

Independent Auditor's Report

To the Members of

B4U Broadband (India) Private Limited.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of B4U Broadband (India) Private Limited ('the Company'), which comprise the Balance sheet as at 31st March 2018, the Statement of Profit and Loss and 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

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 and presentation 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, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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



financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

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 2018 and its profit 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 sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. 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 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 as on 31 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"; and



- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as referred to in Note 24 of the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts required to be transferred to investor education and protection fund by the Company during the year ended 31st March 2018.
 - iv. The disclosure requirements relating to holdings as well as dealing in specified bank notes were applicable for the period from 8th November 2016 to 30th December 2016 which is not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E



A handwritten signature in blue ink, appearing to read "Sukhendra Lodha".

Sukhendra Lodha
Partner
Membership No. 071272

Place: Mumbai

Date: 28 AUG 2018

Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2018, we report that:

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, the Company has carried out physical verification of fixed assets and no material discrepancies were noticed in physical verification performed.

(c) According to the information and explanations given to us and the records examined by us, the Company does not own any immovable property; accordingly, this clause is not applicable to the Company.
- (ii) The Company is engaged in the business of broadcasting television channels, trading of film rights and theatrical distribution of cinematography films and it is not having any inventory. Accordingly, paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with provisions of Section 186 of the Act in respect of loans, investments, guarantee and security, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 is applicable to the Company. The Company has maintained cost records prescribed by the Central Government but no detailed examination of such records has been carried out by us.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, Service Tax, Duty of customs, Duty of excise, Goods and Service Tax, Value Added Tax, Cess and other material statutory dues have generally been regularly



deposited during the year by the Company, except for few minor delays, with the appropriate authorities.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax/Value Added Tax, Wealth Tax, Service Tax, Customs Duty, Goods and Service Tax, Excise Duty and any other material statutory dues were in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues outstanding of Sales Tax, Income Tax, Service Tax, Custom duty, Wealth Tax, Goods and Service Tax, Excise duty and Cess on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings from banks. The Company has not taken any loan from financial institution and government. The Company had neither any debenture outstanding at the beginning of the year nor has issued any debenture during the year.
- (ix) In our opinion and according to the information and explanations given to us, no amounts are raised by way of initial public offer or further public offer and term loan and thus reporting under paragraph 3 (ix) related to utilization of the same is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees noticed or reported during year nor have been informed of any such case by the Management.
- (xi) According to the information and explanations given to us and on the basis of our examination, no amount of managerial remuneration has been paid or provided during the year, hence requisite approval mandated by the provisions of Section 197 read with Schedule V to the Act not required.
- (xii) According to the information and explanations given to us, the Company is not a "Nidhi Company" as prescribed under Section 406 of the Act. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties have been done in compliance with provisions of Section 177 and 188 of the Act, and have been suitably disclosed in the Financial Statement as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



- (xv) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with directors.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E



A handwritten signature in blue ink, appearing to read "Sukhendra Lodha".

Sukhendra Lodha
Partner
Membership No. 071272

Place: Mumbai

Date: 28 AUG 2018

Annexure - B to the Independent Auditors' Report

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

We were engaged to audit the internal financial controls over financial reporting of B4U Broadband (India) Private Limited ("the Company") as of 31st March 2018 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 ("ICAI"). 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate 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 controls 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 control 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 controls 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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E



A handwritten signature in blue ink, appearing to read "Sukhendra Lodha".

Sukhendra Lodha
Partner
Membership No. 071272

Place: Mumbai

Date: 28 AUG 2018

B4U Broadband (India) Private Limited

Balance Sheet as at 31st March, 2018

(Amount in Rs.)

Particulars		Note No.	As At 31st March, 2018	As At 31st March, 2017
I.	<u>EQUITY AND LIABILITIES</u>			
1	Shareholders funds			
	(a) Share capital	3	829,915,750	829,915,750
	(b) Reserves and surplus	4	(545,806,220)	(595,671,145)
2	Non-current liabilities			
	(a) Long-term borrowings	5	-	416,667
	(b) Long-term provisions	6	5,643,455	5,956,704
3	Current liabilities			
	(a) Short-term borrowings	7	31,894,847	115,944,847
	(b) Trade payables	8		
	(i) Total outstanding dues of micro enterprises and small enterprises		1,383,635	2,913,506
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		219,250,842	218,729,133
	(c) Other current liabilities	9	77,154,784	70,937,336
	(d) Short-term provisions	10	824,662	783,588
	TOTAL		620,261,755	649,926,386
II.	<u>ASSETS</u>			
1	Non-current assets			
	(a) Fixed assets	11		
	(i) Tangible assets		15,758,565	21,839,615
	(ii) Intangible assets		139,603,765	78,513,336
	(b) Non-current investments	12	131,940	131,940
	(c) Deferred tax assets (net)	13	-	-
	(d) Long-term loans and advances	14	7,575,742	7,078,664
2	Current assets			
	(a) Trade receivables	15	318,951,341	267,948,266
	(b) Cash and cash equivalents	16	15,728,336	17,895,190
	(c) Short-term loans and advances	17	122,512,066	256,519,375
	TOTAL		620,261,755	649,926,386

Significant accounting policies

2

Notes on financial statements

3 to 36

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.

