

Fantain Sports Private Limited

Independent Auditor's Report

To the Members of Fantain Sports Private Limited

Report on the Standalone Financial Statements

We have audited the financial statements of Fantain Sports Private Limited ('the Company'), which comprise the balance sheet as at 31 March 2016 and the statement of profit and loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance 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 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 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 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 31 March 2016 and its Loss 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 statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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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 and the statement of profit and loss 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 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and

For RAVI & GURU
Chartered Accountants
Firm's registration number: 007393S

R.Ravichandran
Partner
Membership number: 024527

Bangalore
7th April 2016

Annexure to the Independent Auditor's Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
(c) The company does not have any immovable assets.
- 2) The Company is a service company, primarily rendering services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- 3) The Company has not granted any loans to body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- 4) The company has not granted any loans or made any investments or furnished any guarantee and hence para 3(iv) is not applicable.
- 5) The Company has not accepted any deposits from the public.
- 6) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- 7) 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 service tax and Profession tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
According to the information and explanations given to us, no undisputed amounts payable in respect of service tax and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- 8) The Company did not have any outstanding dues to financial institutions or banks during the year.
- 9) During the year 1000 Equity Shares of Rs. 1/- each and 35,50,000 Preference Shares of Rs. 5/- each were issued and subscribed. This was meant for general requirements of the company and they have been applied only for the said purpose.
- 10) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- 11) Being a private limited company, the provisions of section 197 read with Schedule V, are not applicable.
- 12) Not being a Nidhi company, the clause 3(xii) of the Order, is not applicable.
- 13) All transactions with related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) During the year, the company has made preferential allotment of equity shares and Compulsorily Convertible Preference Shares. The requirement of section 42 of the Companies Act, 2013 have been complied with, in respect thereof. The amount raised has been used for the purposes for which the funds were raised.
- 15) The company has not entered into any non-cash transactions with directors or person connected with him/them.
- 16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For RAVI & GURU
Chartered Accountants
Firm's Registration number: 007393S

R. Ravichandran
Partner
Membership number: 024527
Chennai
7th April 2016

Balance Sheet as at 31-Mar-2016

				In ₹ (Rupees)	
Particulars	Note No.	as at 31-Mar-2016		as at 31-Mar-2015	
I. EQUITY AND LIABILITIES					
1 Shareholders' Funds					
(a) Share Capital	1	21089880.00	30160841.01	2800000.00	1275605.27
Subscribed and fully paid		21089880.00		2800000.00	
(b) Reserves and Surplus	2	9070961.01		-1524394.730	
Capital Reserves		14810097.00		-	
Surplus		-5739135.990		-1524394.730	
2 Non-Current Liabilities					
(a) Long-Term Provisions	3	850268.00	850268.00	-	-
Provision for Employee Benefits		850268.00		-	
Gratuity		850268.00		-	
3 Current Liabilities					
(a) Trade Payables	4	1055404.00	1055427.00	60837.47	60837.47
Others		1055404.00		60837.47	
(b) Other Current Liabilities		23.00		-	
Application money received for allotment of securities and due for refund and interest accrued thereon		23.00		-	
Total			32066536.01		1336442.74
II. ASSETS					
1 Non-Current Assets					
(a) Fixed Assets	5	284527.65	3660114.65	187973.00	845931.00
(i) Tangible Assets		284527.65		187973.00	
Plant and Equipment		284527.65		187973.00	
Freehold Plant and Equipment, Gross		547721.65		308333.00	
Less: Accumulated depreciation on plant & equipment		-263194.000		-120360.000	
(b) Deferred Tax Assets (Net)	6	2397300.00		591490.00	
(c) Long-Term Loans and Advances	7	974203.00		58300.00	
Security Deposits		600000.00		-	
Unsecured, considered good		600000.00		-	
Advance Income Tax (net of provisions)		374203.00		58300.00	
Unsecured, considered good		374203.00		58300.00	
(d) Other Non-Current Assets		4084.00		8168.00	
Long Term Trade Receivables		4084.00		8168.00	
Considered Doubtful		4084.00		8168.00	
2 Current Assets					
(a) Trade receivables	8	68709.00	28406421.36	150000.00	490511.74
Outstanding for less than 6 months from the due date		68709.00		150000.00	
Unsecured, considered good		68709.00		150000.00	
(b) Cash and Cash Equivalents	9	28294296.36		340511.74	
Balances with banks		28294296.36		340511.74	
In Current Account		28294296.36		340511.74	
(c) Short-Term Loans and Advances	10	43416.00		-	
Other Loans and Advances		43416.00		-	
Unsecured, considered good		43416.00		-	
Total			32066536.01		1336442.74

