GREYCELLS18 MEDIA LIMITED
FINANCIAL STATEMENTS - 2017-18

Independent Auditor's Report

To the Members of Greycells18 Media Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Greycells18 Media Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, 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 Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), 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') prescribed under Section 133 of the Act read with relevant rules issued there under. 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 Ind AS financial statements of the Ind AS that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of Ind AS financial statement 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The Ind AS financial statement of the company for the year ended 31st March 2017 were audited by Mohan L. Jain & Co., Chartered Accountants (Firm registration no. 005345N) who expressed unmodified opinion dated 15th April 2017. Our opinion is not modified in respect of said matter.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Further to our comment in the Annexure A, as required by Section 143 (3) of the Act, we report that:
    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
    c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
    d. In our opinion, the aforesaid Ind AS financial statements comply with Ind AS prescribed under Section 133 of the Act read with relevant rules there under;
    e. On the basis of the written representations received from the directors of the Company as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
    f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
    g. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
        i. The Company does not have any pending litigations which would impact its financial position.
        ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts for which there were any material foreseeable losses
        iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No. 101720W

Vijay Napawaliya
Partner
Membership No. 109859

Place: Mumbai
Date: 19th April 2018

“Annexure A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Greycells18 Media Limited on the financial statements for the year ended 31st March 2018)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management during the previous year and no material discrepancies were noticed on such verification. In our opinion, frequency of verification of the fixed assets is reasonable having regard to the size of the Company and nature of its assets.

(c) The Company does not have any immovable properties. Therefore, the provisions of paragraph 3 (i) (c) of the Order are not applicable to the Company

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

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provision of paragraph 3 (iii) of the Order are not applicable to the Company.

(iv) According to the information and explanation given to us, the Company has not made any loan, investment, and guarantees to any person specified under section 185 and section 186 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iv) of the Order are not applicable to the Company.

(v) According to the information and explanation given to us, the Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and Companies (Acceptance of Deposits) Rules, 2014. Therefore, the provisions of paragraph 3(v) of the Order are not applicable to the Company.

(vi) According to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act in respect of Company’s products. Therefore, the provisions of paragraph 3(vi) of the Order are not applicable to the Company.

(vii) (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional tax, Sales tax, value added tax, Service Tax, duty of customs, duty of excise, Cess and other material statutory dues applicable to it, with the appropriate authorities.

(b) According to the information and explanations given to us, there are no dues in respect of Income-tax, Sales-tax, Service-tax, duty of Customs, duty of excise, value added tax and other material statutory dues that have not been deposited with the appropriate authorities on account of any dispute.

(viii) The Company does not have loans or borrowings payable to a financial institution or a bank or government and debenture holder. Therefore, the provisions of paragraph 3(viii) of the Order are not applicable to the Company.

(ix) According to the information and explanations given to us, the Company did not raise any moneys by way of initial public offer, further public offer (including debt instruments) and no term loans was raised during the year. Therefore, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

(x) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and on the basis of information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

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

(xii) In our opinion, the Company is not Nidhi Company as per Companies Act 2013. Therefore, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

(xiii) According to the information and explanations given to us, Company's transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, where applicable and details have been disclosed in financial statements, as required by the applicable Indian accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

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

For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No. 101720W

Vijay Napawaliya
Partner
Membership No. 109859

Place: Mumbai
Date: 19th April 2018

“Annexure B” to the Independent Auditor’s Report

Referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Greycells18 Media Limited on the Ind AS financial statements for the year ended 31st March 2018.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Greycells18 Media Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the”Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail,accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No. 101720W