For Singhi & Co.

Chartered Accountants

Firm Registration No. 302049E



Sukhendra Lodha

Partner

Membership No. 071272

Place: Mumbai

Date: **28 AUG 2018**



For and on behalf of the Board of Directors


Sandeep Gupta
Director & CFO
(DIN: 00589505)


Santosh Garg
Director
(DIN: 07262936)


Nikita Sharma
Company Secretary



Date: **27 AUG 2018**

B4U Broadband (India) Private Limited

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

(Amount in Rs.)

Particulars	Note No.	For the year Ended 31st March, 2018	For the year Ended 31st March, 2017
I. Income			
Revenue from operations	18	1,231,215,469	1,098,233,871
Other income	19	11,917,643	7,051,980
II. Total Revenue		1,243,133,112	1,105,285,851
III. Expenses			
Purchases of film rights- trading		2,044,000	27,190,840
Operating expenses	20	961,651,524	817,821,683
Employee benefits expense	21	67,911,634	58,624,752
Finance cost	22	1,218,030	4,772,099
Depreciation and amortization expense	11	122,238,135	75,479,972
Other expenses	23	38,091,171	38,633,196
IV. Total expenses		1,193,154,494	1,022,522,542
V. Profit / (Loss) before tax (II-IV)		49,978,618	82,763,309
VI. Tax expense:			
(1) Current tax		-	-
(2) Adjustment of tax relating to earlier periods		113,693	332,272
(3) Deferred tax		-	-
VII. Profit (Loss) after tax (V-VI)		49,864,925	82,431,037
VIII. Earnings per equity share:			
(1) Basic	27	0.60	1.31
(2) Diluted	27	0.60	1.31

Significant accounting policies

2

Notes on financial statements

3 to 36

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.

For Singhi & Co.

Chartered Accountants

Firm Registration No. 302049E

For and on behalf of the Board of Directors



Sukhendra Lodha
Partner
Membership No. 071272
Place: Mumbai

Date: **28 AUG 2018**





Sandeep Gupta
Director & CFO
(DIN: 00589505)

Date: **27 AUG 2018**



Santosh Garg
Director
(DIN: 07262936)



Nikita Sharma
Company Secretary



B4U Broadband (India) Private Limited

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

(Amount in Rs.)

Particulars		Year ended 31st March, 2018	Year ended 31st March, 2017
A	Cash flows from operating activities		
	Net profit before tax	49,978,618	82,763,309
	Adjustments for:		
	Depreciation & amortisation	122,238,135	75,479,972
	Interest income	(1,210,112)	(1,832,524)
	Finance cost	1,218,030	4,772,099
	Provision for doubtful debts	12,050,810	448,138
	Fixed assets written off	2,483,417	4,354,308
	Loss on sale of assets	-	384,950
	Provisions for employee benefits	1,325,454	2,143,994
	Operating Profit before working capital changes	188,084,352	168,514,246
	Working capital changes:		
	(Increase) / decrease in trade and other receivables	(63,053,885)	(38,167,542)
	Increase / (decrease) in trade payables	(1,008,163)	(266,081,524)
	Increase / (decrease) in other current liabilities	6,318,600	(193,672,547)
	(Increase) / decrease in short term loans & advances	134,007,309	(24,984,520)
	(Increase) / decrease in long term loans & advances	(610,771)	(265,028)
	Increase / (decrease) in long term & short provisions	(4,176,791)	(629,852)
	Cash generated from operations	259,560,651	(355,286,767)
	Direct taxes paid (net of refund)	2,579,162	3,657,176
	Net cash flow from operating activities	262,139,813	(351,629,591)
B	Cash flows from investing activities		
	Purchase of Tangible Assets	(468,473)	(6,093,270)
	Purchase of Intangible Assets - movie rights	(179,262,457)	(41,993,270)
	Proceeds from sale of fixed assets	-	2,866,789
	Interest income	1,210,112	1,832,524
	Net cash flow from investing activities	(178,520,818)	(43,387,227)
C	Cash flows from financing activities		
	Issue of share capital	-	480,757,875
	Repayment of vehicle loan	(517,819)	(470,294)
	Loan from holding company	-	91,500,000
	Repayment of loan to holding company	(84,050,000)	(166,400,000)
	Finance cost	(1,218,030)	(6,433,465)
	Net cash flows from financing activities	(85,785,849)	398,954,116
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2,166,854)	3,937,298
	Cash and cash equivalents at beginning of period	17,895,190	13,957,892
	Cash and cash equivalents at end of the year	15,728,336	17,895,190

Notes:

- The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 - Cash Flow Statement as specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
- Figures for the previous year have been regrouped / rearranged wherever found necessary.

As per our report of even date attached.

For Singhi & Co.

