

# **Capital18 Fincap Private Limited**

# INDEPENDENT AUDITOR'S REPORT

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To the Members of **Capital18 Fincap Private Limited**

## 1. Reports on the Financial Statements

We have audited the accompanying financial statements of **Capital18 Fincap Private Limited**, which comprise the Balance Sheet as at March 31, 2015 the Statement of Profit & Loss, and a cash flow statement for the year then ended on that date, and a summary of significant accounting policies and other explanatory information.

## 2. 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 preparation of the 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 Standards specified under section 133 of the Act, read with Companies (Accounts) Rules, 2014 ("the Act"). This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control 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.

## 3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- c) in the case of a cash flow statement, of the cash flows of the company for the year ended on that date.

## 5. Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books

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- c) The Balance Sheet, Statement of Profit & Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the accounting standards referred specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.

**For Mohan L. Jain & Co**

Chartered Accountants

Firm Registration No: 005345N

**Nitin Aggarwal**

Partner

Membership No: 528066

Place: New Delhi

Date:

**Balance Sheet as at 31st March, 2015**

	Notes	(Amounts in Rs.)	
		As at 31.03.2015	As at 31.03.2014
<b>Equity and liabilities</b>			
<b>1. Shareholders' funds</b>			
(a) Share capital	2	25,580,000	25,580,000
(b) Reserves and surplus	3	(42,698,362)	(9,226,853)
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	4	1,000,918,958	1,155,702,000
<b>3. Current liabilities</b>			
(a) Other current liabilities	5	292,842,363	6,000
(b) Short-term provisions	6	9,070,660	9,130,660
<b>Total</b>		<b>1,285,713,619</b>	<b>1,181,191,807</b>
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Non-current investments	7	1,253,393,325	1,163,089,196
<b>2. Current assets</b>			
(a) Current investments	8	882,902	800,000
(b) Cash and cash equivalents	9	737,288	269,178
(c) Short-term loans and advances	10	20,588,993	1,297,033
(d) Other current assets	11	10,111,111	15,736,400
<b>Total</b>		<b>1,285,713,619</b>	<b>1,181,191,807</b>
Notes forming part of the financial statements	1-17		

In Terms of our Report attached  
**For Mohan L. Jain & Co.**  
Chartered Accountants  
Firm Registration No. 005345N

**Nitin Aggarwal**  
Partner  
Membership No : 528066

Place : New Delhi  
Date :

**For and on behalf of the Board of Directors**

**Kshipra Jatana**  
Director

**Sanjiv Kulshreshtha**  
Director

Place :  
Date :

## Statement of Profit and Loss for the period ended 31 March, 2015

		(Amounts in Rs.)	
	Notes	Year ended 31.03.2015	Year ended 31.03.2014
<b>I. Income</b>			
Other income	12	<u>1,185,761</u>	48,465,237
Total		<u><u>1,185,761</u></u>	<u><u>48,465,237</u></u>
<b>II. Expenses</b>			
Finance costs	13	<u>1,023,301</u>	2,854
Other expenses	14	<u>570,490</u>	71,630
<b>Total</b>		<u><u>1,593,791</u></u>	<u><u>74,484</u></u>
<b>III Profit/(Loss) before exceptional items and tax</b>		<u>(408,030)</u>	48,390,753
<b>IV Exceptional items</b>	15	<u>33,063,479</u>	351,705,425
		<u><u>33,063,479</u></u>	<u><u>351,705,425</u></u>
<b>V Profit/(Loss) for the year before tax</b>		<u>(33,471,509)</u>	(303,314,672)
<b>VI Tax expense</b>			
Current tax		-	(9,070,660)
<b>Total Tax expense</b>		-	(9,070,660)
<b>VI Profit/(Loss) for the year</b>		<u>(33,471,509)</u>	<u>(312,385,332)</u>
Earnings per equity share [nominal value of share Rs. 10 each (Previous year : Rs. 10)]			
Basic and diluted		<u>(3,347.15)</u>	(31,238.53)
Notes forming part of the financial statements	1-17		

In Terms of our Report attached  
**For Mohan L. Jain & Co.**  
Chartered Accountants  
Firm Registration No. 005345N

