

**E-EIGHTEEN.COM LIMITED
ANNUAL ACCOUNTS - FY : 2016-17**

Independent Auditor's Report

To the Members of e-Eighteen.com Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of **e-Eighteen.com Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. 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 state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of 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

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. 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.
5. We conducted our audit 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 these financial statements are free from material misstatement.
6. 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 controls 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.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

Opinion

8. 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 including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2017, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The Company had prepared separate sets of statutory financial statements for the year ended 31 March 2016 and 31 March 2015 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued auditor's reports to the shareholders of the Company dated 19 April 2016 and 15 April 2015 respectively. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. 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 I a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. Further to our comments in Annexure I, as required by Section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with IndAS specified under Section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 19 April 2017 as per Annexure II expressed unqualified opinion;
 - 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigation which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts 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;
 - iv. the Company, as detailed in Note 30 to the financial statements, has made requisite disclosures in these financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the Company.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Sudhir N. Pillai**
Partner
Membership No.: 105782

Place: Mumbai
Date: 13th April 2017

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company 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, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has granted unsecured loan to a company covered in the register maintained under Section 189 of the Act; and with respect to the same:
 - (a) in our opinion the terms and conditions of grant of such loan are not, prima facie, prejudicial to the company's interest.
 - (b) the schedule of repayment of principal and payment of interest has been stipulated and the repayment/ receipts of the principal amount and the interest are regular;
 - (c) there is no overdue amount in respect of loan granted to such company.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) 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) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Sudhir N. Pillai**
Partner
Membership No.: 105782

Place: Mumbai
Date: 13th April 2017

Annexure II

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of e-Eighteen.com Limited ("the Company") as at and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting ("IFCoFR") of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 financial control stated in the Guidance Note on Audit of IFCoFR 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 the Company's 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ("the ICAI") and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.
5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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 IFCoFR issued by the Institute of Chartered Accountants of India.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Sudhir N. Pillai**
Partner
Membership No.: 105782

Place: Mumbai
Date: 13th April 2017

Balance Sheet as at 31st March, 2017

₹ in Lakh

	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	1	382.03	133.69	115.60
Intangible assets	1	102.05	68.81	13.56
Financial assets				
Investments	2	28.20	3.20	3.20
Deferred tax assets (net)	3	61.81	155.48	167.35
Other non-current assets	4	9.38	63.85	36.17
Total Non-current Assets		583.47	425.03	335.88
Current assets				
Financial assets				
Trade receivables	5	4,502.05	2,632.94	1,961.39
Cash and cash equivalents	6	109.13	318.32	2,884.15
Loans	7	4,200.00	4,551.99	199.05
Other financial assets	8	462.33	505.67	145.92
Other current assets	9	239.97	187.25	88.31
Total Current Assets		9,513.48	8,196.17	5,278.82
Total Assets		10,096.95	8,621.20	5,614.70
EQUITY AND LIABILITIES				
Equity				
Equity share capital	10	540.40	540.40	540.40
Other equity	11	6,526.43	5,058.78	2,995.06
Total Equity		7,066.83	5,599.18	3,535.46
Liabilities				
Non-current liabilities				
Provisions	12	177.44	95.63	94.56
Total Non-current Liabilities				
Current liabilities				
Financial liabilities				
Trade payables	13	1,933.63	2,230.68	1,228.25
Other current liabilities	14	917.31	693.20	749.26
Provisions	15	1.74	2.51	7.17
Total Current Liabilities		2,852.68	2,926.39	1,984.68
Total Equity and Liabilities		10,096.95	8,621.20	5,614.70

Significant accounting policies
See accompanying Notes to the Financial Statement 1 to 32

As per our Report of even date

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

Sudhir N. Pillai
Partner
Membership No.: 105782

Place: Mumbai
Date: 13th April 2017

For and on behalf of the Board of Directors of
e-Eighteen.com Limited

Sanjiv Kulshreshtha
Chairman
DIN : 06788866

Place: Noida
Date: 13th April 2017

Karanvir Singh Gill
Director
DIN : 07283590

Statement of Profit and Loss for the year ended 31st March, 2017

		₹ in Lakh	
	Note No.	2016-17	2015-16
INCOME			
Revenue from operations	16	6,857.68	6,707.05
Other income	17	435.79	305.69
Total Income		7,293.47	7,012.74
EXPENSES			
Employee benefits expense	18	2,517.20	2,110.75
Finance costs	19	10.61	14.00
Depreciation and amortisation expense	1	121.33	42.73
Other expenses	20	2,235.14	1,681.82
Total Expenses		4,884.28	3,849.30
Profit before tax		2,409.19	3,163.44
Tax expense:			
Current tax		8 47.97	1,068.00
Deferred tax		93.64	18.74
		941.61	1,086.74
Profit for the period (A)		1,467.58	2,076.70
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		0.10	(19.85)
(ii) Income tax effect		(0.03)	6.87
Total Other Comprehensive Income (B)		0.07	(12.98)
Total Comprehensive Income for the period (A+B)		1,467.65	2,063.72
Earnings per equity share of face value of ₹ 10 each			
Basic (in ₹)	26	27.16	38.43
Significant accounting policies			
See accompanying Notes to the Financial Statement 1 to 32			

As per our Report of even date

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

Sudhir N. Pillai
Partner
Membership No.: 105782

Place: Mumbai
Date: 13th April 2017

For and on behalf of the Board of Directors of
e-Eighteen.com Limited

Sanjiv Kulshreshtha
Chairman
DIN : 06788866

Place: Noida
Date: 13th April 2017

Karanvir Singh Gill
Director
DIN : 07283590

Statement of Changes in Equity for the year ended 31st March, 2017

A. Equity Share Capital

₹ in Lakh

Balance as at 1st April, 2015	Changes in equity share capital during the year 2015-16	Balance as at 31st March, 2016	Changes in equity share capital during the year 2016-17	Balance as at 31st March, 2017
540.40	-	540.40	-	540.40

