

Colorful Media Private Limited

Independent Auditor's Report

TO THE MEMBERS OF COLORFUL MEDIA PRIVATE LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors of the Company as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company 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.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Mohan Lal Jain
Partner
Membership No: 084190

Place: New Delhi
Date: 07th April, 2016

“ANNEXURE –A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENT OF COLORFUL MEDIA PRIVATE LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Colorful Media Private Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that

the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Mohan Lal Jain
Partner
Membership No: 084190

Place: New Delhi

Date: 07th April, 2016

Annexure to the Independent Auditor's Report**To the Members of Colorful Media Private Limited**

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

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

- (i) *Fixed assets:*
 - (a) The Company does not have any fixed assets. Accordingly, the provisions of clause (i) of the Order are not applicable to the Company.
- (ii) *Inventories:*
 - (a) The Company does not have any inventory at any time during the year. Accordingly, the provisions of paragraph 3 (ii) of the Order are not applicable to the Company.
- (iii) *Granting of loans to certain parties:*
 - (a) According to the information and explanation given to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered by Section 2(76) of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.
- (iv) *Loans and investments:*
 - (a) According to the information and explanation given to us, the Company has not made any loan, investment, and guarantees to any person specified under section 185 and section 186 of the Companies Act, 2013; and therefore paragraph 3(iv) of the Order is not applicable.
- (v) *Acceptance of Deposits:*
 - (a) In our opinion and according to the information and explanation given to us, the Company has not received any public deposits during the year.
- (vi) *Maintenance of cost records:*
 - (a) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- (vii) *Deposit of statutory dues:*
 - (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
 - (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2016 for a period of more than six months from the date they became payable.
- (viii) *Default in repayment of dues:*
 - (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (ix) *Application of term loans/public issue/follow on offer:*
 - (a) In our opinion and according to the information and explanations given to us, monies raised by way of debt instruments have been applied by the Company for the purposes for which they were raised.

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- (x) *Fraud reporting:*
- (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (xi) *Managerial remuneration:*
- (a) The Company is a private limited company. Accordingly, the provisions of paragraph 3(xi) of the Order are not applicable
- (xii) *Nidhi Company:*
- (a) The Company is not Nidhi Company as per Companies Act 2013. Accordingly, the provision of paragraph 3(xii) of the Order is not applicable.
- (xiii) *Related party transactions:*
- (a) All transactions with the related parties are in compliance with section 177 and 188 of the Companies act 2013 where applicable and details have been disclosed in financial statements etc., as required by the applicable accounting standards.
- (xiv) *Preferential allotment/private placement:*
- (a) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) *Non-cash transactions:*
- (a) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provision of paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

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

Mohan Lal Jain
Partner
Membership No: 084190

Place: New Delhi
Date: 07th April, 2016

Balance Sheet as at 31st March, 2016

| | | | | (All Amount in Rs.) | | |
|----------|---|-------|--------------------------|--------------------------|--|--|
| | | Notes | As at 31st March 2016 | As at 31st March 2015 | | |
| A | Equity and Liabilities | | | | | |
| | 1 Shareholders' funds | | | | | |
| | Share Capital | 3 | 1,00,000 | 1,00,000 | | |
| | Reserves and Surplus | 4 | (3,61,37,517) | (3,60,61,066) | | |
| | 2 Non-current Liabilities | | | | | |
| | Long-term Borrowings | 5 | 3,86,58,37,670 | 3,86,58,38,438 | | |
| | 3 Current Liabilities | | | | | |
| | Other Current Liabilities | 6 | 51,818 | 1,18,354 | | |
| | Total | | <u>3,82,98,51,971</u> | <u>3,82,99,95,726</u> | | |
| B | Assets | | | | | |
| | 1 Non-current Assets | | | | | |
| | Non-current Investments | 7 | 3,82,73,04,270 | 3,82,73,04,270 | | |
| | 2 Current Assets | | | | | |
| | Trade Receivables | 8 | - | 1,53,450 | | |
| | Cash and Cash equivalents | 9 | 25,47,701 | 25,38,006 | | |
| | Total | | <u>3,82,98,51,971</u> | <u>3,82,99,95,726</u> | | |
| | See accompanying notes forming part of the financial statements | 1-18 | | | | |