**Nitin Aggarwal**  
Partner  
Membership No : 528066

Place : New Delhi  
Date :

**For and on behalf of the Board of Directors**

**Kshipra Jatana**  
Director

**Sanjiv Kulshreshtha**  
Director

Place :  
Date :

**Cash Flow Statement for the year ended 31 March, 2015**

Particulars	(Amounts in Rs.)	
	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Cash flows from Operating activities</b>		
Profit / (Loss) before income tax	(33,471,509)	(303,314,672)
<b>Adjustments for:</b>		
Interest & Financial Charges	1,023,301	2,854
Investments written off	-	351,705,425
Dividend Income	(82,902)	(3,055,050)
Interest Received	(1,182,405)	(45,329,174)
Profit/Loss Sale of current Investment	-	(119,527)
<b>Changes in working capital</b>		
Decrease in Current Assets		
Increase/(Decrease) in Current Liabilities	1,446,363	(1,418)
(Increase)/Decrease in Current Assets	(4,542,710)	5,744,845
<b>Cash used in operations</b>	<b>(36,809,862)</b>	<b>5,633,283</b>
Income Tax Paid	(9,120,605)	-
<b>Net cash used in operating activities</b>	<b>(45,930,467)</b>	<b>5,633,283</b>
<b>Cash flows from investing activities</b>		
Purchase of Investments	(90,387,031)	(199,295,000)
Sale of long term Investments	-	65,329,174
Sale of mutual fund (net of purchase)	-	1,919,527
Share application money (paid)/ adjusted (net)	-	19,800,000
Dividend Received	82,902	3,055,050
Advance received against sale of long term investment	291,330,000	-
Interest received	1,179,049	-
<b>Net cash flow used in investing activities</b>	<b>202,204,920</b>	<b>(109,191,249)</b>
<b>Cash flows from financing activities</b>		
Debentures redeemed	-	4,700,000
Debentures issued	-	144,500,000
Debentures redeemed	(166,300,000)	(29,800,000)
Merger expenses	-	(15,730,400)
Loan Received	11,516,958	-
Interest & Financials Charges	(1,023,301)	(2,854)
<b>Net cash flow generated from financing activities</b>	<b>(155,806,343)</b>	<b>103,666,746</b>
Net decrease in cash and cash equivalents	468,110	108,780
Cash and cash equivalents at beginning of year	269,178	160,398
<b>Cash and cash equivalents at end of year</b>	<b>737,288</b>	<b>269,178</b>

As per our report of even date attached

**For Mohan L. Jain & Co.**

Chartered Accountants

Firm Registration No. 005345N

**Nitin Aggarwal**

Partner

Membership No : 528066

Place : New Delhi

Date :

**For and on behalf of the Board of Directors****Kshipra Jatana**

Director

**Sanjiv Kulshreshtha**

Director

Place :

Date :

## Notes Formating Part of the accounts for the year ended 31st March 2015

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### 1. BACKGROUND

The company was incorporated on June 20th 2006 to engage in the business of investment, leasing, hire purchase, carry out financial operations and perform financial services. The name of the company has been changed to Capital18 Fincap Private Limited with effect from 04/03/2011 (Formerly known as VT Holdings Private Limited).

### 2. SIGNIFICANT ACCOUNTING POLICIES:

#### a. Basis of Accounting

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

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

#### b. Revenue Recognition

Revenue is accounted for on accrual basis.

#### c. Other Income

Dividends on investments are accounted for when the right to receive dividend is established.

Interest income is recognized on time proportionate basis, taking into account the amount outstanding and the rate applicable.

#### d. Investments

Long term investments are stated at cost less 'other than temporary' diminution in the value of such investments. Current investments are carried forward at lower of cost or fair value.

#### e. Taxation

Income tax comprises current tax and deferred tax. Deferred tax assets or liabilities are recognised for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets on unabsorbed depreciation and carry forward of losses are not recognized unless there is virtual certainty that there will be sufficient future taxable income available to realise such assets.

#### f. Earnings Per Share

The Company reports basic and diluted earnings per equity share in accordance with AS-20, the Accounting Standard on Earnings Per Share. Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year. Diluted earnings per equity share have been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

#### g. Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reporting balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reporting amounts of income and expenses during the period. Examples of such estimates include provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes, foreseeable estimated contract losses and useful life of fixed and intangible assets. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Actual results could differ from such estimates.