B. Other Equity

₹ in Lakh

	Reserves and Surplus				Remeasurements of the Defined Benefit Plans	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
For the year 2015-16						
Balance as at 1st April, 2015	217.19	661.66	14.96	2,101.25	-	2,995.06
Total Comprehensive Income for the year				2,076.70	(12.98)	2,063.72
Balance at the end of 31st March, 2016	217.19	661.66	14.96	4,177.95	(12.98)	5,058.78
For the year 2016-17						
Balance at the beginning of the reporting period	217.19	661.66	14.96	4,177.95	(12.98)	5,058.78
Total Comprehensive Income for the year				1,467.58	0.07	1,467.65
Balance at the end of 31st March, 2017	217.19	661.66	14.96	5,645.53	(12.91)	6,526.43

As per our Report of even date

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

Sudhir N. Pillai
Partner
Membership No.: 105782

Place: Mumbai
Date: 13th April 2017

For and on behalf of the Board of Directors of
e-Eighteen.com Limited

Sanjiv Kulshreshtha
Chairman
DIN : 06788866

Place: Noida
Date: 13th April 2017

Karanvir Singh Gill
Director
DIN : 07283590

Cash Flow Statement for the year 2016-17

	₹ in Lakh	
	2016-17	2015-16
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Statement of Profit and Loss	2,409.19	3,163.44
Adjusted for:		
Provision for doubtful debts/ bad debts written off	64.15	92.06
Depreciation and amortisation expense	121.33	42.73
Effect of exchange rate change	8.85	(7.01)
Liabilities and provisions written back	(34.09)	(18.55)
Interest income	(401.70)	(280.11)
Finance costs	10.61	12.76
	<u>(230.85)</u>	<u>(158.12)</u>
Operating Profit before Working Capital Changes	2,178.34	3,005.32
Adjusted for:		
Increase in Trade and other receivables	(1,471.97)	(1,151.11)
(Decrease)/ Increase in Trade and other payables	(47.25)	952.21
	<u>(1,519.22)</u>	<u>(198.90)</u>
Cash Generated from Operations	659.12	2,806.42
Taxes paid (net)	(733.96)	(1,071.13)
Net Cash (Used in) / from Operating Activities	(74.84)	1,735.29
B: CASH FLOW FROM INVESTING ACTIVITIES		
Payment for purchase of Property, Plant and Equipment	(377.13)	(162.22)
Loan given to related party	-	(4,200.00)
Investment in subsidiary	(25.00)	-
Interest received	267.78	61.10
Net Cash Used in Investing Activities	(134.35)	(4,301.12)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash Used in Financing Activities	-	-
Net Decrease in Cash and Cash Equivalents	(209.19)	(2,565.83)
Opening Balance of Cash and Cash Equivalents	318.32	2,884.15
Closing Balance of Cash and Cash Equivalents	109.13	318.32
Cash and Cash Equivalents		
Cash on hand	-	0.00
Bank Balances		
In current accounts	31.26	111.74
In deposit accounts	77.87	206.58
Cash and Cash Equivalents as per Note 6	109.13	318.32

As per our Report of even date

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

Sudhir N. Pillai
Partner
Membership No.: 105782

Place: Mumbai
Date: 13th April 2017

For and on behalf of the Board of Directors of
e-Eighteen.com Limited

Sanjiv Kulshreshtha
Chairman
DIN : 06788866

Place: Noida
Date: 13th April 2017

Karanvir Singh Gill
Director
DIN : 07283590

Summary of the Significant Accounting Policies and other explanatory Information

NOTES TO THE FINANCIAL STATEMENTS

A CORPORATE INFORMATION

e-Eighteen.com Limited (“the Company”) is a company incorporated in India. The address of its registered office is First Floor, Empire Complex, 414- Senapati Bapat Marg, Lower Parel, Mumbai- 400 013. The principal activities of the company is to provide digital space through web portal and other mobile based services.

B ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which have been measured at fair value amount.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

Upto the year ended 31st March 2016, the Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards specified under section 133 of the Companies Act, 2013 (“the Act”) read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended) .

These financial statements are the Company’s first Ind AS financial statements and as covered by Ind AS 101 - First time adoption of Indian Accounting Standards.

Company’s financial statements are presented in Indian Rupees (₹), which is its functional currency.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Property, plant and equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably.

Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(b) Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company’s general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will

Summary of the Significant Accounting Policies and other explanatory Information

obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

(c) Intangible assets:

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Computer Software and Mobile Application are being amortised over its estimated useful life of 3 years. Domain Name is being depreciated over a period of 5.

(d) Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised 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.

(e) Impairment of non-financial assets

At each Balance Sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profit and Loss.

(f) Provisions and contingencies

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

(g) Employee benefits

(i) Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(ii) Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date on the basis of actuarial valuation.

(iii) Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions towards

Summary of the Significant Accounting Policies and other explanatory Information

Provident Fund, Employee State Insurance and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income.

(h) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(i) Foreign currencies

Transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

(j) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if following condition are satisfied:

- The Company has transferred risks and rewards incidental to ownership to the customer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold/ service rendered;
- It is probable that the economic benefit associated with the transaction will flow to the Company; and
- It can be reliably measured and it is reasonable to expect ultimate collection

Revenue from operations includes sale of goods and services measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excluding taxes or duties collected on behalf of the government.