Vijay Napawaliya
Partner
Membership No. 109859

Place: Mumbai
Date: 19th April 2018

Balance Sheet as at 31st March, 2018

₹ in lakh

	Notes	As At 31st March, 2018	As At 31st March, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	1	21.84	21.11
Intangible assets	2	19.34	53.04
Intangible assets under development	2	-	0.16
Other non-current assets	3	49.34	105.37
Current assets			
Financial assets			
- Trade receivables	4	208.86	234.23
- Cash and cash equivalents	5	29.43	13.79
- Other financial assets	6	0.62	-
Other current assets	7	142.61	165.18
Total Assets		**472.04**	**592.88**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8	1,163.80	1,163.80
Other Equity	9	(2,549.67)	(2,076.26)
Non-current liabilities			
Provisions	10	15.05	13.53
Current liabilities			
Financial Liabilities			
- Borrowings	11	1,422.00	740.00
- Trade payables	12	127.05	578.25
- Other financial liabilities	13	214.71	115.33
Other current liabilities	14	78.88	58.04
Provisions	15	0.22	0.19
Total Equity and Liabilities		**472.04**	**592.88**

Significant accounting policies

See accompanying notes to the financial statements 1 to 32

As per our report of even date

For **Chaturvedi & Shah**

Chartered Accountants

Firm Registration No. 101720W

Vijay Napawaliya

Partner

Membership No. 109859

Place: Mumbai

Date: 19th April, 2018

For and on behalf of the Board of Directors

Kshipra Jatana

Director

DIN 02491225

Gagan Kumar

Director

DIN 02989428

Manoj Karandikar

Chief Financial Officer

Vaibhav Mrinal Kher

Company Secretary

Place: Noida

Date: 19th April, 2018

Statement of Profit and Loss for the year ended 31st March, 2018

₹ in lakh

		Notes	Year ended 31st March, 2018	Year ended 31st March, 2017
I.	**Income**			
	Value of Sales and Services		525.94	596.25
	Goods and Service tax included in above		62.58	-
	Revenue from operations	16	**463.36**	**596.25**
	Other income	17	11.42	14.56
	Total Income		**474.78**	**610.81**
II.	**Expenses**			
	Employee benefits expense	18	444.04	411.77
	Finance costs	19	110.43	88.51
	Depreciation and amortization expense	1 and 2	46.42	61.94
	Marketing, distribution and promotional expense		33.46	34.22
	Other expenses	20	316.65	400.84
	Total Expenses		**951.00**	**997.28**
III.	**(Loss) before tax (I-II)**		**(476.22)**	**(386.47)**
IV.	**Tax expense**			
	Current tax		-	-
	Deferred tax		-	-
	Total Tax expense		-	-
V.	**Loss for the year (III-IV)**		**(476.22)**	**(386.47)**
VI	**Other Comprehensive Income**			
	- Items that will not be reclassified to profit or loss			
	Remeasurements of defined benefit plans		**2.81**	**2.71**
VII	**Total comprehensive income for the year (V + VI)**		**(473.41)**	**(383.76)**
VIII	**Earnings per equity share of face value of Rs. 10 each**			
	(a) Basic and diluted (in Rs.)	23	**(4.09)**	**(3.32)**

Significant accounting policies
See accompanying notes to the financial statements 1 to 32

As per our report of even date
For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No. 101720W

For and on behalf of the Board of Directors

Vijay Napawaliya
Partner
Membership No. 109859

Kshipra Jatana
Director
DIN 02491225

Gagan Kumar
Director
DIN 02989428

Manoj Karandikar
Chief Financial Officer

Vaibhav Mrinal Kher
Company Secretary

Place: Mumbai
Date: 19th April, 2018

Place: Noida
Date: 19th April, 2018

Statement of Changes in Equity for the year ended 31st March, 2018

A. Equity Share Capital **₹ in lakh**

Balance as at 1st April, 2016	Changes in equity share capital during the year 2016-17	Balance as at 31st March, 2017	Balance as at 1st April, 2017	Changes in equity share capital during the year 2017-18	Balance as at 31st March, 2018
1,163.80	-	1,163.80	1,163.80	-	1,163.80

B. Other Equity **₹ in lakh**

	Reserves and Surplus		Other Remeasurements of the defined benefit plans	Total
	Securities premium	Retained Earnings		
Balance at the begining of 1st April, 2016	3,890.73	(5,585.12)	1.89	(1,692.50)
Total Comprehensive Income for the year	-	(386.47)	2.71	(383.76)
Transfer to retained earnings/ any other change	-	-	-	-
Balance as at the end of 31st March, 2017	3,890.73	(5,971.59)	4.60	(2,076.26)
Balance at the begining of 1st April, 2017	3,890.73	(5,971.59)	4.60	(2,076.26)
Total Comprehensive Income for the year	-	(476.22)	2.81	(473.41)
Transfer to retained earnings/ any other change	-	-	-	-
Balance as at the end of 31st March, 2018	3,890.73	(6,447.81)	7.41	(2,549.67)