Chartered Accountants

Firm Registration No. 302049E

Sukhendra Lodha

Partner

Membership No. 071272

Place: Mumbai

Date:

28 AUG 2018



For and on behalf of the Board of Directors

Sandeep Gupta
Sandeep Gupta
Director & CFO
(DIN: 00589505)

Santosh Garg
Santosh Garg
Director
(DIN: 07262936)

Nikita Sharma
Nikita Sharma
Company Secretary

Date:

27 AUG 2018



Notes to financial statements for the year ended 31st March, 2018

Note 1 Corporate information

B4U Broadband (India) Private Limited is a private company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in business of broadcasting television channels in India. The company is also in the business of trading of film rights, production of films and theatrical distribution of cinematography films. The company is a wholly owned subsidiary of B4U Television Network India Limited.

Note 2 Significant accounting policies

a Basis of accounting and use of estimates

- i The financial statements are prepared under historical cost convention (except land carried on revalued amount), on accrual basis of accounting in accordance with the accounting principles generally accepted in India and the provision of the Companies Act, 2013. The company has prepared these financial statements to comply in all material respects with the mandatory accounting standards notified under section 133 of the companies Act 2013, read together with rule 7 of the Companies(Accounts) Rules, 2014.
- ii The preparation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.
- iii All assets and liabilities are classified as current or non-current as per Company's normal operating cycle and other criteria set out in schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current/non current classification of assets and liabilities.

b Revenue Recognition

- i Advertisement revenue is recognized when the related advertisement or commercial is telecasted.
- ii Subscription revenue from cable is recognized as per agreement terms with the distributors, provided there is no uncertainty as to its ultimate collection.
- iii Revenue from sales of services is recognized when the service is completed.
- iv Commission income on distribution of films is recognized on collection/confirmation basis.
- v Income on distribution of films is recognized on collection/confirmation basis from sub distributors/exhibitors.
- vi Interest Income is recognized on a time proportion basis taking into consideration the amount outstanding and the rate applicable.

c Tangible & Intangible Fixed Assets

- i Tangible fixed assets are stated at their original cost added on revaluation less accumulated depreciation and include all expenses relating to acquisition and installation.
- ii Depreciation on tangible fixed assets is provided on Straight- Line Method at the rates specified in Schedule II of the Companies Act, 2013. Depreciation on addition/deletion during the year is provided on pro-rata basis from the date of purchase/upto the date of sale.
- iii All Capital assets with individual value less than Rs. 5000/- are depreciated fully in the month in which they are purchased.
- iv Intangible Assets consisting of Film rights are stated at cost less amortization thereon.
- v Amortization on film rights:
The company amortizes the cost of film rights over the useful life of the film or in proportion to the estimated gross revenue, whichever is higher.
Further, the maximum useful life in case of all film rights is considered to be eight years. The amortization policy is explained as under.
For films with a useful life of 8 years or above:
For the first 3 years 25 percent of cost p.a. from the date of commencement of exploitation or proportion of cost to the estimated gross revenue, which ever is higher.
For the next 5 years 5 percent p.a. of cost or proportion of cost to the estimated gross revenue, which ever is higher.
No amortization is done if the film rights have not been exploited for first three years from date of acquisition. The amortization is done evenly over the balance useful life.
For films with estimated life of less than 8 years, amortization is spread evenly over the life of the right.



Notes to financial statements for the year ended 31st March, 2018

For films with estimated life of less than 8 years and are sold which were earlier capitalized under intangible assets, amortization is spread evenly over the life of the right or proportion of cost to the estimated gross revenue, whichever is higher.

For films which are purchased on basis of number of runs, the amortization is spread evenly over the number of runs upto the useful life.

In case of sale of film rights which are earlier capitalized under intangible assets, the total realizations from the sale of such film rights are recognized as revenue in the Statement of profit & loss and the remaining un-amortized value of such films rights is recognized as amortization.

Cost of film rights is ascertained as under:

- a) Specific identification basis wherever possible.
- b) In case multiple films are acquired, cost is allocated to each film on basis as estimated by the management.

vi Amortization of Theatrical Film Rights

Amortization is charged at 60% of the cost of film rights upon first theatrical release or based on management estimates of revenue from these rights. The remaining 40% is amortized over the remaining license period or based on management estimate on the basis of future revenue potential as the case may be.

Amortization of Non-Theatrical Film Rights:

Amortization is done evenly over the balance useful life or 10 year whichever is less if the film rights have been exploited or based on management estimate on the basis of future revenue potential as the case may be.

d Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

e Investments

Non Current Investments are stated at cost less provision, if any, for a decline other than temporary in the value of investments. Current Investments are carried at lower of cost and fair value.

f Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the date of transaction. Monetary items denominated in foreign currency outstanding at the period end are translated at rates prevailing as on year end. The exchange differences arising on settlement / translation or at the year end are recognized in the Statement of Profit and Loss.

g Employee Benefits

Defined contribution plans:

The Contribution to Employee Provident Fund is made to Regional Provident Fund Commissioner and the Company's contribution thereto is charged to revenue every year. The Company's contribution to Employee's Pension Scheme 1995 is charged to revenue every year.

Defined benefit plans:

The company has Defined Benefit plans namely Gratuity and leave encashment for all employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the projected unit credit method. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss as income or expense.

h Leases

Operating Lease

The company's significant leasing arrangements are in respect of operating leases of office premises. These leasing arrangements are usually renewable on mutually agreed terms but are cancelable during the primary lease period. Lease payments in respect of office premises are shown as Lease Rent in Note 23, Other expenses.