Summary of the Significant Accounting Policies and other explanatory Information

Sale of services includes advertisement revenue, subscription revenue, sponsorship revenue, revenue from mobile short messaging and other related services.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognised when the Company's right to receive the payment is established.

(k) Financial instruments

I Financial assets

A. Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement:

(i) Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

C. Investment in subsidiaries, associates and joint ventures

The Company has accounted for its investments in subsidiaries at cost.

D. Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

- a) Financial assets at amortised cost
- b) Financial assets measured at fair value through Other Comprehensive income

The Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses historical loss experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Notes to the Financial Statements for the year ended 31st March 2017

II Financial liabilities

A. Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

C CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Estimated useful lives of tangible and intangible assets:

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

b) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

D FIRST TIME ADOPTION OF IND AS:

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the opening Reserves as at 1st April 2015 and all the periods presented have been restated accordingly.

Exemptions from retrospective application:

(i) Fair value as deemed cost exemption:

The Company has elected to measure any item of property, plant and equipment at its carrying value at deemed cost at the transition date.

(ii) Leases exemption:

The Company do not have any arrangements containing a lease as defined under Appendix C of Ind AS 17 determining whether an arrangement contains a lease, as of the transition date and hence this exemption is not applicable to us.

(iii) Investments in subsidiaries, joint ventures and associates

The Company has elected to measure investment in subsidiaries at cost and consider the previous GAAP carrying value as at the date of transition as deemed cost.

(iv) Fair value measurement of financial assets or liabilities at initial recognition:

The Company has not applied the provision of Ind AS 109, Financial Instruments, upon the initial recognition of the financial instruments where there is no active market.

Notes on financial statements for the year ended 31st March 2017

Note 1: Property, Plant and Equipment and Intangible Assets

₹ in Lakh

Particulars	Property, Plant and Equipments					Intangible Assets			
	Leasehold Improvement	Furniture and Fixtures	Computers	Office Equipments	Total	Mobile Application	Domain Name	Computer Software	Total
Gross block									
Opening balance as at 1st April, 2015	34.77	3.99	612.02	12.42	663.20	40.66	3.88	163.91	208.45
Additions	2.94	-	42.32	5.23	50.49	62.04	-	3.54	65.58
As at 31st March, 2016	37.71	3.99	654.34	17.65	713.69	102.70	3.88	167.45	274.03
Additions	-	1.69	322.32	7.16	331.17	71.74	-	-	71.74
Disposals	-	-	-	-	-	-	-	-	-
As at 31st March, 2017	37.71	5.68	976.66	24.81	1,044.86	174.44	3.88	167.45	345.77
Accumulated depreciation									
Opening balance as at 1st April, 2015	2.52	2.11	534.94	8.03	547.60	28.52	3.88	162.49	194.89
Charged for the year	7.61	0.19	22.66	1.94	32.40	8.63	-	1.70	10.33
As at 31st March, 2016	10.13	2.30	557.60	9.97	580.00	37.15	3.88	164.19	205.22
Charged for the year	7.62	0.26	72.61	2.34	82.83	36.80	1.70	38.50	-
Disposals	-	-	-	-	-	-	-	-	-
As at 31st March, 2017	17.75	2.56	630.21	12.31	662.83	73.95	3.88	165.89	243.72
Net Block									
As at 1st April, 2015	32.25	1.88	77.08	4.39	115.60	12.14	-	1.42	13.56
As at 31st March, 2016	27.58	1.69	96.74	7.68	133.69	65.55	-	3.26	68.81
As at 31st March, 2017	19.96	3.12	346.45	12.50	382.03	100.49	-	1.56	102.05

₹ in Lakh

As at 31st March 2017 As at 31st March 2016 As at 1st April 2015

Note 2: Investments

In equity instruments of

Subsidiary company (Unquoted) - Fully paid up

Moneycontrol.Dot Com India Limited

30,00,000 (previous year 5,00,000 and opening balance as at 1st April 2015 5,00,000) equity shares of ₹ 1 each

28.20

3.20

3.20

Total Investments

28.20

3.20

3.20

Aggregate deemed cost of investments based on previous GAAP carrying amount

28.20

3.20

3.20

Aggregate amount of unquoted investments

28.20

3.20

3.20

Notes on financial statements for the year ended 31st March 2017

₹ in Lakh

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Note 3: Deferred Tax Assets (Net)			
Deferred tax assets	61.81	155.48	167.35
Total	61.81	155.48	167.35

(a) Deferred tax asset (net)

Deferred tax is calculated, in full, on all temporary timing differences under the liability method using a principal tax rate prevalent in the various jurisdictions the group operates in. The movement on the deferred tax account is as follows:

₹ in Lakh

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
At the start of the year	155.48	167.35	167.35
(Charge)/ credit to profit or loss	(93.64)	(18.74)	-
(Charge)/ credit to other comprehensive income	(0.03)	6.87	-
At the end of the year	61.81	155.48	167.35

(b) Deferred tax liabilities and assets at the end of the reporting period and deferred tax (credit) / charge in profit or loss and other comprehensive income

₹ in Lakh

	At the start of the year	(Charge)/ credit to profit or loss	At the end of the year
Deferred tax liabilities / asset in relation to:			
Property, plant and equipment	(19.24)	(37.67)	(56.91)
Income tax disallowances	27.00	(27.00)	-
Provision for employee benefit expenses	30.45	(2.73)	27.72
Provision for doubtful receivables	68.81	22.19	91.00
Provision for lease rent payable	48.46	(48.46)	-
Provisions	1 55.48	(93.67)	61.81