As per our report of even date
For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No. 101720W

Vijay Napawaliya
Partner
Membership No. 109859

Place: Mumbai
Date: 19th April, 2018

For and on behalf of the Board of Directors

Kshipra Jatana
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DIN 02989428

Manoj Karandikar
Chief Financial Officer

Vaibhav Mrinal Kher
Company Secretary

Place: Noida
Date: 19th April, 2018

Cash Flow Statement for the year ended 31st March, 2018

₹ in lakh

		Year ended 31st March, 2018	Year ended 31st March, 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Loss before tax	**(476.22)**	(386.47)
	Adjusted for:		
	Depreciation / Amortisation expense	46.42	61.94
	Interest income	(1.36)	(0.88)
	Provision for doubtful debts/Bad debts written off	(6.11)	-
	Operating loss before working capital changes	**(437.27)**	**(325.41)**
	Adjusted for:		
	Trade and other receivables	77.22	(85.49)
	Trade and other payables	(326.61)	343.76
	Cash generated from operations	**(686.66)**	**(67.14)**
	Taxes paid	32.23	21.91
	Net cash flow used in operating activities	**(654.43)**	**(45.23)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Payment for purchase of Property,Plant and Equipment (PPE)	(13.29)	(17.15)
	Proceeds from disposal of PPE	-	0.08
	Interest received	1.36	0.88
	Net cash used in investing activities	**(11.93)**	(16.19)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from current borrowings	682.00	35.00
	Net cash from financing activities	**682.00**	35.00
	Net increase/ (decrease) in cash and cash equivalents	15.64	(26.42)
	Cash and cash equivalents as at the beginning of the year	13.79	40.21
	Cash and cash equivalents as at the end of the year	29.43	13.79
	(Refer Note No. 5)		

As per our report of even date
For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No. 101720W

Vijay Napawaliya
Partner
Membership No. 109859

Place: Mumbai
Date: 19th April, 2018

For and on behalf of the Board of Directors

Kshipra Jatana
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Director
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Manoj Karandikar
Chief Financial Officer

Vaibhav Mrinal Kher
Company Secretary

Place: Noida
Date: 19th April, 2018

Notes to the Financial Statements for the year ended 31st March, 2018

A CORPORATE INFORMATION

Greycells18 Media Limited ("the Company") is a company incorporated in India. The address of its registered office and principal place of business is First floor, 414, Empire Complex, Senapati Bapat Marg, Lower Parel, Mumbai - 400013.The principal activity of the company is providing education through TV channel and Electronic Media.

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 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 rules notified under the relevant provisions of the companies Act, 2013.

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 to 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 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.

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.

The cost of intangible asset is amortized over a period of its useful life from the date of its acquisition.

(d) Borrowings Cost

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.

Notes to the Financial Statements for the year ended 31st March, 2018

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 Contigencies

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 recongnised as a liability 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 Provident Fund. 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.

Notes to the Financial Statements for the year ended 31st March, 2018

(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 from operations includes sale of services. Sale of services includes subscription revenue from providing education through TV channel and Electronic Media.Sale of services is 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. Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Interest Income

Interest Income from a financial asset is recognised using effective interest rate method.

(k) Financial instruments

(I) Financial Assets

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.

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.

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.

Notes to the Financial Statements for the year ended 31st March, 2018

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.

(II) Financial liabilities

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.

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.

(III) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

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.

i) Depreciation and useful lives of property, plant and Equipment 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.

ii) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and detemining 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 mitigae the risk of non-payment.

iii) 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 NEW STANDARD ISSUED BUT NOT EFFECTIVE

Ind AS 115 'Revenue from Contracts with customers' notified on 28th March, 2018 and effective from 1st April 2018, establishes a five-step model to account for revenue arising from contracts with customers. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company continues to evaluate the available transition methods, the changes to accounting system and processes and additional disclosure requirements that may be necessary. A reliable estimate of the quantitative impact of Ind AS 115 on the Financial Statements will only be possible once the assessment has been completed.