Notes to financial statements for the year ended 31st March, 2018

i Earnings Per Share:

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20, "Earnings per Share" issued by the ICAI. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

j Accounting for Taxes:

Provision for Current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws. Deferred tax is recognized on the basis of timing differences arising between the taxable incomes and accounting incomes computed using the tax rates and the laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognized depending upon the certainty of its realization and reviewed for the appropriateness of their carrying values at each balance sheet date.

k Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and are adjusted to effect the current best estimation. A contingent liability is disclosed if the possibility of an outflow of resources embodying the economic benefits is remote or a reliable estimate of the amount of obligation cannot be made.

Note 3 Share capital

Particulars	As at	As at
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Authorized		
83,500,000 (previous year 83,500,000) Equity Shares of Rs. 10 each	835,000,000	835,000,000
Issued		
82,991,575 (previous year 82,991,575) Equity Shares of Rs. 10 each	829,915,750	829,915,750
Subscribed & paid up		
82,991,575 (previous year 82,991,575) Equity Shares of Rs. 10 each	829,915,750	829,915,750
Total	829,915,750	829,915,750

a Reconciliation of the no. of equity shares outstanding at the beginning and at the end the reporting period

Particulars	As at	As at
	31 March 2018	31 March 2017
	Number	Number
Shares outstanding at the beginning of the year	82,991,575	46,010,200
Shares issued during the year	-	36,981,375
Shares bought back during the year	-	-
Shares outstanding at the end of the year	82,991,575	82,991,575

b Terms/Rights attached to equity share

The company has only one class of shares i.e. equity shares having a par value of Rs.10/- per share. Each shareholder of the equity shares is entitled to one vote per share. In the event of the liquidation of the company, the holder of the equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in the proportion of number of equity shares held by the shareholders. In case the dividend is proposed by the Board of Director the same is subject to the approval of share holders in the ensuing Annual General Meeting.

c Share held by holding/ultimate holding company and/or their subsidiaries/associates

82,991,575 Equity Shares (Previous year 82,991,575 Equity Shares) are held by holding company B4U Television Network India Limited and its nominee.

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

Name of shareholder	As at 31 March 2018		As at 31 March 2017	
	No. of Shares held	% Holding	No. of Shares held	% Holding
B4U Television Network India Limited	82,991,575	100%	82,991,575	100%



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Notes to financial statements for the year ended 31st March, 2018

Note 4 Reserves & surplus

Particulars	As at	As at
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
a. Securities premium account		
Opening balance	110,944,125	-
Add : Securities premium received during the year	-	110,944,125
Closing balance	110,944,125	110,944,125
b. Surplus		
Opening balance	(706,615,270)	(789,046,307)
Add: Net profit/(loss) for the current year	49,864,925	82,431,037
Closing balance	(656,750,345)	(706,615,270)
Total	(545,806,220)	(595,671,145)

Note 5 Long-term borrowings

Particulars	As at	As at
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Car loan *	416,667	934,486
Less : Current maturity disclosed under "other current liabilities"	416,667	517,819
Total	-	416,667

* Car loan taken from Axis Bank Limited is secured by hypothecation of vehicle acquired there against, carrying rate of interest of 9.67% which is repayable in 10 monthly instalments of Rs. 48,800/- .

Note: There is no default, continuing or otherwise as at the balance sheet date, in repayment of above loan.

Note 6 Long term provisions

Particulars	As at	As at
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Provision for employee benefits		
Gratuity	3,360,139	3,495,573
Leave encashment	2,283,316	2,461,131
Total	5,643,455	5,956,704

Note 7 Short-term borrowings (Unsecured)

Particulars	As at	As at
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Loan from holding company	31,894,847	115,944,847
Total	31,894,847	115,944,847

Note 8 Trade payables

Particulars	As at	As at
	31 March 2018	31 March 2017
	Current	
	Amount (Rs.)	Amount (Rs.)
Trade payables :		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 32)	1,383,635	2,913,506
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	219,250,842	218,729,133
Total	220,634,477	221,642,639



Notes to financial statements for the year ended 31st March, 2018

Note 9 Other current liabilities

Particulars	As at	As at
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
TDS payable	16,367,229	8,136,095
Salary payable	160,666	3,532,739
Incentive & bonus payable	10,295,420	6,868,958
Payable for expenses	8,767,279	2,864,345
Service tax and GST payable	2,152,852	22,466
Deposits	100,000	490,000
Current maturities of long term borrowings	416,667	517,819
Advance from related parties	36,680,241	40,379,174
Advance from others	2,214,429	8,125,740
Total	77,154,784	70,937,336

Note 10 Short term provisions

Particulars	As at	As at
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Provision for employee benefits		
Gratuity	481,840	444,472
Leave encashment	342,822	339,116
Total	824,662	783,588

Note 12 Non current investments (Unquoted at cost)

Particulars	As at	As at
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Other investments		
Investment in equity instruments (Holding company M/s B4U Television Network India Limited 13,194 (previous year 13,194) equity shares of Rs. 10 each)	131,940	131,940
Total	131,940	131,940

Note 13 Deferred tax assets (net)

Particulars	As at	As at
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Provision for gratuity	1,270,274	1,302,697
Provision for earned leave	868,280	925,846
Expenses of sec 43 B	3,403,975	2,259,022
Book/tax depreciation difference	3,421,679	2,810,050
Total deferred tax assets	8,964,208	7,297,615
Total deferred tax liability	-	-
Deferred tax asset *	-	-

* In the absence of virtual certainty supported by convincing evidence that the sufficient future taxable income will be available against which such deferred tax asset can be realized, the Company has decided to recognize DTA only to the extent of DTL and hence, the impact on the account is nil.