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For and On behalf of the Board

For **RAVI & GURU**
Chartered Accountants
Firm Reg. No: 007393S

R. Ravichandran
Partner
Membership No.: 024527
Place: Bangalore
Date: 7-Apr-2016

Anand Ramachandran
Director

Vivek Venugopalan
Director

Statement of Profit and Loss for the year ended 31-Mar-2016

		In ₹ (Rupees)			
Particulars	Note No.	1-Apr-2015 to 31-Mar-2016	1-Apr-2014 to 31-Mar-2015		
I Revenue from Operations	12	4116028.40	928000.00	928000.00	928000.00
Other Operating Revenues		4116028.40	928000.00		
II Other Income		2570.00		99981.00	99981.00
Interest Income		-	-19.000		
Other Non-Operating Income		2570.00	100000.00		
III TOTAL REVENUE (I + II)		4118598.40		1027981.00	1027981.00
IV EXPENSES					
Employee Benefit Expenses		7699555.00	1569347.95		
Salaries and Wages		6813543.00	1539705.95		
Contribution to Provident Fund and Other Funds		850268.00	-		
Staff Welfare Expenses		35744.00	29642.00		
Depreciation and Amortization Expenses	5	146918.00	87063.00		
Other Expenses	13	2292676.66	603789.42		
Payment to Auditors		90000.00	29775.00		
As Auditor		50000.00	29775.00		
For Taxation Matters		30000.00	-		
For Other Services		10000.00	-		
Rent		486226.00	-		
Repairs to machinery		11650.00	-		
Insurance		35882.00	-		
Rates and taxes (excluding taxes on income)		29704.00	20384.00		
Miscellaneous expenses		1639214.66	553630.42		
TOTAL EXPENSES		10139149.66		2260200.37	2260200.37
V Profit before Exceptional and Extraordinary Items and Tax (III-IV)		-6020551.260		-1232219.370	-1232219.370
VI Exceptional Items		-		-	-
VII Profit before Extraordinary Items and Tax		-6020551.260		-1232219.370	-1232219.370
VIII Extraordinary Items		-		-	-
IX Profit Before Tax		-6020551.260		-1232219.370	-1232219.370
X Tax Expense		1805810.00		345542.00	345542.00
Current Tax		-		-	-
Deferred Tax		1805810.00		345542.00	345542.00
XI Profit/(Loss) for the period from Continuing Operations(IX-X)		-4214741.260		-886677.370	-886677.370
XII Profit/(Loss) from Discontinuing Operations		-		-	-
XIII Tax Expense of Discontinuing Operations		-		-	-
XIV Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)		-		-	-
XV Profit/(Loss) for the Period(XI+XIV)		-4214741.260		-886677.370	-886677.370
XVI Earnings per Equity Share	14				
- Basic			-1.240		-0.260
- Diluted			-0.600		-

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For and On behalf of the Board

For **RAVI & GURU**
Chartered Accountants
Firm Reg. No: 007393S

R. Ravichandran
Partner
Membership No.: 024527

Anand Ramachandran
Director

Vivek Venugopalan
Director

Place: Bangalore
Date:7-Apr-2016

Notes to and forming part of Balance Sheet as at 31-Mar-2016

1. Share Capital

1.1 Authorized, Issued, Subscribed and Paidup share capital

In ₹ (Rupees)