Notes to the Financial Statements for the year ended 31st March, 2018

Property, Plant and Equipment and Intangible Assets

₹ in lakh

	Description	Gross Block				Depreciation/ Amortisation				Net Block	
		As at 1st April, 2017	Additions / Adjustments	Deductions / Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year	Deductions/ Adjustments	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
1	**Tangible Assets:**										
	Plant and Machinery	44.77	3.22	-	47.99	34.52	1.75	-	36.27	11.72	10.25
	Office Equipment	78.70	7.22	-	85.92	70.50	7.54	-	78.04	7.88	8.20
	Furniture and fixtures	17.33	0.06	-	17.39	14.67	0.48	-	15.15	2.24	2.66
	Vehicles	3.81	0.00	-	3.81	3.81	0.00	-	3.81	0.00	0.00
	Total	**144.61**	**10.50**	-	**155.11**	**123.50**	**9.77**	-	**133.27**	**21.84**	**21.11**
2	**Intangible assets**										
	Software	18.71	1.20	-	19.91	14.41	2.63	-	17.04	2.87	4.29
	Other Intangible Assets	217.71	1.75	-	219.46	168.97	34.02	-	202.99	16.47	48.75
	Total	**236.42**	**2.95**	-	**239.37**	**183.38**	**36.65**	-	**220.03**	**19.34**	**53.04**
	Grand Total	**381.03**	**13.45**	-	**394.48**	**306.88**	**46.42**	-	**353.30**	**41.18**	**74.15**
	Previous Year	(364.48)	(16.99)	(0.44)	(381.03)	(245.30)	(61.94)	(0.36)	(306.88)	(74.15)	(119.18)

Notes to the Financial Statements for the year ended 31st March, 2018

		As At 31st March, 2018	As At 31st March, 2017
			₹ in lakh
3	**Other Non-Current Assets**		
	Advance income tax (net of provision) (Refer Note 24)	49.34	105.37
	Total	**49.34**	**105.37**
4	**Trade receivables**		
	Unsecured, considered good	208.86	234.23
	Unsecured, considered doubtful	39.10	-
		247.96	**234.23**
	Less: Allowances for doubtful receivables	39.10	-
	Total	**208.86**	**234.23**
5	**Cash and cash equivalents**		
	a Cash on hand	-	-
	b Balance with bank		
	In current accounts	27.92	12.42
	c Other bank balance		
	In other deposit accounts	1.51	1.37
	Total	**29.43**	**13.79**
6	**Other financial assets**		
	Security Deposit	0.62	-
	Total	**0.62**	**-**
7	**Other current assets**		
	(Unsecured and considered good)		
	Balance with government tax authorities	121.92	141.17
	Prepaid expenses	20.69	20.33
	Advances to vendors	-	3.68
	Total	**142.61**	**165.18**

Notes to the Financial Statements for the year ended 31st March, 2018

8 Equity Share capital

	Particulars	As at 31st March, 2018		As at 31st March, 2017	
		Number of Shares	₹ in lakh	Number of Shares	₹ in lakh
(a)	**Authorised Share Capital:**				
	Equity shares of Rs. 10 each	2,00,00,000	2,000.00	2,00,00,000	2,000.00
(iii)	Equity Shares of Rs. 10 each				
	(i) Issued	1,16,38,005	1,163.80	1,16,38,005	1,163.80
	(ii) Subscribed and fully paid up	1,16,38,005	1,163.80	1,16,38,005	1,163.80
	TOTAL	**1,16,38,005**	**1,163.80**	**1,16,38,005**	**1,163.80**

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

	Particulars	31st March, 2018		31st March, 2017	
		Number of Shares	% Holding	Number of Shares	% Holding
1	RVT Finhold Private Limited (Holding Company)	84,62,254	72.71%	84,62,254	72.71%
2	Educomp Solution Limited (Associate)	29,99,749	25.78%	29,99,749	25.78%

