9,454,505
- Current Assets	-	95,986,117
Cash used in operations	(25,118,383)	123,171,732
Income tax paid	(2,969,410)	(3,983,631)
Net cash used in operating activities	(28,087,793)	119,188,101
Cash flows from investing activities		
Purchases of Fixed Assets	(59,750)	(130,398)
Sale of Fixed Assets	-	898,286
Interest Received	3,890,691	818,960
Net cash flow used in investing activities	3,830,941	1,586,848
Cash flows from financing activities		
Loan Borrowing/Repayment	(39,208,557)	(49,932,081)
Interest & Financial Charges	(76,418)	(6,184,302)
Net cash flow generated from financing activities	(39,284,975)	(56,116,384)
Net decrease in cash and cash equivalents	(63,541,826)	64,658,565
Cash and cash equivalents at beginning of year	85,645,848	20,987,283
Cash and cash equivalents at end of Year	22,104,022	85,645,848

1. The above Cash flow statement has been prepared under the indirect method set out in AS-3
2. Figures in brackets indicate cash outflow.
3. Previous year figures have been regrouped and recast wherever necessary to conform to the current period classification.

As per our report of even date attached

For and on behalf of the Board

For **MOHAN L. JAIN & CO.**

Chartered Accountants

Firm Registration No. 005345N

Nitin Aggarwal

Partner

Membership No. 528066

Kshipra Jatana

Director

Sarbvir Singh

Director

Place: New Delhi

Date:

Jayesh Gokalgandhi

Chief Finance Officer

Notes forming part of the Financial Statements for the year ended 31st March, 2015

1 Corporate information

Colosceum Media Private Limited was promoted by Mr. Raghav Bahl and Mrs. Ritu Kapur to carry on the business of media and media related services. The company was incorporated in the name of RVT SOFTWARE PRIVATE LIMITED on November 29, 2007. The name of the company was changed to Colosceum Media Private Limited on December 20, 2007.

The company is engaged in the business of conceptualization and creation of multimedia assets and IPs. It offers content development capabilities for television and film entertainment as well as consulting, strategic and research advisory services to clients.

2 Significant accounting policies

These financial statements have been prepared to comply with Accounting Principles Generally accepted in India (Indian GAAP) the Accounting Standards notified under Section 211(3C) of the Companies (Accounting Standards) Rules, 2006 (as amended) ("the 1956, Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provision of the 1956 Act/2013 Companies Act, as applicable.

2.1 Basis of accounting and preparation of financial statements

The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Examples of such estimates include provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes, foreseeable estimated contract losses and useful life of fixed and intangible assets. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

2.3 Inventories

Inventories are valued at cost. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

2.4 Depreciation and amortisation

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under:

Leasehold land is amortised over the duration of the lease i.e. considering 3 years.

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

Computer Software – 5 years

The estimated useful life of tangible and intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

2.5 Revenue recognition

Income from services

In respect of sponsored and commissioned program, revenue is recognised as and when the relevant episodes of the programs are telecast.

Notes forming part of the Financial Statements for the year ended 31st March, 2015

2.6 Other income

- (a) Interest income is accounted on accrual basis.
- (b) Dividend income is accounted for when the right to receive it is established.
- (c) In all other cases, revenue is recognised when no significant uncertainty as to its determination or realization exist.

2.7 Tangible fixed assets

Fixed assets are 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. Fixed assets acquired and put to use for specific project purpose are expensed out.

2.8 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase/completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

2.9 Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

2.10 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.11 Employee benefits

Employee benefits include provident fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

Defined contribution plans

Provident Fund

The Company's contribution to provident fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution (presently, 12% of the employees' basic salary) as required to be made by both the employees and the employer. The company has no further obligations under the plan beyond its monthly contributions.

Defined benefit plans

Gratuity

The gratuity liability arises on retirement, withdrawal, resignation or death of an employee. The aforesaid liability is calculated on the basis of fifteen days salary (i.e. last drawn salary plus dearness allowance) for each completed year of service subject to completion of five years of service.

The present value of defined benefit obligations/compensated absences and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried at each year end.