## Notes Formating Part of the accounts for the year ended 31st March 2015

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### **h. Policy for impairment**

The Company assesses at each balance sheet date whether there is any indication that an investment may be impaired. If any such indication exists, the Company estimates the recoverable amount of the investment. If such 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 and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

#### **a) Investment in 24X7 Learnings Private Limited**

The Company has investments of Rs 200,515,425 in equity shares in of 24X7 Learnings Private Limited as at 31st March, 2014. It has significant accumulated losses of Rupee -78,453,388 as at 31st March 2013. The current year's 9-month also has a loss of INR 1.5cr. The net worth of the company has been partly eroded due to this. Accordingly, the company had made a provision of Rupee 200,515,425 towards diminution in the value of total investment.

#### **b) Investment in Mobilenxt Telservices Private Limited**

The Company has investments of Rs 151,190,000 in equity shares in of Mobilenxt Teleservices Private Limited as at 31st March, 2014. The company has not yet started its operations and outlook for the business is also very bleak. Accordingly, the company had made a provision of Rupee 151,190,000 towards diminution in the value of total investment.

### **i. Scheme of arrangement**

The Boards of Directors of the company in its meeting held on 7th January, 2014 considered and approved a scheme of Arrangement ("the Scheme") between the Companies. As per the Scheme, the Company's whole of the businesses and undertaking will be merged and amalgamated with Capital18 Fincap Private Limited(Formerly known as VT Holding Private Limited) as per section 391-394 of Companies Act, 1956. The Company has filed petition with the Hon'ble Delhi High Court for the sanction of the Scheme on 07.02.2014. The Scheme has been sanctioned by the Hon'ble High Court of Delhi on 23rd May, 2014. The appointed date of proposed restructuring is 1 April,2013 and the Scheme shall be effective when the certified copies of the High Court is filed with the jurisdictional Registrar of Companies, which is still pending. Upon the Scheme becoming effective, the results of operations, assets and liabilities related to the business shall be transferred to Capital18 Fincap Private Limited(Formerly known as VT Holding Private Limited).



## Schedules forming part of the financial statements for the year ended 31st March'2015

		(Amounts in Rs.)		
		As at 31.03.15	As at 31.03.14	
NOTE -2				
<b>SHARE CAPITAL</b>				
a.	<b>Authorized shares capital</b>			
i.	10,00,000 (previous year 10,00,000) Equity Shares of Rs.10/- each	<b>10,00,000</b>	10,00,000	
ii.	5,00,00,000 (previous year 5,00,00,000) Preference Shares of Rs 10/- each	<b>50,00,000</b>	50,00,000	
b.	<b>Issued, subscribed and paid-up capital</b>			
i.	10,000 (previous year 10000) equity shares of Rs.10/- each fully paid up	<b>100,000</b>	100,000	
ii.	2,548,000 (previous year 2,548,000) preference shares of Rs.10/- each fully paid up	<b>25,480,000</b>	25,480,000	
	<b>Total issued and subscribed fully paid-up shares capital</b>	<b>25,580,000</b>	25,580,000	
<b>DISCLOSURES</b>				
c.	<b>Reconciliation of the shares outstanding</b>			
i.	<b>Equity shares</b>	<b>Numbers</b>	<b>Numbers</b>	
	At the beginning of the year	10,000	10,000	
	<b>Outstanding at the end of the year</b>	<b>10,000</b>	<b>10,000</b>	
ii.	<b>Preference shares</b>	<b>Numbers</b>	<b>Numbers</b>	
	At the beginning of the year	2,548,000	2,548,000	
	<b>Outstanding at the end of the year</b>	<b>2,548,000</b>	<b>2,548,000</b>	
d.	<b>Details of shares held within the Group</b>			
		<b>31 March 2015</b>	31 March 2014	
	Equity Shares held by Network18 Media & Investment Ltd., the holding company	<b>10,000</b>	10,000	
	Preference Shares held by Network18 Media & Investment Ltd., the holding company	<b>2,548,000</b>	2,548,000	
e.	<b>Details of equity shareholders holding more than 5% shares in the company</b>			
<b>Name of Shareholder</b>	<b>As at 31 March 2015</b>		<b>As at 31 March 2014</b>	
	<b>No. of Shares held</b>	<b>% of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
Network18 Media & Investment Limited	<b>10,000</b>	<b>100</b>	10,000	100
f.	<b>Details of preference shareholders holding more than 5% shares in the company</b>			
<b>Name of Shareholder</b>	<b>As at 31 March 2015</b>		<b>As at 31 March 2014</b>	
	<b>No. of Shares held</b>	<b>% of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
Network18 Media & Investment Limited	<b>2,548,000</b>	<b>100</b>	2,548,000	100