Particulars	as at 31-Mar-2016		as at 31-Mar-2015	
	Number of Shares	Amount	Number of Shares	Amount
Authorised Share Capital				
Equity Shares of ₹ 1.00 each	3500000	3500000.00	3500000	3500000.00
0.01 % Preference shares of ₹ 5.00 each	3550000	17750000.00		
Total	7050000	21250000.00	3500000	3500000.00
Issued Share Capital				
Equity Shares of ₹ 1.00 each	3401000	3401000.00	2800000	2800000.00
0.01 % Preference shares of ₹ 5.00 each	3537776	17688880.00		
Total	6938776	21089880.00	2800000	2800000.00
Subscribed and fully paid				
Equity Shares of ₹ 1.00 each	3401000	3401000.00	2800000	2800000.00
0.01 % Preference shares of ₹ 5.00 each	3537776	17688880.00		
Total	6938776	21089880.00	2800000	2800000.00
Total	6938776	21089880.00	2800000	2800000.00

1.2 Reconciliation of share capital

Particulars	as at 31-Mar-2016		as at 31-Mar-2015	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares (Face Value ₹ 1.00)				
Shares outstanding at the beginning of the year	2800000	2800000.00	2800000	2800000.00
Shares Issued during the year	601000	601000.00		
Shares bought back during the year				
Shares outstanding at the end of the year	3401000	3401000.00	2800000	2800000.00
0.01 % Preference Shares				
Shares outstanding at the beginning of the year				
Shares Issued during the year	3537776	17688880.00		
Shares bought back during the year				
Shares outstanding at the end of the year	3537776	17688880.00		

1.3 Shares in the company held by other company

Particulars	as at 31-Mar-2016		as at 31-Mar-2015	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares				
Bigtree Entertainment Private Limited, Associate.	1000	1000.00		
Preference Shares				
0% Preference Shares, Bigtree Entertainment Private Limited, Associate	3537776	17688880.00		

Notes to and forming part of Balance Sheet as at 31-Mar-2016

1.4 Shareholders holding more than 5% of Share

Particulars	as at 31-Mar-2016		as at 31-Mar-2015	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Anand Ramachandran	1338000	39.34 %	1338000	47.79 %
Jagannathan Chitra			150000	5.36 %
Aravind Ramachandran	990000	29.11 %	690000	24.64 %
Vivek Venugopalan	870000	25.58 %	570000	20.36 %
Preference Shares- Bigtree Entertainment Pvt Ltd	3537776	100 %		

2. Reserves and Surplus

In ₹ (Rupees)

Particulars	as at 31-Mar-2016	as at 31-Mar-2015
Capital Reserves	14810097.00	
(+) Current year transfer	14810097.00	
Closing balance	14810097.00	
Surplus	-5739135.990	-1524394.730
Opening Balance	-1524394.730	-637717.360
(+) Net profit/(Net loss) for the Current Year	-4214741.260	-886677.370
Closing balance	-5739135.990	-1524394.730
Total	9070961.01	-1524394.730

3. Long-Term Provisions

In ₹ (Rupees)

Particulars	as at 31-Mar-2016	as at 31-Mar-2015
Provision for Employee Benefits	850268.00	
Gratuity	850268.00	
Total	850268.00	

4. Trade Payables

In ₹ (Rupees)

Particulars	as at 31-Mar-2016	as at 31-Mar-2015
Others	1055404.00	60837.47
Total	1055404.00	60837.47

Notes to and forming part of Balance Sheet as at 31-Mar-2016

Particulars	Gross Block							Depreciation and Amortization					Net Block	
	Opening Balance	Additions	Deductions/Retirement	Acquired through Business Combination	Other Adjustments	Closing Balance	Opening Balance	Depreciation charge	Revaluation Adjustments	On Disposals Reversals	Impairment Loss	Closing Balance	Opening Balance	Closing Balance
Combination														
Tangible Assets														
Buildings														
Freehold Buildings														
Leasehold Buildings														
Plant and Equipment														
Freehold Plant and Equipment														
Leasehold Plant and Equipment														
Furniture and Fixtures														
Freehold Furniture and Fixtures														
Leasehold Furniture and Fixtures														
Land														
Freehold Land														
Leasehold Land														
Vehicles														
Freehold Vehicles														
Leasehold Vehicles														
Office Equipment														
Freehold Office Equipment														
Leasehold Office Equipment														
Lease hold Improvements														
Lease hold improvements (owned)														
Lease hold improvements														
Others														
Free hold other assets														
Lease hold others assets														
Total	3,08,333.00	2,39,388.65				5,47,721.65	1,20,360.00	1,42,834.00				2,63,194.00	1,87,973.00	2,84,527.65