Notes forming part of the Financial Statements for the year ended 31st March, 2015

Leave Encashment

The Company has provided for the liability at period end on account of unavailed leave as per the actuarial valuation as per the Projected Unit Credit Method.

2.12 Borrowing costs

Borrowing costs that are attributable to the acquisition and construction of a qualifying asset are recognized as an expense in the year in which they are incurred.

2.13 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease period.

2.14 Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

2.15 Taxes on income

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 Credit is recognised as an asset under the head "Short term Loans and Advances" in the Balance Sheet.

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 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.

2.16 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.

As of 31st March 2015 a demand of Rs. 15,84,250/- has been made by the Income Tax Department on account of default in deduction and payment of TDS liability pertaining to Financial Year 2007-08 onwards. The same is being examined and appropriate representations will be made to the department. No provision has been created for the same.

Notes to Financial Statements for the year ended 31st March, 2015

		(Amount in Rs.)	
		As at	As at
		31st March, 2015	31st March, 2014
3	Share capital		
	(a) Authorized shares capital		
	i) 1,500,000 (31 March 2014: 1,500,000) equity shares of Rs. 10/- each	15,000,000	15,000,000
	ii) 500,000 (31 March 2014: 500,000) preference shares of Rs. 10/- each	5,000,000	5,000,000
		<u><u>15,000,000</u></u>	<u><u>15,000,000</u></u>
	(b) Issued, subscribed and paid-up capital		
	i) 1,176,500 (31 March 2014: 1,176,500) equity shares of Rs. 10/- each	11,765,000	11,765,000
	ii) 108,101 (31 March 2014: 1,08,101) Preference Shares of Rs.10/- each	1,081,010	1,081,010
	Total issued, subscribed and fully paid-up shares capital	12,846,010	12,846,010
		<u><u>12,846,010</u></u>	<u><u>12,846,010</u></u>

DISCLOSURES

		As at	As at
		31st March, 2015	31st March, 2014
		Numbers	Numbers
(a)	Reconciliation of the shares outstanding		
	i) Equity shares		
	i) At the beginning of the period	1,176,500	1,176,500
	ii) Issued during the period-ESOP	-	-
	Outstanding at the end of the period	1,176,500	1,176,500
		<u><u>1,176,500</u></u>	<u><u>1,176,500</u></u>
	ii) Preference shares		
	i) At the beginning of the period	108,101	108,101
	ii) Issued during the period	-	-
	Outstanding at the end of the period	108,101	108,101
		<u><u>108,101</u></u>	<u><u>108,101</u></u>

(b) Description of the rights, preferences and restrictions attached preference shares

- Each Preference Share shall have a tenure of 10 (ten) years from the date of issue and shall not carry any right to dividend.
- The Preference Share Holder shall have an option, exercisable at any time during a period of 10 (ten) years following the date of Subscription, to convert all or part of the Preference Shares into Equity Shares of the Company.
- Each Preference Share is convertible into 10 Equity Shares of the Company. The Equity Shares of the Company so allotted on conversion shall rank *pari passu* and shall have the same rights as the existing Equity Shares of Company.
- The Preference Shares shall be freely transferable to any third party subject to applicable law.
- The Preference Shares which are not redeemed or converted and outstanding on the expiry of 10 years from the date of subscription shall be redeemed by the Company within 1 month from the expiry of the tenure at the same price at which the Preference Shares were issued

Notes to Financial Statements for the year ended 31st March, 2015

(Amount in Rs.)
As at
31st March, 2015 As at
31st March, 2014

(c) Details of shares held within the Group

Shares held by the holding company

Equity Shares: 11,76,499 (31 March 2014: 11,76,499) shares of Rs. 10 each	11,764,990	11,764,990
Preference Shares: 108,101 (31 March 2014: 1,08,101) Shares of Rs.10/- each	1,081,010	1,081,010

(d) Details of Equity shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Capital 18 Fincap Pvt Ltd	1,176,499	99.99%	1,176,499	99.99%

(e) Details of Preference shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Capital 18 Fincap Pvt Ltd	108,101	100.00%	108,101	100.00%