## Schedules forming part of the financial statements for the year ended 31st March'2015

	As at 31.03.15	(Amounts in Rs.) As at 31.03.14
<b>NOTE -3</b>		
<b>RESERVE AND SURPLUS</b>		
<b>a. Securities premium account</b>		
Balance as per the last financial statements	848,520,000	848,520,000
	<u>848,520,000</u>	<u>848,520,000</u>
<b>b. Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per the last financial statements	(857,746,853)	(545,361,521)
Profit/ (Loss) for the year	(33,471,509)	(312,385,332)
	<u>(891,218,362)</u>	<u>(857,746,853)</u>
<b>Total</b>	<u>(42,698,362)</u>	<u>(9,226,853)</u>
<b>NOTE -4</b>		
<b>LONG TERM BORROWINGS</b>		
<b>a. Long-term borrowings -Unsecured</b>		
Debenture application money		
9,89,402 (Previous Year-11,15,702) Zero (Coupon) Optionally Redeemable Convertible Debenture of Rs 1000/- each*	989,402,000	1,155,702,000
Loans and advances from related party**	11,516,958	-
<b>Total</b>	<u>1,000,918,958</u>	<u>1,155,702,000</u>

\*Terms of redemption

- Conversion Option.** Each Zero (Coupon) Optionally Redeemable Convertible Debenture has a face value of Rs 1000/- and tenure of 10 years from the date of allotment, at the option of the holder there of shall be converted into one fully paid equity share of Rs.10 each at a price of Rs 1000/- per share ( including premium of Rs. 990/- per share).
- Conversion Period:** Any time prior to the expiry of the 10 years from the date of allotment but after expiry of two years from the date of allotment (Conversion Period), the ZORCD holder shall have the right but not the obligation to exercise the Conversion Option in relation to some or all of the ZORCDs in one or more tranches.
- Conversion Option Shares:** In order to exercise its Conversion Option, the ZORCD holder shall issue a written notice (the "Conversion Option Notice") to the Company, which shall state the number of ZORCDs held by him, which it proposes to convert into equity shares of the Company. Within 10 business days of the receipt of the Conversion Option Notice, the Company shall allot to the ZORCD holder such number of equity shares of the Company that is equal to the number ZORCDs proposed to be converted at a face value of Rs. 10 and premium of Rs. 990 each, subject to (4) below, ("Conversion Shares").
- Title to Conversion Shares:** The Conversion Shares shall be (i) duly authorized, validly issued, fully paid up ; (ii) free and clear of any encumbrances and free of any restrictions on transfer; and (iii) shall rank pari passu in all respect with the then existing equity shares of the Company; and the Company shall so represent and warrant. Stamp duty or fees, if any, payable on the issuance of such Conversion Shares shall be borne and paid by the Company.
- Adjustment Upon Corporate Action:** In the event the Company takes any corporate action during the currency of ZORCD like split, consolidation, rights issue, buyback, or bonus issue or other similar corporate action etc affecting or diluting the equity shares of the Company and any other transaction having the effect of any of the foregoing in relation to the Company, then the Company shall make a reasonable adjustment in the entitlement for conversion of equity shares upon conversion of unexercised Options. The decision of the Board of Directors of the Company in this regard shall be final and binding.
- Redemption:** In case the holder of the ZORCDs do not exercise the Conversion Option within the Conversion Period, i.e. 10 years from the date of allotment then the such remaining ZORCDs shall be redeemed at its face value. However the Company, at its discretion and subject to availability of funds, on the request of the holder of the ZORCD may redeem the ZORCDs in one or more tranches anytime before exercise of the conversion option.
- Transferability:** ZORCDs shall be freely transferable by the allottee or the holders of ZORCD.

