

**RB Media Holdings Private Limited**  
**FINANCIAL ACCOUNTS**  
**2014-15**

## Independent Auditor's Report

### To the Members of RB Media Holdings Pvt. Ltd.

#### 1. Reports on the Financial Statements

We have audited the accompanying financial statements of **RB Media Holdings Pvt. Ltd.**, 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
- 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

**M.L.Jain**

Partner

Membership No: 084190

Place: New Delhi

Date: 6th April, 2015

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

		<i>(All Amount in Rs.)</i>	
		As at	As at
		31st March 2015	31st March 2014
<b>A</b>	<b>Equity and Liabilities</b>		
<b>1</b>	<b>Shareholders' funds</b>		
	Share Capital	100,000	100,000
	Reserves and Surplus	(36,865,127)	(36,644,003)
<b>2</b>	<b>Non-current Liabilities</b>		
	Long-term Borrowings	3,870,621,025	3,828,966,005
<b>3</b>	<b>Current Liabilities</b>		
	Other Current Liabilities	135,484	41,838,344
	<b>Total</b>	<u><u>3,833,991,382</u></u>	<u><u>3,834,260,346</u></u>
<b>B</b>	<b>Assets</b>		
<b>1</b>	<b>Non-current assets</b>		
	Non-current Investments	3,827,312,190	3,827,312,190
<b>2</b>	<b>Current Assets</b>		
	Trade Receivables	148,800	-
	Cash and Cash equivalents	2,544,091	304,321
	Other Current Assets	3,986,301	6,643,835
	<b>Total</b>	<u><u>3,833,991,382</u></u>	<u><u>3,834,260,346</u></u>
	See accompanying notes forming part of the financial statements	1-19	

As per our report of even date attached

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

Chartered Accountants

Firm Registration No. 005345N

**For and on behalf of the Board****M. L. Jain**

Partner

Membership No. 084190

**Raja Kolumum Ramachandran**

Director

**Laxmidas Vallabhdas Merchant**

Director

Place: New Delhi

Date : 6th April, 2015

## Statement of Profit and Loss for the year ended 31st March 2015

		<i>(All Amount in Rs.)</i>	
	Notes	Year Ended 31st March 2015	Year Ended 31st March 2014
<b>I. Income</b>			
Revenue from operations	11	148,800	1,294,722
Other Income	12	11,766	-
<b>Total revenue</b>		<u>160,566</u>	<u>1,294,722</u>
<b>II. Expenses</b>			
Purchases of traded goods	13	144,000	1,274,602
Finance costs	14	13,498	10,424
Other expenses	15	224,192	455,824
<b>Total Expenses</b>		<u>381,690</u>	<u>1,740,850</u>
<b>Profit/(Loss) Before Tax</b>		<u>(221,124)</u>	<u>(446,128)</u>
<b>Tax expense</b>			
Current tax		-	-
<b>Total Tax expense</b>		<u>-</u>	<u>-</u>
<b>Loss for the period</b>		<u>(221,124)</u>	<u>(446,128)</u>
Earnings per equity share [nominal value of share Rs. 10 ]	16		
Basic		(22.11)	(44.61)
Diluted		(22.11)	(44.61)
See accompanying notes forming part of the financial statements	1-19		

As per our report of even date attached

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

**For and on behalf of the Board**

**M. L. Jain**  
Partner  
Membership No. 084190

**Raja Kolumum Ramachandran**  
Director

**Laxmidas Vallabhdas Merchant**  
Director

Place: New Delhi  
Date : 6th April, 2015

**Cash Flow for the year ended 31st March 2015**

	<i>(All Amount in Rs.)</i>	
	Year ended 31st March 2015	Year ended 31st March 2014
<b>Cash flow statement</b>		
<b>Cash flows from Operating activities</b>		
Loss before income tax	(221,124)	(446,128)
<b>Adjustments for:</b>		
Finance Charges	13,498	10,424
<b>Changes in working capital</b>		
Increase/(Decrease) in Current Liabilities	(41,702,860)	(314,903)
(Increase)/Decrease in Current Assets	2,508,734	-
<b>Cash used in operations</b>	<u>(39,401,752)</u>	<u>(750,607)</u>
Income tax paid	-	-
<b>Net cash used in Operating activities</b>	<u>(39,401,752)</u>	<u>(750,607)</u>
<b>Cash flows from Investing activities</b>	-	-
<b>Net cash flow used in Investing activities</b>	-	-
<b>Cash flows from Financing activities</b>		
Loan taken	84,725,645	304,203
Loan Repayment	(43,070,625)	-
Finance Charges	(13,498)	(10,424)
<b>Net cash flow generated from Financing activities</b>	<u>41,641,522</u>	<u>293,779</u>
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>	2,239,770	(456,828)
Cash and Cash equivalents at the beginning of year	304,321	761,149
<b>Cash and Cash equivalents at the end of period</b>	<u>2,544,091</u>	<u>304,321</u>

As per our report of even date attached

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

Chartered Accountants

Firm Registration No. 005345N

**For and on behalf of the Board****M. L. Jain**

Partner

Membership No. 084190

**Raja Kolumum Ramachandran**

Director

**Laxmidas Vallabhdas Merchant**

Director

Place: New Delhi

Date : 6th April, 2015

# Notes to Financial Statements for the year ended 31st March 2015

## 1 Corporate information

The Company was incorporated on 14th September, 2010 and promoted by Mr. Raghav Bahl and Mrs. Ritu Kapur.