Notes to Financial Statements for the year ended 31st March, 2015

		(Amount in Rs.)	
		As at	As at
		31st March, 2015	31st March, 2014
4	Reserve and surplus		
	(a) Securities premium account		
	Balance as per the last financial statements	126,019,740	126,019,740
	Add: Premium on issue of preference shares	-	-
	Closing Balance	<u>126,019,740</u>	<u>126,019,740</u>
	(b) Surplus/(Deficit) in the statement of profit and loss		
	Balance as per the last financial statements	(21,075,907)	(39,637,371)
	Depreciation charge as per Schedule II from retained earnings	(311,376)	-
	Less: Profit for the year	11,710,486	18,561,464
	Net Deficit in the statement of profit and loss	<u>(9,676,797)</u>	<u>(21,075,907)</u>
	Total	<u>116,342,943</u>	<u>104,943,834</u>
5	Long Term Provisions		
	Provision for employee benefits		
	Provision for gratuity	1,069,256	685,985
	Provision for leave encashment	562,028	248,836
	Provision for sick leave	-	299,136
	Total	<u>1,631,284</u>	<u>1,233,957</u>
6	Short-term borrowings		
	Secured - Repayable on demand from banks - Cash Credit	-	39,208,557
	Total	<u>-</u>	<u>39,208,557</u>
7	Trade payable and Other current liabilities		
	Trade payables		
	Sundry creditors		
	(a) Due to Micro and Small Enterprises	-	-
	(b) Due to Others	40,462,762	45,692,662
	Total	<u>40,462,762</u>	<u>45,692,662</u>

Notes to Financial Statements for the year ended 31st March, 2015

		(Amount in Rs.)	
		As at	As at
		31st March, 2015	31st March, 2014
8	Other Current Liabilities: (Due within 1 year)		
	(a) Income received in advance	200,000	10,898,316
	(b) Other payables		
	I. Statutory dues payable		
	- <i>service tax payable</i>	-	-
	- <i>TDS payable</i>	6,079,788	3,038,596
	- <i>PF Payable</i>	99,999	131,678
	- <i>Other Statutory liability</i>	-	1,400
	II. Provision for expenses (Net of Advances)	22,885,607	20,590,939
	III. Salary Payable	1,949,367	1,525,686
	(c) Advances from Customers	613,435	540,152
	Total	31,828,196	36,726,767
9	Provisions - Short Term		
	Provision for employee benefits		
	Provision for gratuity	43,143	21,392
	Provision for leave benefits	22,120	7,687
	Total	65,263	29,079

Notes to Financial Statements for the year ended 31st March, 2015

(All amount in Rs.)						
10 Tangible assets	Plant & Equipment	Computer Hardware	Furniture & Fixtures	Vehicles	Office Equipment	Total
Cost or valuation						
At 31 March 2013	473,084	2,817,680	911,151	5,432,318	511,062	10,145,296
Additions		78,086	52,312			130,398
Disposals	56,480	545,239	108,243	2,774,185	17,200	3,501,347
At 31 March 2014	416,604	2,350,527	855,220	2,658,133	493,862	6,774,347
Additions		59,750				59,750
Disposals	274,066	733,718	417,887		153,796	1,579,467
At 31st March 2015	142,538	1,676,559	437,333	2,658,133	340,066	5,254,630
Depreciation						
At 31 March 2013	248,806	1,723,368	306,900	1,184,801	130,221	3,594,096
Charge for the year	11,087	356,703	109,961	451,086	29,731	958,568
Disposals	10,070	545,239	108,243	702,616	1,735	1,367,903
At 31 March 2014	249,823	1,534,832	308,618	933,271	158,217	3,184,761
Depreciation charged to retained earnings due to schedule II		195,147			116,229	311,376
Charge for the year	13,037	592,250	100,780	404,098	147,641	1,257,806
Assets more than 5 years			307,096			307,096
Disposals	238,069	733,718	417,887		146,190	1,535,864
At 31st March 2015	24,791	1,588,511	298,607	1,337,369	275,897	3,525,175
Net Block						
At 31 March 2014	166,781	815,695	546,602	1,724,862	335,645	3,589,587
At 31st March 2015	117,747	88,048	138,726	1,320,764	64,170	1,729,456
11 Intangible assets						
		Computer Software	Total			
Gross block						
At 31 March 2013		77,500	77,500			
Purchase		-	-			
Internal development		-	-			
At 31 March 2014		77,500	77,500			
Purchase		-	-			
Disposal		40,060	40,060			
At 31st March 2015		37,440	37,440			
Amortization						
At 31 March 2013		62,806	62,806			
Charge for the year		6,307	6,307			
At 31 March 2014		69,113	69,113			
Charge for the year		8,387	8,387			
Disposal		40,060	40,060			
At 31st March 2015		37,440	37,440			
Net Block						
At 31st March 2014		8,387	8,387			
At 31st March 2015		-	-			