\*\* Loan from Network18 Media & Investment Ltd.

## Schedules forming part of the financial statements for the year ended 31st March'2015

	(Amounts in Rs.)	
	As at 31.03.15	As at 31.03.14
<b>NOTE -5</b>		
<b>OTHER CURRENT LIABILITIES</b>		
a. Other Payable	443,099	-
b. Advance received against sale of investment	291,330,000	-
c. TDS Payable	1,069,264	6,000
<b>Total</b>	<b>292,842,363</b>	<b>6,000</b>
<b>NOTE -6</b>		
<b>SHORT TERM PROVISION</b>		
a. Provision for expenses	9,070,660	9,130,660
<b>Total</b>	<b>9,070,660</b>	<b>9,130,660</b>
<b>NOTE -7</b>		
<b>NON CURRENT INVESTEMENTS</b>		
<b>A. Unquoted - Long term in equity shares</b>		
a. Investment in subsidiary companies		
3,40,000 (Previous year 3,40,000) equity shares of Rs.10 each of Setpro18 Distribution Limited	3,400,000	3,400,000
1,00,00,000 (Previous year 1,00,00,000) equity shares of Rs.10 each of Reeds Infomedia India Private Limited	10,000	10,000
1,00,000 (Previous year 1,00,000) equity shares of Rs.10 each of Aeon Learning Private Limited	100,000	100,000
1,75,998 (Previous year 1,66,000) equity shares of Rs.10 each of Greycells18 Media Ltd.	52,799,980	52,700,000
81,000 (Previous year 80,000) equity shares of Rs.10/- each of Stargaze entertainment Pvt. Ltd.	87,267,600	87,257,600
10,000 Equity shares (Previous year 10,000) of Rs.10/- each of RRB Finhold Pvt. Ltd.	100,000	100,000
1,176,499 Equity shares(Previous year-1,176,449) of Rs.10/- each of Colosseum Media Pvt. Ltd.	82,095,594	82,095,594
10,000 Equity shares (Previous year 10,000) of Rs.10/- each of RVT Finhold Pvt. Ltd.	100,000	100,000
10,000 Equity shares (Previous year 10,000) of Rs.10/- each of RRB Investment Pvt. Ltd.	100,000	100,000
b. Investment in Joint Ventures		
10,821 Equity shares (Previous year 10,821) of Rs.10/- each of Ubono Technologies Pvt. Ltd.	40,000,000	40,000,000
c. Investment in Associates		
1,07,593 (Previous year-1,07,593) equity shares of Rs.10/- each of 24x7 Learning Pvt. Ltd. *	1	1

## Schedules forming part of the financial statements for the year ended 31st March'2015

	(Amounts in Rs.)	
	As at 31.03.15	As at 31.03.14
<b>NOTE -7</b>		
<b>NON CURRENT INVESTEMENTS (Continued)</b>		
d. Investment in others		
3,01,876 Equity shares (Previous year 3,01,876) of Rs.10/- each of MobileNXT Teleservices Private Limited *	1	1
50,614 Equity shares (Previous year Nil) of Rs.10/- each of Yatraonline Pvt.Ltd.	90,194,149	-
Aggregate of unquoted - long term investments in equity shares	<u>356,167,325</u>	<u>265,863,196</u>
* The company is holding the mentioned number of shares but the same has been written off and shown at Nominal Value.		
<b>B. Unquoted - Long term in preference shares</b>		
a. Investment in subsidiary companies		
3,91,800 (Previous year 3,91,800) Zero percent ROC Preference shares of Rs.1000/- each of Stargaze Entertainment Pvt. Ltd.	391,800,000	391,800,000
1,08,101(Previous year 1,08,101) Zero percent ROC Preference shares of Rs.1000/- each of Colosseum Media Pvt. Ltd.	108,101,000	108,101,000
20,00,000 (Previous year 20,00,000) 0.01% Cumulative Redeemable Preference shares of Rs. 10/- each of RRB Investment Pvt. Ltd.	100,000	100,000
Aggregate of unquoted - long term investment in preference shares	<u>500,001,000</u>	<u>500,001,000</u>
<b>C. Unquoted - Long term in Debentures/ Bond</b>		
a. Investment in subsidiary companies		
3,31,350 (Previous year-3,31,350) Zero (Coupon) Optionally Redeemable Convertible debentures of Rs.1000/- each of RVT Finhold Private Ltd.	331,350,000	331,350,000
65,875 (Previous year-65,875) Zero (Coupon) Optionally Redeemable Convertible debentures of Rs.1000/- each of RRK Finhold Private Ltd.	65,875,000	65,875,000
Aggregate of unquoted - long term investment in Debentures	<u>397,225,000</u>	<u>397,225,000</u>
<b>Total</b>	<u>1,253,393,325</u>	<u>1,163,089,196</u>
<b>NOTE -8</b>		
<b>CURRENT INVESTEMENTS</b>		
<b>In Mutual Funds - Quoted</b>		
342 (Previous year 342 ) units of Rs. 1,000 each in Tata Liquid Fund Direct Plan- Growth Mutual Fund (Market value Rs. 8,82,902)	882,902	800,000
Aggregate of quoted - current investment in units of mutual funds	<u>882,902</u>	<u>800,000</u>
<b>Total</b>	<u>882,902</u>	<u>800,000</u>