5 . Fixed Assets Schedule

In ₹ (Rupees)

Notes to and forming part of Balance Sheet as at 31-Mar-2016

Particulars	Gross Block						Depreciation and Amortization					Net Block		
	Opening Balance	Additions	Deductions/Retirement	Acquired through Business Combination	Other Adjustments	Closing Balance	Opening Balance	Depreciation charge	Revaluation Adjustments	On Disposals Reversals	Impairment Loss	Closing Balance	Opening Balance	Closing Balance
Intangible Assets														
Goodwill														
Goodwill														
Brands /Trademarks														
Brands /trademarks														
Computer Software														
Computer software														
Mastheads and Publishing Titles														
Mastheads and publishing titles														
Mining Rights														
Mining rights														
Copyrights, and Patents and other Intellectual Property rights, Services and Operating rights														
Copyrights														
Recipes, Formulae, Models, Designs and Prototypes														
Recipes														
Licenses and Franchise														
Licenses and franchise														
Others														
Others Intangible Assets														
Total														
Capital Work-in-Progress														
Total														
Intangible Assets under Development														
Total														
Grand Total	3,08,333.00	2,39,388.65				5,47,721.65	1,20,360.00	1,42,834.00			2,63,194.00	1,87,973.00	1,87,973.00	2,84,527.65
Previous Year	2,00,172.00	1,08,161.00			3,08,333.00	37,381.00	82,979.00				1,20,360.00	1,62,791.00	1,62,791.00	1,87,973.00

5 . Fixed Assets Schedule (Continued)

In ₹ (Rupees)

Notes to and forming part of Balance Sheet as at 31-Mar-2016

6 . Deferred Tax Assets (Net)		In ₹ (Rupees)	
Particulars	as at 31-Mar-2016	as at 31-Mar-2015	
Deferred Tax Asset	2397300.00	591490.00	
Total	2397300.00	591490.00	
7 . Long-Term Loans and Advances		In ₹ (Rupees)	
Particulars	as at 31-Mar-2016	as at 31-Mar-2015	
Security Deposits	600000.00		
Unsecured, considered good	600000.00		
Advance Income Tax (net of provisions)	374203.00	58300.00	
Unsecured, considered good	374203.00	58300.00	
Total	974203.00	58300.00	
8 . Trade Receivables		In ₹ (Rupees)	
Particulars	as at 31-Mar-2016	as at 31-Mar-2015	
Outstanding for less than 6 months from the due date	68709.00	150000.00	
Unsecured, considered good	68709.00	150000.00	
Total	68709.00	150000.00	
9 . Cash and Cash Equivalents		In ₹ (Rupees)	
Particulars	as at 31-Mar-2016	as at 31-Mar-2015	
Balance with Bank	2,82,94,296.36	3,40,511.74	
In Current Account	-	-	
	2,82,94,296.36	3,40,511.74	
10. Short Term Loans and Advances		In ₹ (Rupees)	
Particulars	as at 31-Mar-2016	as at 31-Mar-2015	
Other Loans and Advances	43,416.00		
Unsecured, considered good	43,416.00		
	43,416.00		