8.2 Details of shares held by Holding company, Associates and others

	Particulars	31st March, 2018		31st March, 2017	
		Number of Shares	₹ in lakh	Number of Shares	₹ in lakh
1	Shares held by the holding company	84,62,254	846.23	84,62,254	846.23
2	Shares held by associates	29,99,749	299.97	29,99,749	299.97
3	Others	1,76,002	17.60	1,76,002	17.60
		1,16,38,005	**1,163.80**	**1,16,38,005**	**1,163.80**

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

	Particulars	31st March, 2018		31st March, 2017	
		Number of Shares	₹ in lakh	Number of Shares	₹ in lakh
	Equity Shares opening balance	1,16,38,005	1,163.80	1,16,38,005	1,163.80
	Add : Shares issued during the year	-	-	-	-
	Equity Shares closing balance	1,16,38,005	1,163.80	1,16,38,005	1,163.80

Notes to the Financial Statements for the year ended 31st March, 2018

			As At 31st March, 2018	As At 31st March, 2017
				₹ in lakh
9	**Other Equity**			
	a	**Securities premium account**		
		Opening balance	3,890.73	3,890.73
		Add: Received during the year	-	-
		Closing Balance	**3,890.73**	**3,890.73**
	b	**Retained Earnings**		
		Opening balance	(5,971.59)	(5,585.12)
		Add: Loss for the year	(476.22)	(386.47)
		Closing balance	**(6,447.81)**	**(5,971.59)**
	c	**Other Comprehensive Income**		
		Remeasurements of defined benefit plans		
		Opening Balance	4.60	1.89
		Add : Additions during the year	2.81	2.71
		Closing Balance	7.41	4.60
		Total	**(2,549.67)**	**(2,076.26)**
10	**Provisions**			
	Provision for employee benefits			
	Provision for gratuity (see note no. 21)		8.42	7.15
	Provision for compensated absences		6.63	6.38
	Total		**15.05**	**13.53**
11	**Borrowings**			
	Unsecured loan from related parties		1,422.00	740.00
	Total		**1,422.00**	**740.00**
	Provision for litigations			
12	**Trade payable**			
	Due to Micro and Small enterprises		-	-
	Due to others		127.05	578.25
	Total		**127.05**	**578.25**

Note

There are no amounts outstanding to Micro, Small and Medium Enterprises as at March 31, 2018 and no amount were due during the year for which disclosure requirements under Micro, Small and Medium Enterprises Development Act 2006 are applicable.

Notes to the Financial Statements for the year ended 31st March, 2018

			₹ in lakh
		As At 31st March, 2018	**As At 31st March, 2017**
13	**Other financial liabilities**		
	Interest due on borrowings	214.71	115.33
	Total	**214.71**	**115.33**
14	**Other current liabilities**		
	Unearned revenue	48.83	43.98
	Other Payable		
	- Statutory dues payable	27.55	13.67
	- Others	2.50	0.39
	Total	**78.88**	**58.04**
15	**Provisions**		
	Provision for employee benefits : Current		
	Provision for gratuity (see note no. 21)	0.05	0.02
	Provision for compensated absences	0.17	0.17
	Total	**0.22**	**0.19**
16	**Revenue from operations**		
	Sale of services	463.36	596.25
	Total	**463.36**	**596.25**
17	**Other income**		
	Interest from bank deposits	1.36	0.88
	Interest from others	10.06	8.80
	Miscellaneous income	-	4.88
	Total	**11.42**	**14.56**
18	**Employee benefit expense**		
	Salaries, wages and bonus	419.33	387.91
	Contribution to provident and other funds	19.58	18.09
	Gratuity (refer note no. 21)	4.11	3.78
	Staff welfare expenses	1.02	1.99
	Total	**444.04**	**411.77**