## Schedules forming part of the financial statements for the year ended 31st March'2015

	(Amounts in Rs.)	
	As at 31.03.15	As at 31.03.14
<b>NOTE -9</b>		
<b>CASH AND BANK BALANCES</b>		
<b>Cash and cash equivalents</b>		
i. Cash on hand	12,089	12,269
<b>Bank Balance</b>		
ii. Bank balance in current accounts	419,696	256,909
<b>Other Bank Balances</b>		
Fixed deposit with Yes Bank	305,503	-
<b>Total</b>	<u>737,288</u>	<u>269,178</u>
<b>NOTE -10</b>		
<b>SHORT TERM LOAN &amp; ADVANCES</b>		
<b>a. Loans and advances to related parties (refer Note)</b>		
Secured, considered good		
Unsecured, considered good	10,000,000	-
Other Advances	369,252	201,253
Total	<u>10,369,252</u>	<u>201,253</u>
<b>b. Other Loans and Advances</b>		
Income tax paid (net of provision)	10,216,385	1,095,780
<b>c. Interest accrued</b>	3,356	-
<b>Total</b>	<u>20,588,993</u>	<u>1,297,033</u>
<b>NOTE -11</b>		
<b>OTHER CURRENT ASSETS</b>		
<b>a. Other current assets</b>		
Advance to vendors	10,111,111	6,000
Expenditure incurred on scheme of arrangement	-	15,730,400
<b>Total</b>	<u>10,111,111</u>	<u>15,736,400</u>
<b>NOTE -12</b>		
<b>OTHER INCOME</b>		
<b>a. Interest Income</b>		
Others	176,712	-
<b>b. Profit on sale of long term investments</b>	-	45,309,917
<b>c. Dividend on long term investments</b>	82,902	3,055,050
<b>d. Profit on sale of current investments</b>	-	100,270
<b>e. Interest on Deposits</b>	926,147	-
<b>Total</b>	<u>1,185,761</u>	<u>48,465,237</u>

## Schedules forming part of the financial statements for the year ended 31st March'2015

	(Amounts in Rs.)	
	As at 31.03.15	As at 31.03.14
<b>NOTE -13</b>		
<b>INTEREST AND OTHER FINANCIAL CHARGES</b>		
a. Other financial charges	2,085	2,854
b. Fine & Penalties	1,021,216	-
<b>Total</b>	<b>1,023,301</b>	<b>2,854</b>
<b>NOTE -14</b>		
<b>OTHER EXPENSES</b>		
a. Legal and professional expenses	227,792	11,630
b. Payment to auditor ( Refer details below)	342,698	60,000
<b>Total</b>	<b>570,490</b>	<b>71,630</b>
<b>Payment to auditor</b>		
Statutory Audit fee	342,698	60,000
<b>NOTE -15</b>		
<b>EXCEPTIONAL ITEMS</b>		
a. Investment written off	-	351,705,425
b. Expenditure incurred on scheme of arrangement	33,063,479	-
<b>Total</b>	<b>33,063,479</b>	<b>351,705,425</b>