Note Pursuant to the enactment of the Companies Act, 2013 (the Act), the Company has, effective from 1st April, 2014, reassessed the useful life of its fixed assets and has computed depreciation with reference to the useful life of assets as recommended in Schedule II to the Act. Depreciation and consequently net loss of the Company in the standalone financial results for the period ended 31st March 2015 is lower by Rs.5,79,833/-. Further, based on the transitional provision provided in Schedule II, an amount of Rs.3,11,376/- has been adjusted with the opening reserves.

Notes to Financial Statements for the year ended 31st March, 2015

		(Amount in Rs.)	
		As at	As at
		31st March, 2015	31st March, 2014
12	Deferred tax assets (net)		
	Deferred tax liability		
	Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	394,607	(2,453)
	Gross deferred tax liability	<u>394,607</u>	<u>(2,453)</u>
	Deferred tax assets		
	Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis		
	Provision for employee benefits	868,649	615,095
	Provision for doubtful debts and advances	-	-
	Gross deferred tax assets	<u>868,649</u>	<u>615,095</u>
	Total	<u><u>1,263,256</u></u>	<u><u>612,642</u></u>
13	Loans and advances - Non Current		
	(a) Security Deposits - unsecured, considered good	2,332,396	2,273,106
	(b) Loan to employees	120,000	720,000
	Total	<u><u>2,452,396</u></u>	<u><u>2,993,106</u></u>
14	Inventories (valued at lower of cost and net realizable value)		
	Work-in-progress	8,816,490	24,881,191
	Total	<u><u>8,816,490</u></u>	<u><u>24,881,191</u></u>

Notes to Provisional Financial Statements for the year ended 31st March, 2015

	(Amount in Rs.)	
	As at 31st March, 2015	As at 31st March, 2014
15 Trade receivables		
(a) Trade receivables outstanding for a period less than six months		
Unsecured, considered good	98,983,197	79,233,669
	<u>98,983,197</u>	<u>79,233,669</u>
(b) Trade receivables outstanding for a period exceeding six months		
Unsecured, considered good	1,309,379	371,011
Unsecured, considered doubtful		-
Less: Provision for doubtful debts		-
	<u>1,309,379</u>	<u>371,011</u>
Total	<u><u>100,292,576</u></u>	<u><u>79,604,680</u></u>
16 Cash and bank balances		
Cash and Cash equivalents	127,142	181,196
Balances with banks in current accounts	2,923,889	378,368
Balances with banks in Cash Credit	19,052,991	50,086,285
Fixed Deposit with bank (maturity less than 3 months)	-	35,000,000
Total	<u><u>22,104,022</u></u>	<u><u>85,645,848</u></u>
17 Loans and advances		
(a) Advances recoverable in cash or kind		
Advance to suppliers - Unsecured, considered good	566,931	3,552,796
Total (A)	<u><u>566,931</u></u>	<u><u>3,552,796</u></u>
(b) Other Loans and Advances		
Income Tax Paid (Net of Provisions)	39,327,220	34,363,520
MAT Credit Entitlement	6,469,684	1,197,309
Service Tax Input Credit	6,529,081	700,898
Prepaid expenses	184,974	228,386
Unbilled Production Income	13,440,371	3,302,517
Total (B)	<u><u>65,951,331</u></u>	<u><u>39,792,630</u></u>
Total (A + B)	<u><u>66,518,262</u></u>	<u><u>43,345,426</u></u>