## 2 Significant accounting policies

### 2.1 Basis of accounting and preparation of financial statements

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

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

### 2.2 Use of estimates

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

### 2.3 Revenue recognition

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

### 2.4 Other income

Interest income is accounted on accrual basis.

### 2.5 Investments

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

### 2.6 Earnings per share

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

### 2.7 Taxes on income

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

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

## Notes to Financial Statements for the year ended 31st March 2015

### 2.8 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. There are no Contingent liabilities for year ended March 31, 2015.

### 2.9 Borrowing costs

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



## Notes to Financial Statements for the year ended 31st March 2015

(All Amount in Rs.)

	As at 31st March 2015	As at 31st March 2014
<b>3 Share Capital</b>		
<b>(a) Authorized Share Capital</b>		
<b>Equity Shares</b>		
20,00,000 (Previous Year 20,00,000) equity shares of Rs. 10 each	<u>20,00,000</u>	<u>20,00,000</u>
	<u>20,00,000</u>	<u>20,00,000</u>
<b>(b) Issued, Subscribed and Paid-up capital</b>		
<b>Equity Shares</b>	As at 31st March 2015	As at 31st March 2014
10,000 (Previous Year 10,000) equity shares of Rs. 10 each fully paid up	<u>100,000</u>	<u>100,000</u>
<b>Total Issued, Subscribed and fully Paid-up share capital</b>	<u>100,000</u>	<u>100,000</u>

### DISCLOSURES

<b>(a) Reconciliation of the shares outstanding</b>		
<b>Equity Shares</b>	As at 31st March 2015	As at 31st March 2014
i) At the beginning of the period	<u>10,000</u>	<u>10,000</u>
<b>Outstanding at the end of the period</b>	<u>10,000</u>	<u>10,000</u>
<b>(b) Details of shares held within the Group</b>	As at 31st March 2015	As at 31st March 2014
i) Others	<u>10,000</u>	<u>10,000</u>
<b>(c) Details of shareholders holding more than 5% shares in the company</b>		

Name of Shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Raghav Bahl	-		9,500	95.00
Sanchar Content Private Limited (On behalf of Independent Media Trust)	9,999	99.99	-	
<b>Total</b>	<b>9,999</b>	<b>99.99</b>	9,500	95.00

## Notes to Financial Statements for the year ended 31st March 2015

	<i>(All Amount in Rs.)</i>	
	As at	As at
	31st March 2015	31st March 2014
<b>4 Reserve and Surplus</b>		
<b>Deficit in the statement of profit and loss</b>		
Balance as per the last financial statements	(36,644,003)	(36,197,875)
Loss for the period	(221,124)	(446,128)
<b>Deficit in the statement of profit and loss</b>	<u>(36,865,127)</u>	<u>(36,644,003)</u>
<b>Total Reserves and Surplus</b>	<u>(36,865,127)</u>	<u>(36,644,003)</u>
<b>5 Long term Borrowings (Unsecured)</b>		
<b>Loans and Advances from related parties*</b>		
-From Directors or the Company in which Directors are interested	-	43,070,625
Independent Media Trust	84,725,645	-
<b>Other loans and advances</b>		
ZORCD Debentures**	3,785,895,380	3,785,895,380
<b>Total</b>	<u>3,870,621,025</u>	<u>3,828,966,005</u>
<b>Note:-</b>		
<b>Loans and advances from related parties*</b>		
BK Media Private Limited	-	8,677,469
Raghav Bahl	-	9,595,000
RB Holdings Private Limited	-	24,798,156
Independent Media Trust	84,725,645	-
Independent Media Trust (ZORCD Debentures)	3,785,895,380	3,785,895,380
<b>Total</b>	<u>3,870,621,025</u>	<u>3,828,966,005</u>
<b>**Terms and condition of Zero Coupon Debentures</b>		
- Each Zero (Coupon) Optionally Redeemable Convertible Debenture has a face value of Rs 100/- 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. Shares so issued shall rank pari pasu and shall have same rights as of the existing equity shares.		
- In case the holder of the ZORCD do not exercise the option within the conversion period i.e. 10 years from the date of allotment, then such remaining ZORCD shall be redeemed at its face value.		
<b>6 Other Liabilities : ( Due within 1 year)</b>		
Creditors for Investment	-	41,416,810
Statutory dues payable		
-TDS payable	9,556	16,854
Expenses Payable	125,928	404,680
<b>Total</b>	<u>135,484</u>	<u>41,838,344</u>