₹ in Lakh

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Note 4: Other Non- Current Assets (unsecured and considered good)			
Capital advances	-	25.78	-
Advance income tax (net of provision)	-	35.07	35.07
Prepaid expenses	9.38	-	-
Other advances	-	3.00	1.10
Total	9.38	63.85	36.17

Notes on financial statements for the year ended 31st March 2017

	₹ in Lakh		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Note 5: Trade Receivables			
Unsecured considered good	4,765.03	2,831.77	2,134.39
Less:- Allowance for doubtful receivables	(262.98)	(198.83)	(173.00)
Total	4,502.05	2,632.94	1,961.39

	₹ in Lakh		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Note 6: Cash and Cash Equivalents			
Cash and Cash Equivalents			
Cash on hand	-	0.00	0.00
Bank Balances			
In current accounts	31.26	111.74	47.06
In deposit accounts	77.87	206.58	2,837.09
Total	109.13	318.32	2,884.15

	₹ in Lakh		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Note 7: Loans-current			
Loan to related parties (Unsecured, considered goods) (refer note 28)	4,200.00	4,551.99	199.05
Total	4,200.00	4,551.99	199.05

	₹ in Lakh		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Note 8: Other Financial Assets			
Security deposits (considered good)	1.50	1.50	-
Interest accrued	352.93	219.01	-
Unbilled revenue	107.90	285.16	145.92
Total	462.33	505.67	145.92

Notes on financial statements for the year ended 31st March 2017

₹ in Lakh

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Note 9: Other Current Assets (unsecured, considered good)			
Advance to vendors	15.25	64.82	12.99
Advance other than capital advances to employees	0.72	0.35	-
Prepaid expenses	33.57	12.65	-
Balance with service tax/ sales tax authorities, etc.	188.73	106.34	41.05
Others	1.70	3.09	34.27
Total	239.97	187.25	88.31

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Number of Shares	₹ in Lakh	Number of Shares	₹ in Lakh	Number of Shares	₹ in Lakh
Note 10: Share Capital						
Authorised Share Capital:						
Equity shares of ₹ 10 each	1,00,00,000	1,000.00	1,00,00,000	1,000.00	1,00,00,000	1,000.00
Issued, Subscribed and fully paid up						
Equity Shares of ₹ 10 each						
(i) Issued	54,04,000	540.40	54,04,000	540.40	54,04,000	540.40
(ii) Subscribed and fully paid up	54,04,000	540.40	54,04,000	540.40	54,04,000	540.40
Total	54,04,000	540.40	54,04,000	540.40	54,04,000	540.40

10.1 The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share held. All share holders are equally entitled to dividends. All the existing equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. The company declares and pays dividend in Indian Rupees which is proposed by the Board of Directors and is subject to approval of shareholders in the coming Annual General Meeting. In the event of liquidation of the company, the holder of the equity shares will be entitled to receive the remaining assets of the Company after settlement of all liabilities. The distribution will be in proportion to the number of equity shares held by shareholders.

10.2 Details of shares held by each shareholder holding more than 5% shares :

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Number of Shares	% Holding	Number of Shares	% Holding	Number of Shares	% Holding
E-18 Limited*	49,68,894	91.95%	49,68,894	91.95%	49,68,894	91.95%

Notes on financial statements for the year ended 31st March 2017

10.3 Details of shares held by holding company and their subsidiaries:

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Number of Shares	% Holding	Number of Shares	% Holding	Number of Shares	% Holding
E-18 Limited*	49,68,894	91.95%	49,68,894	91.95%	49,68,894	91.95%
	<u>49,68,894</u>	<u>91.95%</u>	<u>49,68,894</u>	<u>91.95%</u>	<u>49,68,894</u>	<u>91.95%</u>

* E-18 Limited has been migrated to Mauritius from Cyprus with effect from 14th October, 2016

10.4 Aggregate number of shares issued for consideration other than cash during the period of 5 years immediately preceding the Balance Sheet date:

No shares have been issued for consideration other than cash or as bonus shares in the current year and in the last five years immediately preceding the current reporting period

10.5 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Number of Shares	₹ in Lakh	Number of Shares	₹ in Lakh	Number of Shares	₹ in Lakh
Equity shares opening balance	54,04,000	540.40	54,04,000	540.40	54,04,000	540.40
Add : shares issued during the year	-	-	-	-	-	-
Equity shares closing balance	<u>54,04,000</u>	<u>540.40</u>	<u>54,04,000</u>	<u>540.40</u>	<u>54,04,000</u>	<u>540.40</u>

₹ in Lakh

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
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Note 11: Other Equity

i Capital Reserve			
Balance at the beginning /end of the year	217.19	217.19	217.19
ii Securities Premium Reserve			
Balance at the beginning /end of the year	661.66	661.66	661.66
iii General Reserve			
Balance at the beginning /end of the year	14.96	14.96	14.96
iv Retained Earnings			
Opening balance	4,164.97	2,101.25	
Add: Profit for the year	1,467.58	2,076.70	
Add: Other comprehensive income for the year	0.07	(12.98)	
Total Retained Earnings	<u>5,632.62</u>	<u>4,164.97</u>	<u>2,101.25</u>
Total	<u>6,526.43</u>	<u>5,058.78</u>	<u>2,995.06</u>

Notes on financial statements for the year ended 31st March 2017

	₹ in Lakh		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Note 12: Provisions Non-current			
Provision for compensated absences	27.52	25.90	23.59
Provision for gratuity	50.73	60.09	70.97
Provision for Income tax(net of advance tax)	99.19	9.64	-
Total	177.44	95.63	94.56