### NOTE 16 RELATED PARTY DISCLOSURES

#### Names of related parties and related party relationship

Relationship	Name of the Related Party
Enterprises exercising control	Independent Media Trust (w.e.f. 07.07.2014) Adventure Marketing Private Limited (w.e.f. 07.07.2014)# Watermark Infratech Private Limited (w.e.f. 07.07.2014)# Colorful Media Private Limited (w.e.f. 07.07.2014)# RB Media Holdings Private Limited (w.e.f. 07.07.2014)# RB Mediasoft Pvt Limited (w.e.f. 07.07.2014)# RRB Mediasoft Pvt Limited (w.e.f. 07.07.2014)# RB Holdings Private Limited (w.e.f. 07.07.2014)# Network18 Media & Investments Ltd.
Beneficiary/Protector of Independent Media Trust	Reliance Industries Limited (RIL) (w.e.f. 07.07.2014) Reliance Industrial Investments and Holdings Limited (w.e.f. 07.07.2014)
Subsidiaries	Colosseum Media Pvt Ltd. Greycells18 Media Ltd. RRB Investment Pvt Ltd. RRK Finhold Pvt Ltd. RVT Finhold Pvt Ltd. Stargaze Entertainment Pvt Ltd. Setpro18 Distribution Ltd.
Fellow subsidiaries	AETN18 Media Pvt Ltd. Big Tree Entertainment Pvt Ltd. Digital 18 Media Ltd.

## Schedules forming part of the financial statements for the year ended 31st March'2015

	e-Eighteen.com Ltd. Infomedia Press Ltd. (Formerly known as Infomedia18 Ltd.) Money control Dot Com India Ltd. Reeds Infomedia India Pvt Ltd. RRK Holding Pvt. Ltd. RVT Media Pvt Ltd. TV18 Broadcast Ltd. TV18 Home Shopping Network Ltd. Web 18 Software Services Ltd. BK Holdings Ltd., Mauritius E-18 Ltd., Cyprus ibn18 (Mauritius) Ltd., Mauritius Network18 Holdings Ltd., Cayman Islands Television Eighteen Mauritius Ltd., Mauritius Television Eighteen Media and Investment Ltd., Mauritius TV18 HSN Holdings Ltd., Cyprus Web 18 Holdings Ltd., Cayman Islands Webchutney Studio Pvt Ltd (Till 23.05.2013)
Associates	24 X 7 Learning Pvt Ltd Wespro Digital Pvt Ltd. AEON Learning Pvt. Ltd. (w.e.f. 29 November 2013)
Jointly controlled entity	Ubona Technologies Pvt Ltd

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

### Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Transactions	Enterprises exercising control	Subsidiary	Fellow Subsidiary	Associate	(Amounts in Rs.)	
					Joint Control entity	
<b>(A) Transactions during the year</b>						
<b><u>Interest Expenses</u></b>						
Network18 Media & Investment Ltd.	18,842	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
<b><u>Interest Income</u></b>						
Greycell18 Media Pvt. Ltd.	-	176,712	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
<b><u>Loan taken</u></b>						
Network18 Media & Investment Ltd.	11,500,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
<b><u>Loan given</u></b>						
Greycell18 Media Pvt. Ltd.	-	10,000,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
<b><u>Reimbursement of Expenses Paid</u></b>						
Network18 Media & Investment Ltd.	11,654	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
<b><u>Debenture purchased during the year</u></b>						
Network18 Media & Investment Ltd.	107,700,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)