Notes to the Financial Statements for the year ended 31st March, 2018

		As At 31st March, 2018	As At 31st March, 2017
			₹ in lakh
19	**Finance costs**		
	Interest expenses	110.43	88.51
	Total	**110.43**	**88.51**
20	**Other expenses**		
	Telecast and uplinking charges	135.15	118.55
	Other production expenses	112.35	228.23
	Distribution, advertising and business promotion	33.46	34.22
	Director sitting fees	1.40	2.80
	Rates and Taxes	0.44	1.89
	Legal and professional fees (refer note 20.1)	4.52	7.98
	Insurance	17.03	5.10
	Repairs and maintenance	27.76	16.23
	Bad debts and allowance for doubtful trade receivables	6.11	-
	Loss on fixed assets sold / scrapped / written off (net)	-	0.04
	Other establishment expenses	11.89	20.02
	Total	**350.11**	**435.06**
20.1	**Payment to Auditor**		
	Statutory audit fees	0.90	1.00
	Limited review fees	0.75	0.75
	Tax audit fees	-	0.50
	Total	**1.65**	**2.25**

21 As per Indian Accounting Standard 19 Employee benefits, the disclosures as defined are given below :

21.1 Defined contribution plans

The Company makes Provident Fund contributions to the relevant authorities, which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

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

₹ in lakh

Particulars	**2017-18**	**2016-17**
Employer's Contribution to Provident Fund	11.09	8.70
Employer's Contribution to Pension Fund	6.98	7.54

Notes to the Financial Statements for the year ended 31st March, 2018

21.2 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:

₹ in lakh

Particulars	Gratuity (Unfunded) 2017-18	2016-17
Defined Benefit obligation at beginning of the year	7.17	6.10
Current Service Cost	3.57	3.29
Interest Cost	0.54	0.49
Actuarial (gain)/ loss	(2.81)	(2.71)
Benefits paid	-	-
Defined Benefit obligation at year end	8.47	7.17

ii) Expenses recognised during the year:

₹ in lakh

Particulars	Gratuity (Unfunded) 2017-18	2016-17
In Income Statement		
Current Service Cost	3.57	3.29
Interest Cost	0.54	0.49
Net Cost	4.11	3.78
In Other Comprehensive Income		
Actuarial (gain)/ loss on defined benefit obligation	(2.81)	(2.71)
Net (Income) /Expense recognized in OCI	(2.81)	(2.71)

iii) Actuarial assumptions:

Particulars	Gratuity (Unfunded) 2017-18	2016-17
Mortality Table (IALM)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount rate (per annum)	7.7%	7.6%
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 2017-18.

v) Sensitivity Analysis of the defined benefit obligation :

Significant Acturial Assumptions for the determination of the defined benefit obligation are discount trade, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on resonably possible changes of the assumptions occuring at end of the reporting period , while holding all other assumptions constant. The result of Sesitivity analysis is given below:

Notes to the Financial Statements for the year ended 31st March, 2018

₹ in lakh

	Particulars		Gratuity (Unfunded)
		As At 31st March, 2018	As At 31st March, 2017
a)	**Impact of the change in discount rate**		
	Present value of obligation at the end of the period	8.47	7.17
	i) Impact due to increase of 0.50%	(0.64)	(0.59)
	ii) Impact due to decrease of 0.50%	0.71	0.66
b)	**Impact of the change in salary increase**		
	Present value of obligation at the end of the period	8.47	7.17
	i) Impact due to increase of 0.50%	0.73	0.67
	ii) Impact due to decrease of 0.50%	(0.65)	(0.60)

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.

22.1 Related Party Disclosures

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

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

Sr. No.	Name of the Related Party	
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 known as Shinano Retail Private Limited)*	
10	Capital18 Fincap Private Limited	
11	Network18 Media & Investments Limited	
12	TV18 Home Shopping Network Limited (from 15.2.2018)	
13	Reliance Industries Limited	Beneficiary/Protector of Independent Media Trust
14	Reliance Industrial Investments and Holdings Limited	
15	RVT Finhold Private Limited	Joint Venturer
16	Educomp Solutions Limited	
17	e-Eighteen.com Limited	Fellow Subsidiaries
18	TV18 Broadcast Limited	
19	TV18 Home Shopping Network Limited (upto 14.2.2018)	