	₹ in Lakh	
	2016-17	2015-16

Note 12.1: Taxation

(a) Income tax recognised in Profit and Loss		
Current tax	847.97	1,068.00
Deferred tax	93.64	18.74
Deferred tax on other comprehensive income	0.03	(6.87)
Total Income Tax Expense Recognised in the Current Year	941.64	1,079.87

	₹ in Lakh	
Particulars	2016-17	2015-16

(b) The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Accounting profit before tax	2,409.18	3,156.57
Applicable tax rate	34.61%	34.61%
Computed tax expense	833.77	1,092.43
Tax effect of :		
Expenses not allowed for tax purpose	90.02	104.00
Additional allowances for tax purpose	(94.84)	(128.43)
Interest u/s 234C under Income Tax Act	19.02	-
Current Tax Provision (A)	847.97	1,068.00
Incremental deferred tax liability on account of PPE	37.68	9.61
Decrease in deferred tax asset on account of financial assets & other items	55.99	2.26
Deferred Tax Provision (B)	93.67	11.87
Tax Expenses recognised in Statement of Profit and Loss (A+B)	941.64	1,079.87
(c) Effective Tax Rate	39.09%	34.21%

The figures in the above table are based on the provision for income tax and deferred tax in accounts.

Notes on financial statements for the year ended 31st March 2017

	₹ in Lakh	
	As at 31st March, 2017	As at 31st March, 2016
(d) Current Tax Assets / (Liabilities)		
At start of year	25.44	35.07
Charge for the year	(847.97)	(1,068.00)
Tax paid during the year	723.34	1,058.37
At end of year	(99.19)	25.44

	₹ in Lakh		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Note 13: Trade Payables			
Micro, Small and Medium Enterprises	-	-	-
Trade and other payable	1,933.63	2,230.68	1,228.25
Total	1,933.63	2,230.68	1,228.25

13.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:

	₹ in Lakh		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
i) Principal amount due and remaining unpaid	-	-	-
ii) Interest due on above and the unpaid interest	-	-	-
iii) Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-	-
iv) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-	-
v) Interest accrued and remaining unpaid	-	-	-
vi) Amount of further interest remaining due and payable in succeeding years	-	-	-
Total	-	-	-

Notes on financial statements for the year ended 31st March 2017

₹ in Lakh

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Note 14: Other Current Liabilities			
Unearned income	256.16	227.05	263.29
Creditors for capital goods	-	-	20.37
Statutory dues	121.22	25.42	43.60
Advances from customers	13.21	47.11	63.88
Others	526.72	393.62	358.12
Total	917.31	693.20	749.26

₹ in Lakh

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Note 15: Current Provisions			
Provision for employee benefits			
Provision for compensated absences	0.77	0.76	5.09
Provision for gratuity	0.97	1.75	2.08
Total	1.74	2.51	7.17

₹ in Lakh

	2016-17	2015-16
Note 16: Revenue from Operations		
Sale of services	6,857.68	6,707.05
Total	6,857.68	6,707.05

₹ in Lakh

	2016-17	2015-16
Note 17: Other Income		
Interest income on		
Bank deposits	10.31	36.72
Loans	391.39	243.39
	401.70	280.11
Net gain on foreign currency transaction and translation	-	7.01
Write back of provisions	34.09	18.55
Other non-operating income	-	0.02
Total	435.79	305.69

Notes on financial statements for the year ended 31st March 2017

	₹ in Lakh	
	2016-17	2015-16
Note 18: Employee Benefits Expense		
Salaries and wages	2,351.31	1,959.13
Contribution to provident and other funds	77.78	57.84
Staff welfare expenses	71.62	78.32
Gratuity expense	16.49	15.46
Total	2,517.20	2,110.75

18.1 Defined Contribution Plans

The Company's defined contribution plans are Provident fund, Employee State Insurance and Employees' pension scheme. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs.

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

	₹ in Lakh	
Particulars	2016-17	2015-16
Employer's contribution to provident & pension fund	71.93	52.69
Employer's contribution to labour welfare fund	0.12	0.10
Employer's contribution to employees state insurance	0.26	0.09

18.2 Defined Benefit Plans

The Company provides gratuity (which is unfunded) as employee benefit schemes to its employees.

The following table sets out the status of the defined benefit scheme and the amount recognised in the financial statements:

i) Reconciliation of opening and closing balances of defined benefit obligation:

Particulars	₹ in Lakh	
	2016-17	2015-16
Defined benefit obligation at beginning of the year	61.84	73.05
Current service cost	11.54	9.62
Interest cost	4.95	5.84
Actuarial (gain)/ loss	(0.10)	19.85
Benefits paid	(26.53)	(46.52)
Defined benefit obligation at year end	51.70	61.84

ii) Expenses recognised during the year:

Particulars	₹ in Lakh	
	2016-17	2015-16
Current service cost	11.54	9.62
Interest cost	4.95	5.84
Expected return on plan assets	-	-
Actuarial (gain)/ loss	-	-
Net cost	16.49	15.46
Other comprehensive income		
Actuarial (gain) / loss for the year on defined benefit obligation	(0.10)	19.85
Total	(0.10)	19.85

Notes on financial statements for the year ended 31st March 2017

iii) Actuarial assumptions:

Particulars	Gratuity	
	Year ended 31st March 2017	Year ended 31st March 2016
Mortality Table	IALM (06-08)	IALM (06-08)
Discount rate (per annum)	7.60%	8%
Expected rate of return on plan assets (per annum)	-	-
Rate of escalation in salary (per annum)	5.50%	5.50%

The discount rate is based on the prevailing market yields of Government of India Bonds as at the Balance Sheet date for the estimated term of the obligations.