Note 14 Long term loans & advances (Unsecured, considered good unless otherwise stated)

Particulars	As at	As at
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Security deposits	7,575,742	7,078,664
Advance for film production & distribution	3,525,676	6,512,843
Less: Provision for doubtful advances	3,525,676	6,512,843
Total	7,575,742	7,078,664



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Note 11 Fixed Assets

	Fixed Assets	Gross Block				Accumulated Depreciation			Net Block		
		Balance as at 1 April 2017	Additions	Disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Depreciation charge for the year	On disposals	Balance as at 31 March 2018	Balance as at 31 March 2018	Balance as at 31 March 2017
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a	Tangible Assets										
	Plant and Equipment	25,375,390	-	4,900,212	20,475,178	6,626,297	3,303,931	2,416,795	7,513,433	12,961,745	18,749,093
	Furniture and Fixtures	100,266	-	-	100,266	54,637	7,858	-	62,495	37,771	45,629
	Office equipment	871,379	124,331	-	995,710	145,115	173,049	-	318,164	677,546	726,264
	Computers	1,427,505	344,142	17,032	1,754,615	905,148	317,768	17,032	1,205,884	548,731	522,357
	Vehicles	2,108,009	-	-	2,108,009	311,737	263,501	-	575,238	1,532,771	1,796,272
	Total	29,882,549	468,473	4,917,244	25,433,778	8,042,934	4,066,107	2,433,827	9,675,214	15,758,564	21,839,615
	Previous Year	32,961,385	6,093,270	9,172,106	29,882,549	7,418,590	4,836,929	4,212,585	8,042,934	21,839,615	
b	Intangible Assets										
	Copyrights, and patents and other intellectual property rights, services and operating rights	341,017,683	113,133,237	-	454,150,920	297,270,418	43,916,383	-	341,186,801	112,964,119	43,747,265
	Theatrical distribution	173,538,336	66,129,220	-	239,667,556	138,772,265	74,255,645	-	213,027,910	26,639,646	34,766,071
	Total	514,556,019	179,262,457	-	693,818,476	436,042,683	118,172,028	-	554,214,711	139,603,765	78,513,336
	Previous Year	475,209,274	41,993,270	2,646,525	514,556,019	365,399,640	70,643,043	-	436,042,683	78,513,336	



Notes to financial statements for the year ended 31st March, 2018

Note 15 Trade receivables (Unsecured, unless otherwise stated)

Particulars	As at	As at
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
a. Outstanding for a period exceeding six months from the date they became due		
Considered good	981,402	12,251,821
Doubtful	13,842,757	5,317,623
	14,824,159	17,569,444
Less: Provision for doubtful debts	13,842,757	5,317,623
Total (a)	981,402	12,251,821
b. Other Receivables		
Considered good	317,969,939	255,696,446
Total (b)	317,969,939	255,696,446
Total (a)+(b)	318,951,341	267,948,266

Note 16 Cash and cash equivalents

Particulars	As at	As at
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Balances with banks		
On current account	15,681,408	17,893,763
Cash on hand	46,928	1,427
Total	15,728,336	17,895,190

Note 17 Short Term Loans & Advances (Unsecured, considered good unless otherwise stated)

Particulars	As at	As at
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Security deposits	520,000	520,000
Advance for film, Film production & distribution	30,590,510	82,751,682
Prepaid expenses- cable placement fees	55,932,215	120,420,793
Prepaid expenses - other	11,501,774	20,432,331
Loan to employees	953,160	1,665,686
Advance paid to suppliers	1,584,562	7,889,638
Vat	-	11,733
Cenvat credit (Input credit / available for utilization)	10,704,159	9,622,664
Income tax refundable (net)	10,725,686	13,204,848
Total	122,512,066	256,519,375

Note 18 Revenue from operations

Particulars	For the year ended	For the year ended
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Sale of products	43,936,004	47,362,918
Sale of services	1,187,279,465	1,050,870,953
Total	1,231,215,469	1,098,233,871
Details of sale of products	Amount (Rs.)	Amount (Rs.)
Film rights-local	11,500,000	5,000,000
Film rights-exports	2,350,655	31,269,466
Film distribution revenue	30,085,349	11,093,452
Total	43,936,004	47,362,918



Notes to financial statements for the year ended 31st March, 2018

Details of sale of services	Amount (Rs.)	Amount (Rs.)
Advertisement sales	1,149,489,450	1,012,198,827
Cable subscription	-	4,657,379
Other subscription	731,590	1,109,365
Programming contents	31,040,058	27,991,336
TV productions services	-	1,280,000
Digital Income	5,923,908	3,058,467
Commission-film distribution	94,459	575,579
Total	1,187,279,465	1,050,870,953