*** Control by Independent Media Trust of which Reliance Industries Limited is the sole beneficiary**

Notes to the Financial Statements for the year ended 31st March, 2018

₹ in lakh

	Transactions	Beneficiary / Protector of Independent Media Trust	Enterprises exercising control	Fellow subsidiaries	Associate / Joint Venturer / Holding company of Joint Venturer
22.2	**Related Party Disclosures**				
	Interest expense on borrowings				
	Capital 18 Fincap Private Limited.	-	88.80	-	-
		(-)	(88.47)	(-)	(-)
	Network18 Media & Investment Limited	-	21.62	-	-
		(-)	(-)	(-)	(-)
		-	**110.42**	**-**	**-**
		(-)	**(88.47)**	**(-)**	**(-)**
	Reimbursement of expenses paid				
	Network18 Media & Investment Limited	-	17.27	-	-
		(-)	(123.88)	(-)	(-)
	E-Eighteen. Com Limited	-	-	2.24	-
		(-)	(-)	(1.56)	(-)
	TV18 Broadcast Limited	-	-	43.53	-
		(-)	(-)	(39.32)	(-)
		-	**17.27**	**45.77**	**-**
		(-)	**(123.88)**	**(40.88)**	**(-)**
	Expenditure for services received				
	TV18 Broadcast Limited	-	-	84.00	-
		(-)	(-)	(81.00)	(-)
	Reliance Industries Ltd	50.40	-	-	-
		(-)	(-)	(-)	(-)
		50.40	**-**	**84.00**	**-**
		(-)	**(-)**	**(81.00)**	**(-)**
	Reimbursement of expenses receivable				
	Network18 Media & Investment Limited	-	0.95	-	-
		(-)	(4.25)	(-)	(-)
		-	**0.95**	**-**	**-**
		(-)	**(4.25)**	**(-)**	**(-)**
	Loan received				
	Capital 18 Fincap Private Limited.	-	-	-	-
		(-)	35.00	(-)	(-)
	Network18 Media & Investment Limited	-	682.00	-	-
		(-)	(-)	(-)	(-)
		-	**682.00**	**-**	**-**
		(-)	**35.00**	**(-)**	**(-)**

Notes to the Financial Statements for the year ended 31st March, 2018

₹ in lakh

	Transactions	Beneficiary / Protector of Independent Media Trust	Enterprises exercising control	Fellow subsidiaries	Associate / Joint Venturer / Holding company of Joint Venturer
22.3	**Balance outstanding with related parties at year end**				
1	**Trade receivables**				
	TV 18 Home Shopping Network Limited	-	-	0.91	-
		(-)	(-)	(0.91)	(-)
	Network18 Media & Investment Limited	-	-	-	-
		(-)	(1.09)	(-)	(-)
		-	**-**	**0.91**	**-**
		(-)	**(1.09)**	**(0.91)**	**(-)**
2	**Borrowings including interest payable**				
	Capital 18 Fincap Private Limited	-	935.25	-	-
		(-)	(855.33)	(-)	(-)
	Network18 Media & Investment Limited	-	701.46	-	-
		(-)	(-)	(-)	(-)
		-	**1,636.71**	**-**	**-**
		(-)	**(855.33)**	**(-)**	**(-)**
3	**Trade payables**				
	Network18 Media & Investment Limited	-	-	-	-
		(-)	(150.78)	(-)	(-)
	E-Eighteen. Com Limited	-	-	0.54	-
		(-)	(-)	(98.53)	(-)
	TV18 Broadcast Limited	-	-	89.85	-
		(-)	(-)	(208.51)	(-)
	Reliance Industries Limited	12.28	-	-	-
		(-)	(-)	(-)	(-)
		12.28	**-**	**90.39**	**-**
		(-)	**(150.78)**	**(307.04)**	**(-)**

			Year ended 31st March, 2018	Year ended 31st March, 2017
23	**EARNINGS PER SHARE (EPS)**			
	i)	Net Loss after tax as per Statement of Profit & Loss attributable to Equity Shareholders (₹ in lakh)	(476.22)	(386.47)
	ii)	Weighted average number of equity shares used as denominator for calculating basic EPS	1,16,38,005	1,16,38,005
	iii)	Total weighted average potential equity shares	-	-
	iv)	Weighted average number of equity shares used as denominator for calculating diluted EPS	1,16,38,005	1,16,38,005
	v)	Basic Earnings per Share (₹)	(4.09)	(3.32)
	vi)	Diluted Earnings per Share (₹)	(4.09)	(3.32)
	vii)	Face Value per Equity Share (₹)	10	10