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.

iv) The expected contributions for Defined Benefit Plan for the next financial year will be in line with financial year 2016-17.

v) Sensitivity Analysis of the defined benefit obligation :

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	Gratuity	
	2016-17	2015-16
		₹ in Lakh
a) Impact of the change in discount rate		
Present value of obligation at the end of the period	51.70	61.84
i) Impact due to increase of 0.50%	(3.76)	(4.50)
ii) Impact due to decrease of 0.50%	4.15	4.96
b) Impact of the change in salary increase		
Present value of obligation at the end of the period	51.70	61.84
i) Impact due to increase of 0.50%	4.22	5.06
ii) Impact due to decrease of 0.50%	(3.84)	(4.62)

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

(A) Investment risk – The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds; if the return on plan asset is below this rate, it will create a plan deficit.

(B) Interest risk - A decrease in the discount rate will increase the plan liability.

(C) Longevity risk – The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(D) Salary risk – The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Notes on financial statements for the year ended 31st March 2017

	₹ in Lakh	
	2016-17	2015-16
Note 19: Finance Costs		
Interest cost	10.61	12.76
Other borrowing costs	-	1.24
Total	10.61	14.00

	₹ in Lakh	
	2016-17	2015-16
Note 20: Other Expenses		
Content expenses	164.71	139.19
Rack space cost	106.12	99.93
Media professional fees	29.29	-
Studio and equipment hire charges	8.64	-
Other production expenses	416.54	275.90
Repairs to machinery	108.48	99.53
Electricity expenses	27.22	14.91
Rent	492.97	290.34
Selling and distribution expenses	425.25	399.52
Insurance	11.04	16.27
Travelling and conveyance expenses	139.14	45.54
Professional fees	40.00	31.89
Communication expenses	33.66	33.35
Payment to auditors (refer note 20.1)	11.02	10.64
Provision for doubtful debts	64.15	92.06
Net loss on foreign currency transactions and translations	13.40	-
Corporate social responsibility	36.00	18.00
Other establishment expenses	107.51	114.75
Total	2,235.14	1,681.82

	₹ in Lakh	
	2016-17	2015-16
20.1 Payment to auditors :		
Statutory audit fees*	10.00	10.00
Out of pocket expenses*	1.02	0.64
Total	11.02	10.64

*The above amounts are excluding taxes

Notes on financial statements for the year ended 31st March 2017

Note 21: First time Ind AS adoption reconciliations

21.1 Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2016 and as at 1st April, 2015

₹ in Lakh

	As at 31st March 2016			As at 1st April 2015		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
Assets						
Non-Current Assets						
Property, plant and equipment	133.69	-	133.69	115.60	-	115.60
Other intangible assets	68.81	-	68.81	13.56	-	13.56
Financial assets						
Investments	3.20	-	3.20	3.20	-	3.20
Deferred tax assets (net)	155.48	-	155.48	167.35	-	167.35
Other non-current assets	63.85	-	63.85	36.17	-	36.17
	425.03	-	425.03	335.88	-	335.88
Current Assets						
Financial assets						
Trade receivables	2,632.94	-	2,632.94	1,961.39	-	1,961.39
Cash and cash equivalents	318.32	-	318.32	2,884.15	-	2,884.15
Loans	4,551.99	-	4,551.99	199.05	-	199.05
Other financial assets	505.67	-	505.67	145.92	-	145.92
Other current assets	187.25	-	187.25	88.31	-	88.31
	8,196.17	-	8,196.17	5,278.82	-	5,278.82
Total Assets	8,621.20	-	8,621.20	5,614.70	-	5,614.70
EQUITY AND LIABILITIES						
Equity						
Equity share capital	540.40	-	540.40	540.40	-	540.40
Other equity	4,918.74	140.04	5,058.78	2,891.28	103.78	2,995.06
	5,459.14	140.04	5,599.18	3,431.68	103.78	3,535.46
Liabilities						
Non-current liabilities						
Provisions	95.63	-	95.63	94.56	-	94.56
Other non-current liabilities	140.04	(140.04)	-	103.78	(103.78)	-
	235.67	(140.04)	95.63	198.34	(103.78)	94.56
Current liabilities						
Financial liabilities						
Trade payables	2,230.68	-	2,230.68	1,228.25	-	1,228.25
Other current liabilities	693.20	-	693.20	749.26	-	749.26
Provisions	2.51	-	2.51	7.17	-	7.17
	2,926.39	-	2,926.39	1,984.68	-	1,984.68
Total Equity and Liabilities	8,621.20	-	8,621.20	5,614.70	-	5,614.70

Notes on financial statements for the year ended 31st March 2017

21.2 Reconciliation of Profit/ Reserve between Ind AS and previous GAAP

₹ in Lakh

Nature of adjustments	Notes	Profit	Reserve	
		Year ended 31st March, 2016	As at 31st March, 2016	As at 1st April, 2015
Profit / Retained Earnings as per previous GAAP		2,027.46	4,024.93	1,997.47
1 Reversal of rent straightlining reserve	i	36.26	140.04	103.78
2 Remeasurements of the defined benefit plans	ii	12.98	-	-
Total		49.24	140.04	103.78
Profit before OCI/ Reserves as per Ind AS		2,076.70	4,164.97	2,101.25

Notes:

- i Certain Financial Assets including investments have been recorded at fair value as at 1st April, 2015 with the resultant gain/ loss in the reserves. For subsequent measurements these assets have been valued at amortised cost using effective interest rate/ Fair Value through Profit and Loss account (FVTPL)/ Fair Value through Other Comprehensive Income (FVTOCI) as applicable.
- ii Re-measurement of the defined benefit plans are recognised in Other Comprehensive Income in accordance with Ind AS.