As per our report of even date attached

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

M. L. Jain
Partner
Membership No. 084190

Place: New Delhi
Date : 7th April, 2016

For and on behalf of the Board

Laxmidas Vallabhdas Merchant
Director

Mumbai

Venkataraman Ramachandran
Director

Mumbai

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

| | | | | (All Amount in Rs.) | |
|---|-------|-------------------------------|-------------------------------|---------------------|--|
| | Notes | Year ended 31st March 2016 | Year ended 31st March 2015 | | |
| I. Income | | | | | |
| Revenue from operations | 10 | 36,350 | 1,53,450 | | |
| Other income | 11 | - | 626 | | |
| Total | | <u>36,350</u> | <u>1,54,076</u> | | |
| II. Expenses | | | | | |
| Purchases of traded goods | 12 | 34,500 | 1,48,500 | | |
| Finance costs | 13 | 3,106 | 13,185 | | |
| Other expenses | 14 | 58,578 | 1,90,062 | | |
| Total | | <u>96,184</u> | <u>3,51,747</u> | | |
| Profit/(Loss) before tax | | (59,834) | (1,97,671) | | |
| Tax Expense | | | | | |
| Prior Period Tax Adjustment | | 16,617 | - | | |
| Total Tax Expense | | <u>16,617</u> | <u>-</u> | | |
| Profit/ (Loss) after tax | | <u>(76,451)</u> | <u>(1,97,671)</u> | | |
| Earnings per equity share [nominal value of share Rs. 10] | 16 | | | | |
| Basic | | (7.65) | (19.77) | | |
| Diluted | | (7.65) | (19.77) | | |

See accompanying notes forming part of the financial statements 1-18

As per our report of even date attached

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

M. L. Jain
Partner
Membership No. 084190

Place: New Delhi
Date : 7th April, 2016

For and on behalf of the Board

Laxmidas Vallabhdas Merchant
Director

Mumbai

Venkataraman Ramachandran
Director

Mumbai

Cashflow Statement for the year ended 31st March, 2016

| | (All amount in Rs.) | |
|---|-------------------------------|-------------------------------|
| Cash flow statement | Year ended 31st March 2016 | Year ended 31st March 2015 |
| Cash flows from Operating activities | | |
| Profit / (Loss) before income tax | (59,834) | (1,97,671) |
| Adjustments for: | | |
| Finance Charges | 3,106 | 13,185 |
| Changes in working capital | | |
| Increase/(Decrease) in Current Liabilities | (66,536) | (4,14,80,958) |
| (Increase)/Decrease in Current Assets | 1,53,450 | 25,04,084 |
| Cash used in operations | 30,186 | (3,91,61,360) |
| Income tax paid | 16,617 | - |
| Net cash used in Operating activities | 13,569 | (3,91,61,360) |
| Cash flows from Investing activities | - | - |
| Net cash flow used in Investing activities | - | - |
| Cash flows from Financing activities | | |
| Finance Charges | (3,106) | (13,185) |
| Loan taken | - | 7,99,50,768 |
| Loan Repayment | (768) | (3,85,34,168) |
| Net cash flow generated from Financing activities | (3,874) | 4,14,03,415 |
| Net Increase/(Decrease) in Cash and Cash equivalents | 9,695 | 22,42,055 |
| Cash and Cash equivalents at the beginning | 25,38,006 | 2,95,951 |
| Cash and Cash equivalents at the end of period | 25,47,701 | 25,38,006 |

As per our report of even date attached

For Mohan L. Jain & Co.

Chartered Accountants
Firm Registration No. 005345N

M. L. Jain

Partner
Membership No. 084190

Place: New Delhi

Date : 7th April, 2016

For and on behalf of the Board

Laxmidas Vallabhdas Merchant
Director

Mumbai

Venkataraman Ramachandran
Director

Mumbai

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

1 Corporate information

The Company was incorporated on 27th December, 2010 and was promoted by Mr. Anil Srivastava and Mr. Hitesh Kumar Jain.

2 Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

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

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

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Revenue recognition

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

2.4 Other income

Interest income is accounted on accrual basis.

2.5 Investments

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

2.6 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.7 Taxes on income

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

Having regard to the accumulated losses, the Company has not provided for deferred tax assets as there is no virtual certainty that there will be sufficient taxable income available to realize such assets.

2.8 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. There are no Contingent liabilities for year ended March 31, 2016.