Notes to Financial Statements for the year ended 31st March, 2015

		(Amount in Rs.)	
		Year Ended 31st March, 2015	Year Ended 31st March, 2014
18 Revenue from operations			
	Income from media operations	450,798,383	730,718,523
	Total	<u>450,798,383</u>	<u>730,718,523</u>
19 Other income			
	Interest on income tax refund	-	5,053,795
	Other Income	101,681	100
	Profit on exchange differences	-	39,412
	Interest on Fixed Deposits	3,890,691	1,011,671
	Excess Provision written back	299,136	-
	Sundry Balance written back	60,139	-
	Total	<u>4,351,647</u>	<u>6,104,979</u>
20 Production and other direct expenses			
	Media Professional Fee	93,534,471	105,778,973
	Material Consumed	25,186,800	37,078,974
	Travelling & Conveyance	36,044,524	77,877,984
	Event Expenses	4,395,068	23,361,027
	Artist Fees	9,713,337	14,327,554
	Set Expenses	23,237,651	19,391,750
	Production Equipment Expenses	49,245,770	56,951,990
	Studio and Location Expenses	29,449,148	24,453,970
	Production General Expenses	27,353,856	67,273,500
	Line Production Fees	59,818,472	142,454,921
	Total	<u>357,979,097</u>	<u>568,950,643</u>
21 (Increase)/Decrease in inventories			
		31st March, 2015	31st March, 2014
	Inventories at the end of the year		
	Work in progress	8,816,490	(24,881,191)
	Total	<u>8,816,490</u>	<u>(24,881,191)</u>
	Inventories at the beginning of the year		
	Work in progress	(24,881,191)	(111,243,690)
	Total	<u>(24,881,191)</u>	<u>(111,243,690)</u>

Notes to Financial Statements for the year ended 31st March, 2015

	(Amount in Rs.)	
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
22 Employee benefit expense		
Salaries, wages and bonus	20,711,993	21,990,406
Contribution to provident fund and other funds	756,447	836,751
Staff welfare expenses	294,977	371,860
Retirement benefits	995,345	704,169
Total	22,758,762	23,903,186
23 Other expenses		
Electricity expenses	764,405	594,518
Rent	2,622,940	2,442,300
Repairs and maintenance - Others	1,006,639	728,457
Insurance	337,894	430,894
Miscellaneous expenses	5,443,983	3,104,820
Legal and professional expenses	10,714,488	8,664,786
Loss on sale/disposal of assets	43,604	1,235,158
Sundry Balance written off	13,586	110,620
Travelling and conveyance	2,262,349	2,294,283
Communication costs	507,777	606,446
Printing and stationery	127,607	144,669
Loss on exchange differences	81,706	-
Bad Debts	-	6,822,888
Payment to auditor (Refer note below)	312,500	200,000
Total	24,239,478	27,379,838
Payment to auditors (net of service tax input credit)		
As auditor:		
Statutory Audit Fees	262,500	150,000
Tax Audit Fees	50,000	50,000
Total	312,500	200,000
24 Depreciation and amortization expenses		
Depreciation of tangible assets	1,257,806	958,567
Amortization of intangible assets	8,387	6,307
Total	1,266,193	964,874
25 Finance costs		
<i>Interest Expenses</i>		
Term Loan	-	58,537
Cash Credit	29,148	5,598,561
Others	15,993	-
Bank Charges	31,277	525,962
Total	76,418	6,183,059

Notes to Financial Statements for the year ended 31st March, 2015

26 Additional information to the financial statements

(a) 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.

(b) Expenditure in foreign currency

	Year ended 31 March, 2015	Year ended 31 March, 2014
	Rs.	Rs.
Registration expenses, hotel expenses, Artist Fees, Travelling & Conveyance etc.	1,519,091	1,308,050
Production Co-ordinators Charges	14,937,275	394,819

27 Employee benefit plans

The Disclosures as defined in the Accounting Standard 15 "Employee benefits", are given below:

Defined contribution plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

Particulars	2014-15	2013-14
Employer's Contribution to Provident Fund	618,642	715,576
Employer's Contribution to Superannuation Fund	-	-
Employer's Contribution to Pension Fund	72,943	48,227

The Company's Provident Fund is exempted under section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. Conditions for grant of exemption stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the trust vis-à-vis statutory rate.