21.3 Effect of Ind AS adoption on the statement of profit and loss for the year ended 31st March, 2016

₹ in Lakh

	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
INCOME			
Revenue from operations	6,707.05	-	6,707.05
Other income	305.69	-	305.69
Total Income	7,012.74	-	7,012.74
EXPENDITURE			
Employee benefits expense	2,130.60	(19.85)	2,110.75
Finance costs	14.00	-	14.00
Depreciation and amortisation expense	42.73	-	42.73
Other expenses	1,718.08	(36.26)	1,681.82
Total Expenses	3,905.41	(56.11)	3,849.30
Profit before tax	3,107.33	56.11	3,163.44
Tax expenses			
Current tax	1,068.00	-	1,068.00
Deferred tax	11.87	(6.87)	18.74
Profit for the year	2,027.46	62.98	2,076.70

Note 22: Corporate Social Responsibility (CSR)

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 35.22 lakh (Previous Year ₹ 15.10 lakh)
- (b) Expenditure related to Corporate Social Responsibility is ₹ 36.00 lakh (Previous Year ₹ 18.00 lakh). These amount are spent through Reliance Foundation, a related party.

Details of amount spent towards CSR given below:

Notes on financial statements for the year ended 31st March 2017

Particulars	₹ in Lakh	
	2016-17	2015-16
Sports for development	36.00	-
Education	-	18.00
Total	36.00	18.00

Particulars	₹ in Lakh	
	2016-17	2015-16
Note 23: Value of Imports on CIF basis in respect of		
Capital goods	-	42.43
	-	42.43

Particulars	₹ in Lakh	
	2016-17	2015-16
Note 24: Expenditure and income in foreign currency (accrual basis)		
Expenditure		
Selling and distribution expenses	1.19	7.85
Other establishment expenses	2.58	-
Content expenses	3.65	-
Studio and equipment hire charges	5.12	-
	12.54	7.85
Income		
Advertisement and sponsorships	1,985.94	1,452.48
Subscription and content licensing	6.00	7.95
	1,991.94	1,460.43

Note 25: Details of loans given, investment made and guarantees given covered u/s 186(4) of the Companies Act.

	₹ in Lakh		
	As at 31st March 2017	As at 31st March 2016	As at 1st April, 2015
1 Network18 Media & Investment Limited	4,200.00	4,200.00	-
Total	4,200.00	4,200.00	-

The above loan has been given to Network18 Media & Investments Limited by the Company for meeting their working capital requirements

Notes on financial statements for the year ended 31st March 2017

		2016-17	2015-16
Note 26: Earning per share (EPS)			
i)	Net profit after tax as per profit and loss statement attributable to equity shareholders	₹ in Lakh	1,467.58
			2,076.70
ii)	Weighted average number of equity shares used as denominator for calculating EPS	Number	54,04,000
			54,04,000
iii)	Face value per equity share	₹ / Share	10
			10
iv)	Basic earnings per share	₹ / Share	27.16
			38.43
		2016-17	2015-16

Note 27: Unhedged Foreign currency exposure

i)	Trade receivable	USD	5,63,168	3,49,846
		₹ In lakh	365.16	232.06
ii)	Trade payable	USD	584	-
		₹ In lakh	0.38	-
	Exchange Rate	₹ / USD	64.84	66.33

Note 28: Related Parties Disclosures

- a) As per Ind AS 24, the disclosures of transactions with related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Independent Media Trust	Enterprises exercising Control
2	Adventure Marketing Private Limited*	
3	Watermark Infratech Private Limited*	
4	Colorful Media Private Limited*	
5	RB Media Holdings Private Limited*	
6	RB Mediasoft Private Limited*	
7	RRB Mediasoft Private Limited*	
8	RB Holdings Private Limited*	
9	Teesta Retail Private Limited (formerly Shinano Retail Private Limited which has merged with Teesta Retail Private Limited effective 29.12.2016) *	
10	Network18 Media & Investments Limited	
11	E-18 Limited, Mauritius	
12	Web18 Holdings Limited	
13	Television Eighteen Media and Investment Limited	
14	Reliance Industries Limited (RIL)	Beneficiary/Protector of Independent Media Trust
15	Reliance Industrial Investments and Holdings Limited	
16	Moneycontrol Dot Com India Limited	Subsidiary
17	AETN18 Media Private Limited	Fellow Subsidiaries
18	Digital18 Media Limited	
19	TV18 Broadcast Limited	
20	TV18 Home Shopping Network Limited	
21	Greycells18 Media Limited	
22	Reliance Jio Messaging Service Private Limited#	
23	Big Tree Entertainment Private Limited	Associates of Holding Company

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

Notes on financial statements for the year ended 31st March 2017

b) Transaction during the year with related party:

Particulars	₹ in Lakh		
	Enterprises exercising control	Subsidiaries/ Fellow subsidiaries	Associates of Holding Company
A Transaction During the year			
i) Income from banner advertisement and sponsorships			
Network 18 Media & Investments Limited	-	-	-
	(1.27)	(-)	(-)
TV18 Broadcast Limited	-	206.48	-
	(-)	(41.20)	(-)
Reliance Jio Messaging Service Private Limited	-	80.37	-
	(-)	(-)	(-)
ii) Interest received from			
Network 18 Media & Investments Limited	391.38	-	-
	(243.39)	(-)	(-)
iii) Expenditure incurred for services received			
TV18 Broadcast Limited	-	-	-
	(-)	(9.30)	(-)
Network18 Media & Investments Limited	-	-	-
	(7.50)	(-)	(-)
Digital18 Media Limited	-	-	-
	(-)	(4.64)	(-)
AETN18 Media Private Limited	-	-	-
	(-)	(2.55)	(-)
iv) Expense incurred by others on behalf of the Company			
TV18 Home Shopping Network Limited	-	-	-
	(-)	(2.32)	(-)
Network18 Media & Investments Limited	849.80	-	-
	(597.65)	(-)	(-)
TV18 Broadcast Limited	-	766.52	-
	(-)	(652.03)	(-)
Digital18 Media Limited	-	-	-
	(-)	(4.75)	(-)
v) Expense incurred by the Company on behalf of others			
Moneycontrol.Dot Com India Limited	-	-	-
	(-)	(9.88)	(-)
TV18 Broadcast Limited	-	-	-
	(-)	(-)	(-)
TV18 Home Shopping Network Limited	-	12.57	-
	(-)	(5.87)	(-)
Greycells 18 Media Limited	-	1.55	-
	(-)	(253.64)	(-)
Digital18 Media Limited	-	1.24	-
	(-)	(33.40)	(-)