Notes to the Financial Statements for the year ended 31st March, 2018

		As at 31st March 2018	As at 31st March 2017
			₹ in lakh
24	**Taxation**		
a)	**Advance tax (net of provision)**		
	At start of year	105.37	119.01
	Income tax refund	(88.26)	(35.55)
	Tax paid during the year (TDS)	32.23	21.91
	At end of year	49.34	105.37

b) Deferred tax asset

The company has not recognized the deferred tax assets (net) amounting to ₹ 1143.44 Lakh (Previous year ₹ 1271.90 Lakh) arising out of tangible assets, intangible assets, financials assets, unabsorbed depreciation, brought forward tax losses and other items due to non-existence of probability of taxable income against which the assets can be realized. The same shall be reassessed at subsequent balance sheet date.

25 Financial Risk Management

The Company's activities exposes it mainly to credit risk and liquidity risk, The finance team identifies and evaluates financial risk in close coordination with the Company's business teams.

(a) Credit risk

Credit risk is the risk that customers or 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 which is primarily trade receivables

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 customers receivables are regularly monitored.

An impairment analysis is performed at each reporting date for major customers. 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 receivables as low.

(b) Liquidity Risk

The Company closely monitors its risk of shortage of funds. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of borrowings, The Company assessed the concentration of risk with respect to its debt as low. As at reporting date, all other financial liabilities of the Company are short term. Further, the Company believes that carrying value of all of its financial liabilities including debt approximates its fair value.

Notes to the Financial Statements for the year ended 31st March, 2018

26 Fair value measurement hierarchy:

₹ in lakh

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Carrying Amount	Level of input used in Level 1	Carrying Amount	Level of input used in Level
Financial Assets				
At Amortised Cost				
Trade Receivables	208.86		234.23	
Cash and Bank Balances	29.43		13.79	
Other Financial Assets	0.62		-	
Financial Liabilities				
At Amortised Cost				
Borrowings	1,422.00		740.00	
Trade Payables	127.05		578.25	
Other financial liability	214.71		115.33	

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three level.

Level 1: Inputs are Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs are other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

27 Going concern

The Company is in the process of raising equity from its shareholders which, upon completion, will make the net-worth of the company positive. Considering business plans of the Company and proposed equity infusion, the accounts of the Company have been prepared on the basis that the Company is a going concern.

₹ in lakh

	As At 31st March, 2018	As At 31st March, 2017
28 Capitalization of expenditure		
Freelancer professional charges	-	1.15
Episode cost	-	6.98
Total	**-**	**8.13**

29 Contingent Liablities & Commitments

a) There are no contingent liabilities existing as on 31st March, 2018

b) Capital Commitment: Estimated amounts of contracts remaining to be executed on capital account in current year NIL (previous year ₹ 10.50 Lakh)

Notes to the Financial Statements for the year ended 31st March, 2018

30 Segment Reporting:

The Company is engaged in only one segment i.e. Educational services and hence there is no separate reportable segment as per Ind AS 108 ‘Operating Segments’.

Since the Company’s operations are primarily in India, it has determined single geographical segment.

One customer represents more than 10% of Company’s total revenue during the current year as well as previous year.

31 The figures for the corresponding previous year have been regrouped, wherever necessary, to make them comparable.

32 The Financial Statements were approved for issue by the Board of Directors on 19th April 2018.

As per our report of even date
For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No. 101720W

Vijay Napawaliya
Partner
Membership No. 109859

Place: Mumbai
Date: 19th April, 2018

For and on behalf of the Board of Directors

Kshipra Jatana
Director
DIN 02491225

Gagan Kumar
Director
DIN 02989428

Manoj Karandikar
Chief Financial Officer

Vaibhav Mrinal Kher
Company Secretary

Place: Noida
Date: 19th April, 2018