Note 19 Other income

Particulars	For the year ended	For the year ended
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Interest on income tax refund	863,749	1,466,088
Interest on short term bank deposits	346,363	366,436
Other income	4,659,500	2,380
Provisions written back (net)	484,474	2,516,120
Sundry balances written back (net)	5,563,557	2,700,956
Total	11,917,643	7,051,980

Note 20 Operating expenses

Particulars	For the year ended	For the year ended
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Programming & content charges	185,468,553	173,702,727
Cable placement fees	557,547,043	532,213,423
Up linking charges	15,101,636	15,742,805
Play out charges	8,367,027	8,705,282
Commission - advertisement sales	7,988,443	10,625,696
Commission - Other	23,719,694	698,607
Advertisement & business promotion expenses	2,206,019	5,338,491
Digital expenses	249,045	468,379
Film distribution expenses	126,177,800	34,574,649
Other operating expenses	34,826,264	35,751,624
Total	961,651,524	817,821,683

Note 21 Employee benefits expense

Particulars	For the year ended	For the year ended
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
(a) Salaries and incentives	65,020,279	55,972,499
(b) Contributions to provident fund & other funds	1,736,425	2,079,022
(c) Staff welfare expenses	1,154,930	573,231
Total	67,911,634	58,624,752

Note 22 Finance cost

Particulars	For the year ended	For the year ended
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Interest on car loan	67,781	115,306
Interest on loan from holding company	-	3,962,213
Interest on payment to MSME	78,208	-
Interest on placement fees	1,072,041	694,580
Total	1,218,030	4,772,099



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Notes to financial statements for the year ended 31st March, 2018

Note 23 Other expenses

Particulars	For the year ended	For the year ended
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Power & fuel	456,783	350,905
Rent	2,269,026	1,908,203
Repairs & maintenance	1,171,501	550,572
Insurance	686,576	442,264
Rates and taxes	1,919,095	789,595
Swachh Bharat Cess	844,406	4,455,253
Communication costs	919,193	1,162,487
Bank charges	71,031	136,550
Legal and professional fees	5,907,469	6,250,955
Travelling and conveyance	6,327,370	5,665,815
Printing and stationery	61,604	87,520
Payment to auditors*	870,000	570,000
Membership & subscription	1,100,000	1,600,000
Foreign exchange loss (net)	265,101	8,613,983
Miscellaneous expenses	487,790	861,698
Loss on sales of assets	-	384,950
Fixed assets written off	2,483,417	4,354,308
Corporate social responsibility expenses	200,000	-
Provision for doubtful debts	12,050,810	448,138
Total	38,091,171	38,633,196

*** Details of payment to auditors**

Particulars	For the year ended	For the year ended
	31 March 2018	31 March 2017
	Amount (Rs.)	Amount (Rs.)
Audit fees	620,000	395,000
Taxation matters	150,000	100,000
Other services	100,000	75,000
Total	870,000	570,000

Note 24 There is no contingent liability as on Balance Sheet date except as stated below:

Particulars	2017-18	2016-17
	Amount (Rs.)	Amount (Rs.)
Claims against the company by Indian Performing Rights Society (IPRS)	29,181,600	29,181,600

Note 25 Capital and other commitments

- a Estimated amount of contracts remaining to be executed on capital account and not provided for are Rs. Nil (previous year Rs. Nil)
- b Other commitments as regards media content and others not provided for, as they are not due, are Nil (previous year Rs. Nil)

Additional information required to be given pursuant to Part II of Schedule III of the Companies Act, 2013 is as follows:

Note 26 a Earnings in foreign currency (on accrual basis)

Particulars	2017-18	2016-17
	Amount (Rs.)	Amount (Rs.)
Sale of services	36,954,674	31,148,259
Sale of products	5,098,483	37,950,066
Total	42,053,157	69,098,325



Notes to financial statements for the year ended 31st March, 2018

b Expenditure in foreign currency (on accrual basis)

Particulars	2017-18	2016-17
	Amount (Rs.)	Amount (Rs.)
Technical expenses	15,101,636	15,742,805
Film distribution expenses	24,030,151	2,354,488
Other expenses	642,293	976,872
Total	39,774,080	19,074,165

Note 27 The Earning per share – basic & diluted for the year calculated as under

Particulars	2017-18	2016-17
	Amount (Rs.)	Amount (Rs.)
Profit used as numerator for the calculation of earnings per share	49,864,925	82,431,037
Weighted average number of shares used in computing earnings per share	82,991,575	63,020,460
Earning per Shares (Rs.) (basic & diluted)	0.60	1.31

Note 28 Related party disclosures

a Particulars of holding, subsidiary and associate companies

Name of the related party	Nature of relationship
B4U Television Network India Limited	Holding Company
LMB Holdings (Mauritius) Limited.	Holding Company of Holding Company
LMB Holdings Limited	Ultimate Holding Company
B4U Network (Europe) Limited	Subsidiary of Ultimate Holding Company

b Key Managerial Personnel

Name of the related party	Nature of relationship
Mr. Sandeep Gupta	Director & CFO
Ms. Natasha Fernandes	Director
Mr. Santosh Garg	Director

c The following transactions was carried out during the year with related parties in the ordinary course of business:

Particulars	2017-18	2016-17
	Amount (Rs.)	Amount (Rs.)
Purchase of programming contents & film rights		
B4U Television Network India Limited	39,344,069	38,704,593
Sale of programming contents		
LMB Holdings (Mauritius) Limited	31,040,058	27,991,336
Agent commission paid/payable		
B4U Television Network India Limited	4,219,694	698,607
B4U Network (Europe) Limited	26,304	-
Loans taken		
B4U Television Network India Limited	-	91,500,000
Loans repaid		
B4U Television Network India Limited	84,050,000	166,400,000
Sale of film rights		
LMB Holdings Limited	2,350,655	31,269,466
Film distribution income		
B4U Network (Europe) Limited	2,308,083	-
Reimbursement of expenses		
LMB Holdings (Mauritius) Limited	2,000,000	-
B4U Network (Europe) Limited	906,057	-
Income Reimbursement to		
B4U Network (Europe) Limited	1,889,182	-
Film distribution expenses		
B4U Network (Europe) Limited	9,667,752	-
Interest paid		
B4U Television Network India Limited**	-	3,962,213
Agent commission received		
B4U Network (Europe) Limited	94,459	290,229

** Charged on loan given subsequent to 01.04.2014



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Notes to financial statements for the year ended 31st March, 2018

d Amount Outstanding as at 31st March, 2018:

Particulars	2017-18	2016-17
	Amount (Rs.)	Amount (Rs.)
Payables		
B4U Television Network India Limited	3,950,792	7,878,434
LMB Holdings (Mauritius) Limited	-	-
B4U Network (Europe) Limited	9,200,858	-
Receivable		
LMB Holdings (Mauritius) Limited	4,491,412	10,145,296
Advances/loan taken		
B4U Television Network India Limited	31,894,847	115,944,847
Advance against programming content/films		
LMB Holdings (Mauritius) Limited	-	-
LMB Holdings Limited(IOM)	-	2,381,457
B4U Network (Europe) Limited	36,680,241	37,997,717

Note 29 Segment Reporting

Information about Primary Segment

(Amount in Rs.)

Particulars	Business Segment					Total
	Television	Film distribution	Film rights	Programming contents	TV content production services	
REVENUE						
Revenue From Operations (External)	1,150,221,040	36,103,716	13,850,655	31,040,058	-	1,231,215,469
	(1,017,965,571)	(14,727,498)	(36,269,466)	(27,991,336)	(1,280,000)	(1,098,233,871)
RESULTS						
Segment Results	217,678,341	(179,355,367)	11,706,655	4,048,703	-	54,078,333
	(132,058,739)	(-50,865,602)	(8,160,626)	(3,651,044)	(1,280,000)	(94,284,807)
Unallocated Expenditure (Net of income)						(5,309,826)
						(-13,354,022)
Operating Profit / (Loss)						48,768,507
						(80,930,785)
Interest Income						1,210,112
						(1,832,524)
Taxation for the year						(113,693)
						(-332,272)
Net Profit / (Loss)						49,864,926
						(82,431,037)
Other Information						
Segment Assets	535,609,512	40,232,143	-	4,491,412	-	580,333,067
	(457,139,701)	(127,352,288)	(3,373,600)	(10,145,296)	(9,383,441)	(607,394,326)
Unallocated Corporate Assets						39,928,687
						(42,532,061)
Total Assets	535,609,512	40,232,143	-	4,491,412	-	620,261,755
	(457,139,701)	(127,352,288)	(3,373,600)	(10,145,296)	(9,383,441)	(649,926,387)
Segment Liabilities	212,945,254	53,915,374	-	-	-	266,860,627
	(220,467,499)	(44,338,598)	(3,450,000)	(-)	(-)	(268,256,097)
Unallocated Corporate Liabilities						69,291,597
						(147,425,684)
Total Liabilities	212,945,254	53,915,374	-	-	-	336,152,225
	(220,467,499)	(44,338,598)	(3,450,000)	(-)	(-)	(415,681,781)
Capital Expenditure						
For Segment	113,601,710	66,129,220	-	-	-	179,730,930
	(48,086,540)	-	(-)	(-)	(-)	(48,086,540)
Depreciation & Amortisation Expenses						
For Segment	47,982,490	74,255,645	-	-	-	122,238,135
	(58,233,522)	(17,246,450)	(-)	(-)	(-)	(75,479,972)

Previous year figures are stated in bracket



Notes to financial statements for the year ended 31st March, 2018

Note:

1. Business Segment

The company has considered "business segment" as primary reporting segment for disclosure. The Company has identified the following segments:

- Television - It includes air time sale, cable subscription and other related revenue.
- Film Distribution - It includes theatrical distribution of films and digital syndication of content.
- Sale of Film Rights.
- Programming content.
- TV Production.

The above business segments have been identified considering:

- The nature of products & services & b. The different risks & returns.