2.9 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

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

| | | (All amount in Rs.) | |
|----------|--|-------------------------------|-------------------------------|
| | | As at 31st March 2016 | As at 31st March 2015 |
| 3 | Share capital | | |
| | a. Authorized Share Capital | | |
| | Equity Shares | | |
| | 10,000 (Previous Year 10,000) equity shares of Rs. 10 each | 1,00,000 | 1,00,000 |
| | | <u>1,00,000</u> | <u>1,00,000</u> |
| | b. Issued, Subscribed and Paid-up capital | | |
| | 10,000 (Previous Year 10,000) equity shares of Rs. 10 each fully paid up | 1,00,000 | 1,00,000 |
| | Total Issued, Subscribed and fully Paid-up share capital | <u>1,00,000</u> | <u>1,00,000</u> |
| | DISCLOSURES | | |
| | a) Reconciliation of the shares outstanding | | |
| | Equity shares | Numbers | Numbers |
| | | <u> </u> | <u> </u> |
| | i. At the beginning of the period | 10,000 | 10,000 |
| | Outstanding at the end of the period | <u>10,000</u> | <u>10,000</u> |
| | b) Details of shareholders holding more than 5% shares in the company | | |
| | Name of Shareholder | As at 31st March 2016 | As at 31st March 2015 |
| | | No. of Shares held | No. of Shares held |
| | | % of Holding | % of Holding |
| | | <u> </u> | <u> </u> |
| | Sanchar Content Private Limited (On behalf of Independent Media Trust) | 9,999 | 9,999 |
| | | <u>99.99</u> | <u>99.99</u> |
| | Total | <u>9,999</u> | <u>9,999</u> |
| | | <u>99.99</u> | <u>99.99</u> |
| | | | |
| | | (All amount in Rs.) | |
| | | As at | As at |
| | | 31st March 2016 | 31st March 2015 |
| 4 | Reserve and Surplus | | |
| | Surplus/(Deficit) in the statement of profit and loss | | |
| | Balance as per the last financial statements | (3,60,61,066) | (3,58,63,395) |
| | Profit/(Loss) for the year | (76,451) | (1,97,671) |
| | Net surplus(deficit) in the statement of profit and loss | <u>(3,61,37,517)</u> | <u>(3,60,61,066)</u> |
| | Total | <u>(3,61,37,517)</u> | <u>(3,60,61,066)</u> |

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

| | | (All amount in Rs.) | |
|----------|--|-----------------------|-----------------------|
| | | As at | As at |
| | | 31st March 2016 | 31st March 2015 |
| 5 | Long-term Borrowings | | |
| | Unsecured | | |
| | Independent Media Trust | - | 7,99,50,768 |
| | Zero Coupon Optionally fully Convertible Debenture* | 3,86,58,37,670 | 3,78,58,87,670 |
| | Total | <u>3,86,58,37,670</u> | <u>3,86,58,38,438</u> |
| | *Terms and condition of Zero Coupon Optionally fully Convertible Debenture | | |
| | 3,86,58,377 (PY 3,78,58,877) Zero Coupon Optionally fully Convertible Debenture (ZOFCD)has a face value of Rs 100/- and tenure of 15 years from the date of allotement. At the option of the Company, each ZOFCD shall be converted into 10 fully paid equity share of Rs.10 each. Shares so issued shall rank pari pasu and shall have same rights as of the existing equity shares. | | |
| 6 | Other Liabilities : (Due within 1 year) | | |
| | Expense Payable | 51,818 | 1,08,798 |
| | Statutory dues payable | | |
| | - TDS payable | - | 9,556 |
| | Total | <u>51,818</u> | <u>1,18,354</u> |
| 7 | Non-current Investments | | |
| | 1. Investments in Equity shares : Quoted | | |
| | Investment in others | | |
| | 12,75,28,287 (Previous Year 12,75,28,287) shares of Network18 Media & Investments Limited | 3,61,88,98,610 | 3,61,88,98,610 |
| | (Market Value is Rs. 5,61,12,44,628/- as per NSE) | | |
| | 1,04,20,173 (Previous Year 1,04,20,173) shares of TV18 Broadcast Limited | 20,84,05,660 | 20,84,05,660 |
| | (Market Value: 41,99,32,972/-as per NSE) | | |
| | Total | <u>3,82,73,04,270</u> | <u>3,82,73,04,270</u> |
| 8 | Trade Receivables | | |
| | Trade receivables outstanding for a period less than six months | | |
| | Unsecured, considered good | - | 1,53,450 |
| | Total | <u>-</u> | <u>1,53,450</u> |