Notes to and forming part of Balance Sheet as at 31-Mar-2016

12 . Revenue from Operations			In ₹ (Rupees)
Particulars	1-Apr-2015 to 31-Mar-2016	1-Apr-2014 to 31-Mar-2015	
Other Operating Revenues	4116028.40	928000.00	
Total	4116028.40	928000.00	
13 . Other Expenses			In ₹ (Rupees)
Particulars	1-Apr-2015 to 31-Mar-2016	1-Apr-2014 to 31-Mar-2015	
Payment to Auditors	90000.00	29775.00	
As Auditor	50000.00	29775.00	
For Taxation Matters	30000.00		
For Other Services	10000.00		
Rent	486226.00		
Repairs to machinery	11650.00		
Insurance	35882.00		
Rates and taxes (excluding taxes on income)	29704.00	20384.00	
Miscellaneous expenses	1639214.66	553630.42	
Total	2292676.66	603789.42	
14 . Earnings per equity share			In ₹ (Rupees)
Particulars	1-Apr-2015 to 31-Mar-2016	1-Apr-2014 to 31-Mar-2015	
Earnings per Equity Share			
– Basic	-1.240	-0.260	
– Diluted	-0.600		
15 . Depreciation and Amortization Expenses			In ₹ (Rupees)
Particulars	1-Apr-2015 to 31-Mar-2016	1-Apr-2014 to 31-Mar-2015	
Depreciation	142834.00	82979.00	
Preliminary Expense Written Off	4084.00	4084.00	
Total	146918.00	87063.00	

Notes to and forming part of Balance Sheet as at 31-Mar-2016

13 . Other Expenses		In ₹ (Rupees)	
Particulars	Miscellaneous expenses Fantain Sports Pvt. Ltd. 1-Apr-2015 to 31-Mar-2016	Miscellaneous expenses Fantain Sports Pvt. Ltd. 1-Apr-2014 to 31-Mar-2015	
Advertisement Expenses			27,169.92
Bank Charges	2,811.72		
Business Expenses	40,549.07		83,282.00
Cloud Services	59,119.00		
Conveyance Expenses	3,432.00		
Courier Charges	655.00		265.00
Filing Fees	3,49,537.00		
General Expenses	41,624.68		
Internal Expenses	37,827.00		
Marketing Expenses	4,006.00		
Market Research Fee	20,000.00		
Office Expenses	5,237.91		
Printing and Stationery	5,980.00		
Professional Fees	5,56,654.00		1,30,800.00
Recruitment Charges	14,616.00		95,795.00
Round Off			0.40
Software Subscription	19,875.00		
Swatch Bharath Cess	3,703.00		
Telephone Expenses	4,928.00		
Travel Expenses	4,33,64,192		25,550.77
Web Service Charges	35,017.35		1,90,767.33
Grand Total	16,39,214.66		5,53,630.42

Significant Accounting Policies

1. Basis of Preparation of financial Statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956. Accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Example of such estimates includes provision for doubtful debts, useful life of the fixed assets, future obligations under employee retirement benefit plans etc.

Accounting estimates could change from period to period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future years and if material, their effects are disclosed in the notes to the financial statements.

3. Changes IN Accounting Policy

There is no change in the Accounting Policy as compared to the previous year

4. Own Fixed Assets

- (a) Fixed Assets are stated at their original cost of acquisition less accumulated depreciation. Costs include all expenses incurred to bring the assets to its working condition for its intended use.
- (b) Fixed Assets purchased in foreign currency are recorded at the actual rupee cost incurred. Gains/Losses arising on account of translation of the foreign exchange liability relating to acquisition of Fixed Asset, till the date of settlement are charged off to the Profit and loss Account.

5. Leased Assets

There are no Leased Assets for the current year.

6. Intangible Assets

There are no intangible assets held by the company during the current year.

7. Depreciation

Depreciation on fixed assets is provided using the straight-line method over the estimated useful lives of assets at the rates stipulated in Schedule II of the Companies Act, 2013, after retaining 5% as residual value.

<i>Asset</i>	<i>Estimated Life</i>
– Car	8 years
– Computers & Accessories	3 years
– Furniture	10 years

Depreciation on additions is charged for whole of the month from the month of acquisition/ installation, part of a month being considered as a whole month.

All the fixed assets individually costing less than 5000/- are fully depreciated in the year of acquisition.

8. Impairment of Assets

The Company periodically assesses whether there is any indication that an asset may be impaired. If any indication exists, the Company estimates the recoverable amount of the asset and if such recoverable of the asset is less than carrying cost of the asset, then the carrying amount is reduced to its recoverable amount. The deduction is treated as an impairment loss and is recognised in profit and loss account.