## Schedules forming part of the financial statements for the year ended 31st March'2015

Transactions	(Amounts in Rs.)				
	Enterprises exercising control	Subsidiary	Fellow Subsidiary	Associate	Joint Control entity
<b><u>Amount Paid on Behalf of</u></b>					
RRK Finhold Pvt. Ltd.	-	3,371	-	-	-
	(-)	(-)	(-)	(-)	(-)
RVT Finhold Pvt. Ltd.	-	5,585	-	-	-
	(-)	(-)	(-)	(-)	(-)
<b><u>Debenture Redeem during the year</u></b>					
Network18 Media & Investment Ltd.	274,000,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
<b>(B) Balances at the year end</b>					
<b>Loan at the year end (Receivable) including Interest</b>					
Greycell18 Media Pvt. Ltd.	-	10,159,041	-	-	-
	(-)	(-)	(-)	(-)	(-)
<b>Loan at the year end (Payable) including Interest</b>					
Network18 Media & Investment Ltd.	11,516,958	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
<b>Amount Payable at the year end</b>					
RRK Finhold P.Ltd.	-	62	-	-	-
	(-)	(-)	(-)	(-)	(-)
<b>Amount receivable at the year end</b>					
RK Finhold P.Ltd.	-	210,273	-	-	-
	(-)	(-)	(-)	(-)	(-)
<b><u>Investment at the year ended (Equity Share)</u></b>					
RRK Finhold P.Ltd.	-	100,000	-	-	-
	(-)	(100,000)	(-)	(-)	(-)
RVT Finhold Pvt. Ltd.	-	100,000	-	-	-
	(-)	(100,000)	(-)	(-)	(-)
RRB Investment Pvt. Ltd.	-	100,000	-	-	-
	(-)	(100,000)	(-)	(-)	(-)
Setpro18 Distribution Ltd.	-	3,400,000	-	-	-
	(-)	(3,400,000)	(-)	(-)	(-)
Greycell18 Media Pvt. Ltd.	-	52,799,980	-	-	-
	(-)	(52,700,000)	(-)	(-)	(-)
Reeds Infomedia India Private Ltd.	-	-	10,000	-	-
	(-)	(-)	(10,000)	(-)	(-)
Aeon Learning Pvt. Ltd.	-	-	-	100,000	-
	(-)	(-)	(-)	(100,000)	(-)
Colosseum Media Pvt. Ltd.	-	82,095,594	-	-	-
	(-)	(82,095,594)	(-)	(-)	(-)
Stargaze Entertainment Pvt.Ltd.	-	87,267,600	-	-	-
	(-)	(87,257,600)	(-)	(-)	(-)
Ubona Technologies Pvt Ltd	-	-	-	-	40,000,000
	(-)	(-)	(-)	(-)	(40,000,000)
24 X 7 Learning Pvt Ltd	-	-	-	-	-
	(-)	(-)	(-)	(200,515,424)	(-)



## Schedules forming part of the financial statements for the year ended 31st March'2015

Transactions	(Amounts in Rs.)				
	Enterprises exercising control	Subsidiary	Fellow Subsidiary	Associate	Joint Control entity
<b><u>Investment at the year ended (Preferential Share)</u></b>					
Colosceum Media Pvt. Ltd.	-	108,101,000	-	-	-
	(-)	(-)	(-)	(-)	(-)
RRB Investment Private Limited	-	100,000	-	-	-
	(-)	(100,000)	(-)	(-)	(-)
Stargaze Entertainment Pvt Ltd.	-	391,800,000	-	-	-
	(-)	(391,800,000)	(-)	(-)	(-)
<b><u>Zero Coupon Convetiable Debenture (Investment)</u></b>					
RRK Finhold Pvt Ltd.	-	65,875,000	-	-	-
	(-)	(65,875,000)	(-)	(-)	(-)
RVT Finhold Pvt Ltd.	-	331,350,000	-	-	-
	(-)	(331,350,000)	(-)	(-)	(-)
<b><u>Zero Coupon Convetiable Debenture (Liability)</u></b>					
Network18 Media & Investment Ltd.	989,402,000	-	-	-	-
	(1,155,702,000)	(-)	(-)	(-)	(-)

### NOTE 17

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

i. Segment Reporting

The Company has only one business segment "Investments" as its primary segment and hence disclosure of segment-wise information is not required under Accounting Standard 17 - "Segmental Information" notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended).

ii. Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid or is payable under the terms of the MSMED Act, 2006.

iii. There are no contingent liabilities as on 31.03.2015.

iv. Prior Year Comparatives

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

**For and on behalf of the Board of Directors**

**Kshipra Jatana**  
Director

**Sanjiv Kulshreshtha**  
Director

Place :

Date :