Defined benefit plans

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Compensated Absences is recognised in the same manner as gratuity.

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

	Gratuity				Compensated Absences			
	(Funded)		(Unfunded)		(Funded)		(Unfunded)	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Defined Benefit obligation at beginning of the year	-	-	707,377	1,050,787	-	-	256,523	431,781
Add: Amalgamation	-	-	-	-	-	-	-	-
Current Service Cost	-	-	187,843	191,514	-	-	121,669	142,489
Interest Cost	-	-	55,246	94,571	-	-	20,034	38,860
Actuarial (gain)/loss	-	-	202,745	285,274	-	-	407,808	(48,539)
Benefits paid	-	-	(40,812)	(914,769)	-	-	(221,886)	(308,068)
Defined Benefit obligation at year end	-	-	1,112,399	707,377	-	-	584,148	256,523

Notes to Financial Statements for the year ended 31st March, 2015

II) Reconciliation of opening and closing balances of fair value of Plan Assets

	Gratuity				Compensated Absences			
	(Funded)		(Unfunded)		(Funded)		(Unfunded)	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Fair value of Plan assets at beginning of the year	-	-	-	-	-	-	-	-
Add: Amalgamation	-	-	-	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-	-	-	-
Actuarial (gain)/loss	-	-	-	-	-	-	-	-
Employer contribution	-	-	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-	-	-
Fair value of Plan assets at year end	-	-	-	-	-	-	-	-
Actual Return on plan assets								

III) Reconciliation of fair value of assets and obligations

	Gratuity				Compensated Absences			
	(Funded)		(Unfunded)		(Funded)		(Unfunded)	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Fair value of Plan assets	-	-	-	-	-	-	-	-
Present value of obligation	-	-	1,112,399	707,377	-	-	584,148	256,523
Amount recognised in Balance Sheet	-	-	1,112,399	707,377	-	-	584,148	256,523

IV) Expenses recognised during the year

	Gratuity				Compensated Absences			
	(Funded)		(Unfunded)		(Funded)		(Unfunded)	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Current Service Cost	-	-	187,843	191,514	-	-	121,669	142,489
Interest Cost	-	-	55,246	94,571	-	-	20,034	38,860
Expected return on Plan assets	-	-	-	-	-	-	-	-
Actuarial (gain)/loss	-	-	202,745	285,274	-	-	407,808	(48,539)
Other Transfer	-	-	-	-	-	-	-	-
Net Cost	-	-	445,834	571,359	-	-	549,511	132,810

Notes to Financial Statements for the year ended 31st March, 2015

V) Investment Details:

	As at 31st March, 2015		As at 31st March, 2014	
		% invested		% invested
GOI Securities	-	-	-	-
Public Securities	-	-	-	-
State Government Securities	-	-	-	-
Insurance Policies	-	-	-	-
Others (including bank balances)	-	-	-	-

VI) Actuarial assumptions

	Gratuity				Compensated Absences	
	(Funded)		(Unfunded)		(Unfunded)	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Mortality Table	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount rate (per annum)			8%	9%	8%	9%
Expected rate of return on plan assets (per annum)			0%	0%	0%	0%
Rate of escalation in salary (per annum)			7%	7%	7%	7%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

VII) Amounts recognised in current year and previous four years

Particular	As at 31st, March				
	2014-15	2013-14	2012-13	2011-12	2010-11
Gratuity					
Defined benefit obligation	1,112,399	707,377	1,050,787	1,087,528	878,647
Fair value of plan assets	-	-	-	-	-
(Surplus)/Deficit in the plan	-	-	-	-	-
Actuarial (gain)/loss on plan obligation	-	-	-	-	-
Actuarial (gain)/loss on plan assets	-	-	-	-	-