Notes on financial statements for the year ended 31st March 2017

₹ in Lakh			
Particulars	Enterprises exercising control	Subsidiaries/ Fellow subsidiaries	Associates of Holding Company
Network18 Media & Investments Limited	655.96 (876.46)	-	-
Big Tree Entertainment Private Limited	-	(-)	44.75 (15.73)
vi) Investments during the year			
Moneycontrol.Dot Com India Limited	-	25.00	-
	(-)	(-)	(-)
vii) Loans/ advances given during the year			
Network18 Media & Investments Limited	-	-	-
	(4,200.00)	(-)	(-)
B Balances at end of the year			
i) Receivable			
Moneycontrol.Dot Com India Limited	-	-	-
	(-)	(5.98)	(-)
	[-]	[15.87]	[-]
Digital18 Media Limited	-	0.95	-
	(-)	(47.05)	(-)
	[-]	[16.16]	[-]
Network18 Media & Investments Limited	1,338.32 (238.63) [159.38]	-	-
	(-)	(-)	(-)
	[-]	[-]	[-]
Web18 Software Services Limited	-	3.23	-
	(-)	(3.23)	(-)
	[-]	[0.02]	[-]
Greycells 18 Media Limited	-	99.31	-
	(-)	(96.78)	(-)
	[-]	[6.59]	[-]
Big Tree Entertainment Private Limited	-	-	14.23
	(-)	(-)	(5.88)
	[-]	[-]	[-]
TV18 Broadcast Limited	-	154.29	-
	(-)	(0.56)	(-)
	[-]	[-]	[-]
TV18 Home Shopping Network Limited	-	12.68	-
	(-)	(4.63)	(-)
	[-]	[1.03]	[-]
Reliance Jio Messaging Service Private Limited	-	26.71	-
	(-)	(-)	(-)
	[-]	[-]	[-]

Notes on financial statements for the year ended 31st March 2017

Particulars	₹ in Lakh		
	Enterprises exercising control	Subsidiaries/ Fellow subsidiaries	Associates of Holding Company
ii) Loan outstanding			
Network18 Media & Investments Limited	4,200.00	-	-
	(4,200.00)	(-)	(-)
	[-]	[-]	[-]
iii) Payable			
Digital18 Media Limited	-	-	-
	(-)	(24.06)	(-)
	[-]	[-]	[-]
TV18 Broadcast Limited	-	210.60	-
	(-)	(56.66)	(-)
	[-]	[81.14]	[-]
Network18 Media & Investments Limited	229.69	-	-
	(124.96)	(-)	(-)
	[-]	[-]	[-]
TV18 Home Shopping Network Limited	-	-	-
	(-)	(2.11)	(-)
	[-]	[-]	[-]
Big Tree Entertainment Private Limited	-	-	-
	(-)	(-)	(-)
	[-]	[-]	[0.17]

(Figures in the bracket represent previous year 2015-16)

[Figures in the bracket represent previous year 2014-15]

Note 29: Obligation on Long Term, Non-Cancellable Operating Leases

The Company has taken various office premises under operating lease agreements. The lease term of these lease is 5 years and they are renewable by mutual consent. There are no sub leases or restrictions imposed by lease arrangements. There are certain lease agreements with escalation clauses during the initial lease term. Lease payments during the period recognised in the statement of profit and loss amount to ₹ 492.97 lakh.(previous year ₹ 290.34 lakh)

	₹ in Lakh		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Payable not later than one year	987.66	955.24	955.24
Payable later than one year but not later than five years	1,473.45	2572.43	3527.68
Payable later than five years	-	-	-
Total	2461.11	3527.67	4482.92

Notes on financial statements for the year ended 31st March 2017

Note 30: Details of Specified Bank Notes (SBN) held and transacted during the period 08th November, 2016 to 30th December, 2016
₹ in Lakh

	SBN	Other denomination notes	Total
Closing cash in hand as on 08th November, 2016	-	61.00	61.00
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in banks	-	(61.00)	(61.00)
Closing cash in hand as on 30th December, 2016	-	-	-

Note 31: Segment note

The company is in the business of operating website and is located in India. As the Company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosures prescribed by Ind AS 108, have not been provided in these financial statements.

Note 32 : Financial Risk Management

Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities and other financial instruments.

Customer credit risk is managed by each business team subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company evaluates the concentration of risk with respect to trade receivables as low.

As per our Report of even date

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No.001076N/N500013

Sudhir N. Pillai
Partner
Membership No.: 105782

Place: Mumbai
Date: 13th April 2017

For and on behalf of the Board of Directors of
e-Eighteen.com Limited

Sanjiv Kulshreshtha
Chairman
DIN : 06788866

Place: Noida
Date: 13th April 2017

Karanvir Singh Gill
Director
DIN : 07283590