2. There are no inter segment sales

3. Geographical Segment - Secondary Segment

Information about Geographical Segment Revenue

Country/Territory	2017-18	2016-17
	Amount (Rs.)	Amount (Rs.)
India	1,162,117,144	1,029,135,546
Overseas	69,098,325	69,098,325
Total	1,231,215,469	1,098,233,871

As it is not possible to allocate expenditure and ascertain assets & liabilities under geographical segment, hence the segment results, assets and liabilities under geographical segment are not given.

Note 30 Employee Benefits

- Defined contribution plans – provident fund

During the year, the company has recognized the following amounts in the statement of profit and loss - Employer's contribution to provident fund Rs. 5,74,838/-

- Pension plans

During the year, the company has recognized the following amounts in the statement of profit and loss - Employer's contribution to employee's Pension Scheme 1995 Rs. 3,28,153/-

- Defined benefit plans (non-funded)

- The amount recognized in Balance Sheet are as follows:

Particulars		Gratuity Plan	
		As at 31 March 2018	As at 31 March 2017
		Amount (Rs.)	Amount (Rs.)
A	Present value of defined benefit obligation		
	- Wholly unfunded	3,841,979	3,940,045
	Less : Fair value of plan assets	-	-
	Amount to be recognized as liability or (assets)	3,841,979	3,940,045
B	Amount reflected in the Balance Sheet		
	- Liabilities	3,841,979	3,940,045
	- Assets	-	-
Net liability / (assets)		3,841,979	3,940,045

- The amounts recognized in the Statement of Profit and Loss are as follows:

Particulars		Gratuity Plan	
		As at 31 March 2018	As at 31 March 2017
		Amount (Rs.)	Amount (Rs.)
1	Current service cost	760,484	580,201
2	Interest cost	283,683	236,166
3	Past service cost	52093	-
4	Actuarial losses / (gain)	(333,973)	263,990
Total included in employee cost		762,287	1,080,357



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Notes to financial statements for the year ended 31st March, 2018

- c. The change in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Gratuity Plan	
	As at 31 March 2018	As at 31 March 2017
	Amount (Rs.)	Amount (Rs.)
Opening balance of the present value of defined benefit obligation	3,940,045	2,930,096
Add: Current service cost	760,484	580,201
Add: Interest cost	283,683	236,166
Add./(less): actuarial losses / (gains)	(333,973)	263,990
Less: Benefits paid	860,353	70,408
Add: Past service cost	52,093	-
Closing balance of the present value of defined benefit obligation	3,841,979	3,940,045

- d. In Accordance with Accounting Standard 15 (revised 2005), actuarial valuation was done in respect of the aforesaid defined 'benefit plans' based on the following assumptions:

Particulars	Employee's Gratuity Fund	
Date of valuation	31.03.2018	31.03.2017
Rate of discounting	7.83%	7.20%
Future salary rise	5%	5%
Attrition rate	2%	2%
Mortality table	Indian Assured Lives Mortality (2006-08)	

Note 31 Operating lease

The aggregate lease rentals for operating leases for the period aggregate to Rs. 22,69,026/- (Previous year: Rs. 19,08,203/-).

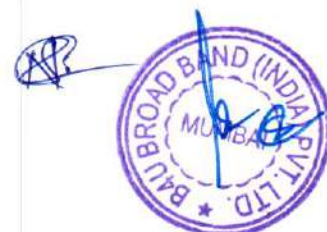
The total of future minimum lease payment commitments under non-cancellable operating lease agreement are nil.

- Note 32** Information related to Micro and Small Enterprises, as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Development Act), are given below. The information given below have been determined to the extent such enterprises have been identified on the basis of information available with the Company

Particulars	As at 31 March 2018	As at 31 March 2017
	Amount (Rs.)	Amount (Rs.)
Principal amount outstanding	1,383,635	2,913,506
Interest on principal amount due	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSME Development Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSME Development Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	78,208	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSME Development Act	-	-

- Note 33** During the current year, the Company has spent Rs. 2,00,000/- (Previous year Rs. Nil) on Corporate Social Responsibility (CSR) Projects as prescribed in Schedule VII of the Companies Act, 2013. The prescribed CSR expenditure required to made spent in the current year as per the Companies Act, 2013 was Rs. 4,45,071/- (Previous year Rs. Nil).

- Note 34** In the Opinion of the management and to the best of its knowledge and belief, the value on realization of current assets, loans, advances and payment of current liabilities and provisions in the ordinary course of business would not be less/ more than the amount at which they are stated in the Balance sheet.




Notes to financial statements for the year ended 31st March, 2018

Note 35 Balances of some of the trade receivables, trade payables, loans & advances are subject to reconciliation / confirmation from the respective parties and the consequential adjustments, if any. The management, however, of the view that there will be no material adjustments in this regard.

Note 36 Previous year figures have been regrouped / rearranged wherever necessary to confirm to current years classification.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E



Sukhendra Lodha
Partner
Membership No. 071272
Place: Mumbai
Date:



For and on behalf of the Board of Director



Sandeep Gupta
Director & CFO
(DIN: 00589505)



Santosh Garg
Director
(DIN: 07262936)



Nikita Sharma
Company Secretary



28 AUG 2018

Date: **27 AUG 2018**