Notes to Financial Statements for the year ended 31st March, 2015

28 Related party transactions

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 Pvt Limited (w.e.f. 07.07.2014)# RRB Mediasoft Pvt Limited (w.e.f. 07.07.2014)# RB Holdings Private Limited (w.e.f. 07.07.2014)# Network 18 Media & Investments Limited Capital18 Fincap Private Limited
Fellow Subsidiaries (to be given only if there are transactions)	1. Greycells18 Media Limited 2. Stargaze Entertainment Private Limited 3. Prism TV Private Limited 4. TV18 Broadcast Limited (Formely known as IBN18 Broadcast Limited) 5. RRB investments Private Limited (w.e.f.03/01/2014) 6. RRB Finhold Private Limited 7. RVT Finhold Private Limited 8. Setpro 18 Distribution Limited (w.e.f.09/01/2014) 9. Reed Infomedia Private Limited
Group Company - (Company Having Significant Influence)	Viacom 18 Media Pvt.Ltd. Prism TV Private Limited (w.e.f. 24/01/2014)
Key Management Personnel (KMP)	Ritu Kapur Sarabvir Singh

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

Details of related party transactions during the year ended 31st March, 2015 and balances outstanding as at 31st March, 2015:

	Amount in Rs.			
	Enterprises exercising control	Group Companies		Fellow Subsidiaries
	Network 18 Media & Investment Limited	Viacom 18 Media Private Limited	Prism TV Pvt. Ltd.	TV18 Broadcast Limited
Rendering of services	- (100,652,314)	143,485,844 (10,045,000)	62,949,502 -	-
Receiving of services	- -	- -	- -	-
Reimbursement of expenses (paid)	88,644 (2,819)	- (28,135)	- -	- (210,427)
Reimbursement of Services (Received)	- -	- -	- (7,397)	8,858
Balances outstanding at the end of the year	- (3,167)	5,810,372 (9,555,889)	7,614,840 (10,448,359)	- -

Note: Figures in bracket relates to the previous year ended 31st March 2014

Note: Related parties have been identified by the Management.

Notes to Financial Statements for the year ended 31st March, 2015

29 Prior Year Comparatives

Previous year's figures are regrouped, rearranged, or recast wherever necessary to conform to this year's classification.

30 Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	(Amount in Rs.)	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Continuing operations		
Profit/(Loss) after tax	11,710,486	18,561,464
Less: Dividends on convertible preference share & tax thereon	-	-
Net loss for calculation of basic EPS	<u>11,710,486</u>	<u>18,561,464</u>
Net loss as above	11,710,486	18,561,464
Add: dividend on convertible preference share & tax thereon	-	-
Add: interest on bonds convertible into equity shares (net of tax)	-	-
Net profit/(loss) for calculation of diluted EPS	<u>11,710,486</u>	<u>18,561,464</u>
Weighted average number of equity shares in calculating basic EPS	<u>1,176,500</u>	1,176,500
Effect of dilution:		
Convertible preference shares	-	-
Convertible bonds	-	-
Stock options granted under ESOP	-	-
Weighted average number of equity shares in calculating diluted EPS	<u>1,176,500</u>	<u>1,176,500</u>
Basic EPS	<u>9.95</u>	15.78
Diluted EPS	<u>9.95</u>	15.78

31 Exceptional Items

During the year, based on a review of the current and non-current assets, the Company has accounted for (a) obsolescence/impairment in the value of certain inventory, tangible and intangible assets to the extent of Rs.3,07,096/- and (b) write-off and provisions of non-recoverable and doubtful loans/advances/receivables to the extent of Rs.7,96,024/-. However, these adjustments have no impact on the future profitability and cash flows of the operating businesses of the Company.

32 Obligation on long term, non-cancellable operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the profit and loss account. The Company has taken commercial premises under cancellable/non cancellable operating leases. The cancellable lease agreements are normally renewed on expiry. Rent amounting to Rs 26,22,940 (Previous Year Rs.24,42,300) has been debited to the profit and loss account during the period. The details of future minimum lease payments under leases are as under:

	(Amount in Rs.)	
Particulars	Year ended 31st March 2015	Year ended 31st March, 2014
Not later than one year	2,712,807	1,729,194
Later than one year but not later than five years	4,200,000	-
More than five years	-	-
Toal Amount	<u>6,912,807</u>	<u>1,729,194</u>

For and on behalf of the Board

Kshipra Jatana
Director

Sarbvir Singh
Director

Jayesh Gokalgandhi
Chief Finance Officer