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

| | | (All amount in Rs.) | |
|-----------|--|-------------------------------|-------------------------------|
| | | As at 31st March 2016 | As at 31st March 2015 |
| 9 | Cash and Bank Balances | | |
| | Cash and Cash equivalents | | |
| | Balances with Banks | 25,47,701 | 25,38,006 |
| | Cash on hand | - | - |
| | Total | <u>25,47,701</u> | <u>25,38,006</u> |
| | | (All amount in Rs.) | |
| | | Year ended 31st March 2016 | Year ended 31st March 2015 |
| 10 | Revenue from operations | | |
| | Sale of Trading Goods | 36,350 | 1,53,450 |
| | Total | <u>36,350</u> | <u>1,53,450</u> |
| 11 | Other income | | |
| | Prior Period Income | - | 626 |
| | Total | <u>-</u> | <u>626</u> |
| 12 | Details of purchase of traded goods | | |
| | Cost of Goods Sold | 34,500 | 1,48,500 |
| | Total | <u>34,500</u> | <u>1,48,500</u> |
| 13 | Finance costs | | |
| | Demat Charges | 3,106 | 893 |
| | Bank Charges | - | 112 |
| | Interest paid on TDS | - | 12,180 |
| | Total | <u>3,106</u> | <u>13,185</u> |
| 14 | Other expenses | | |
| | Fees & Subscription | 11,718 | 50,938 |
| | Legal and Professional expenses | 18,235 | 50,562 |
| | Payment to Auditor (Refer details below) | 28,625 | 50,562 |
| | Staff Salary | - | 38,000 |
| | Total | <u>58,578</u> | <u>1,90,062</u> |
| | Payment to Auditor | | |
| | As Auditor: | | |
| | Statutory Audit fee | 28,625 | 50,562 |
| | Total | <u>28,625</u> | <u>50,562</u> |

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

15 Details of related parties:

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships

| Name of Related Party | Relationship |
|---|---|
| Independent Media Trust (w.e.f. 7th July, 2014) | Enterprise exercising control |
| Reliance Industries Limited Reliance Industrial Investments and Holdings Limited | Beneficiary/ Protector of Independent Media Trust |
| Raghav Bahl (till 7th July, 2014) Ritu Kapur (till 7th July, 2014) | Key Management Personnel (KMP) |
| BK Media Pvt. Ltd. (till 7th July, 2014) RB Holdings Pvt. Ltd. (till 7th July, 2014) RB Investments Pvt. Ltd. (till 7th July, 2014) | Entities under significant influence of KMP |

Note: Related parties have been identified by the management

Details of related party transactions during the Year ended 31st March, 2016 and balances outstanding as at 31st March 2016:-

Unsecured Loan from the Group Companies and KMP's

Amount (in Rs.)

| Particulars | Enterprise exercising control | Entities under significant influence of KMP | Key Management Personnel (KMP) |
|--|------------------------------------|---|--------------------------------|
| Balances outstanding at the end of year | | | |
| Independent Media Trust | - (7,99,50,768) | - - | - - |
| Loan taken | | | |
| Independent Media Trust | - (7,99,50,768) | - - | - - |
| Loan repaid | | | |
| Independent Media Trust | 768 - | - - | - - |
| BK Media Private Limited | - - | - - | - (85,24,299) |
| Raghav Bahl | - - | - (51,40,000) | - - |
| RB Holdings Private Limited | - - | - (2,45,69,869) | - - |
| Ritu Kapur | - - | - - | - (3,00,000) |
| Loan Converted into ZOFCD | | | |
| Independent Media Trust | 7,99,50,000 - | - - | - - |
| ZOFCD at the end of year | | | |
| Independent Media Trust | 3,86,58,37,670 (3,78,58,87,670) | - - | - - |

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

| Creditors for Investment | | | Amount (in Rs.) |
|-------------------------------------|-------------------------------|---|--------------------------------|
| Particulars | Enterprise exercising control | Entities under significant influence of KMP | Key Management Personnel (KMP) |
| Payment made during the year | | | |
| Raghav Bahl | - | - | - |
| RB Holdings Private Limited | - | - | (1,28,71,950) |
| RB Investments Private Limited | - | (2,41,52,400) | - |
| Ritu Kapur | - | (37,31,450) | - |
| | - | - | - |
| | - | - | (6,60,800) |

Note: Figures in bracket relates to previous year

(All amount in Rs.)

Year ended 31st March 2016 Year ended 31st March 2015

16 Earnings per share (EPS)

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

Total operations for the year

| | | |
|---|----------|------------|
| Profit/(Loss) after tax | (76,451) | (1,97,671) |
| Weighted average number of equity shares in calculating basic EPS | 10,000 | 10,000 |
| Earnings per equity share [nominal value of share Rs. 10] | | |
| Basic | (7.65) | (19.77) |
| Diluted | (7.65) | (19.77) |

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

The Company does not owe any sum to Small Scale Industrial Undertakings which are covered under Micro, Small and Medium Enterprises Development Act, 2006

18 Prior Year Comparatives

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

As per our report of even date attached

For Mohan L. Jain & Co.

Chartered Accountants
Firm Registration No. 005345N

M. L. Jain

Partner
Membership No. 084190

Place: New Delhi

Date : 7th April, 2016

For and on behalf of the Board

Laxmidas Vallabhdas Merchant

Director

Mumbai

Venkataraman Ramachandran

Director

Mumbai