Significant Accounting Policies

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 subject to maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognized.

9. Foreign currency transactions

Transactions in foreign currency are recognized at the rates of exchange prevailing on the dates of the transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognised in profit and loss for the year.

All other monetary assets and liabilities denominated in foreign currency are restated at the rates ruling at the year end and all exchange gains/ losses arising there from are adjusted to the Profit and Losses Account.

10. Investments

There are no investments held by the company as at the year end.

11. Inventories

The Company is primarily engaged in providing services and does not carry any inventory.

12. Revenue Recognition

Revenue from Services is recognised on raising the Invoice for products supplied/ services rendered. Service Charges are recorded exclusive of Service Tax. Service Tax is accounted for on "collected-Paid" basis under Current Liabilities.

Interest Income is recognized using the time-proportion method, based on rates implicit in the transaction

13. Employee Benefits

Defined benefit plans

Both Gratuity and leave encashment are defined benefits provided based on an actuarial valuation at the balance sheet date using project unit credit method carried out by an independent actuary and charged to profit and loss account. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the profit and loss account in the period in which they arise.

Defined contribution plan

Contributions to the provident fund and pension fund are defined contribution plan. Both the employee and the company make monthly contributions to the provident fund plan equal to a specified percentage of employee's salary. Company contributions are charged to the profit and loss account on an accrual basis when the contributions to the fund are due. There are no other obligations other than the contributions payable to the PF authorities.

14. Borrowing Costs

Borrowing Costs that are attributable to the acquisition, construction of the qualifying assets are capitalized as part of cost of such assets up to the date the assets are ready for its intended use. All other borrowing costs are recognized as an expense in the year in which they are incurred.

15. Current and Deferred tax

Current Income tax expenses comprises of taxes on income from operations in India. Income tax payable in India is determined in accordance with the provisions of the Income Tax act, 1961.

Minimum Alternative Tax paid in accordance with tax laws, which give rise to future economic benefits in the form of Adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal tax after the tax holiday period. Accordingly it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably.

Significant Accounting Policies

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year that originate one period and are capable of reversal in one or more subsequent periods. Deferred tax are measured using the tax rates and laws enacted or substantially enacted as on the Balance Sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized and carried forward only to the extent that there is a virtual certainty that sufficient future taxable income will be available to realize these assets.

Advance taxes and provision for current income taxes are presented in the Balance sheet in their respective values.

16. Disclosure under MSME Act, 2006

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to the amounts unpaid as at the year-end together with interest paid/ payable under this Act has not been furnished.

17. Provisions and Contingent Liabilities

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and, to the extent not provided for, are disclosed by way of Notes on the Accounts.

NOTES:

1. During the year 601000 Equity Shares of Rs. 1/- each (300000 shares to Aravind Ramachandran – (Shareholder-Director); 300000 Shares to Vivek Venugopalan (Shareholder-Director) and 1000 Shares to Bigtree Entertainment Private Limited) and 35,37,776 Preference Shares of Rs. 5/- each were issued to Bigtree Entertainment Private Limited.
2. Director's Remuneration was paid to each of the following Shareholder_Directors with effect from 1st of July 2015:

• Anand Ramchandran	Rs. 12,00,000
• Aravind Ramachandran	Rs. 12,00,000
• Vivek Venugopalan	Rs. 12,00,000
3. Provision for Gratuity is based on actuarial valuation.
4. There are no dues to any financial institution.
5. Statutory Dues have been paid promptly during the year.
6. Receivables are unsecured and considered good – are less than 6 months old.
7. Advance Income Tax of Rs. 3,74,203 represents TDS deducted on behalf of the company and refund expected to be received on filing of the Income Tax Return.

As per our report of even date

For and On behalf of the Board

For **RAVI & GURU**
Chartered Accountants
Firm Reg. No: 007393S

R. Ravichandran
Partner
Membership No.: 024527

Anand Ramachandran
Director

Vivek Venugopalan
Director

Place: Bangalore
Date:7-Apr-2016