## Notes to Financial Statements for the year ended 31st March 2015

<i>(All Amount in Rs.)</i>		
	As at 31st March 2015	As at 31st March 2014
<b>7 Non-current Investments</b>		
<b>Investments in Equity shares : Quoted</b>		
<b>Investment in others</b>		
- 12,75,28,586 (Previous Year 12,75,28,586 ) equity shares of Network18 Media & Investments Limited (Market Value: 6,50,39,57,886/- as per NSE )	3,618,906,530	3,618,906,530
- 1,04,20,173 (Previous Year 1,04,20,173) equity shares of TV18 Broadcast Limited (Market Value: 30,27,06,026/- as per NSE)	208,405,660	208,405,660
<b>Total</b>	<u><u>3,827,312,190</u></u>	<u><u>3,827,312,190</u></u>
<b>8 Trade Receivables</b>		
Trade receivables outstanding for a period less than six months		
Unsecured, considered good	148,800	-
<b>Total</b>	<u><u>148,800</u></u>	<u><u>-</u></u>
<b>9 Cash and Bank Balances</b>		
<b>Cash and Cash equivalents</b>		
Balances with Banks	2,544,091	246,170
Cash in hand	-	58,151
<b>Total</b>	<u><u>2,544,091</u></u>	<u><u>304,321</u></u>
<b>10 Other Current Assets</b>		
Balance with Revenue Authorities	3,986,301	6,643,835
<b>Total</b>	<u><u>3,986,301</u></u>	<u><u>6,643,835</u></u>

## Notes to Financial Statements for the year ended 31st March 2015

	<i>(All Amount in Rs.)</i>	
	Year ended 31st March 2015	Year ended 31st March 2014
<b>11 Revenue from operations</b>		
Proceeds from Sale of Agro Products	148,800	1,294,722
<b>Total</b>	<u>148,800</u>	<u>1,294,722</u>
<b>12 Other Incomes</b>		
Interest Income on Income Tax Refund	11,766	-
<b>Total</b>	<u>11,766</u>	<u>-</u>
<b>13 Details of purchase of traded goods</b>		
Agro-Products (Wheat & Gram)	144,000	1,274,602
<b>Total</b>	<u>144,000</u>	<u>1,274,602</u>
<b>14 Finance Costs</b>		
Demat Charges	893	1,907
Bank Charges	-	112
Interest paid on TDS	12,605	8,405
<b>Total</b>	<u>13,498</u>	<u>10,424</u>
<b>15 Other Expenses</b>		
Legal and Professional Charges	50,562	13,764
Fees & Subscription	68,068	3,520
Staff Salary	55,000	270,000
Payment to Auditor ( Refer details below)	50,562	168,540
<b>Total</b>	<u>224,192</u>	<u>455,824</u>
<b>Payment to Auditor</b>		
<b>As Auditor:</b>		
Statutory Audit fees	50,562	168,540
<b>Total</b>	<u>50,562</u>	<u>168,540</u>

## Notes to Financial Statements for the year ended 31st March 2015

(All Amount in Rs.)

	Year ended 31st March 2015	Year ended 31st March 2014
<b>16 Earnings per share (EPS)</b>		
The following reflects the profit and equity shares data used in the basic and diluted EPS computations:		
<b>Total operations for the year</b>		
Loss after tax	(221,124)	(446,128)
Less : Dividend on convertible preference shares & tax thereon	-	-
<b>Loss for calculation of Basic EPS</b>	<u>(221,124)</u>	<u>(446,128)</u>
Net Profit/(Loss) as above	(221,124)	(446,128)
Add : Dividend on convertible preference shares & tax thereon	-	-
<b>Loss for diluted EPS</b>	<u>(221,124)</u>	<u>(446,128)</u>
	<b>No. of Shares</b>	
Weighted average number of equity shares in calculating basic EPS	<b>10,000</b>	10,000
<b>Effect of dilution:</b>	-	-
Convertible preference shares	-	-
<b>Weighted average number of equity shares in calculating diluted EPS</b>	<u><b>10,000</b></u>	<u>10,000</u>
Earnings per equity share [nominal value of share Rs. 10 ]		
Basic	(22.11)	(44.61)
Diluted	(22.11)	(44.61)

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

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

### 18 Prior Year Comparatives

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

## Notes to Financial Statements for the year ended 31st March 2015

### 19 Details of Related Parties:

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

Note: Related parties has been identified by the management

### (ii) Details of Related Party Transactions during the year ended 31st March 2015 and balances outstanding as on 31st March 2015:

(All Amount in Rs.)

Name of Party	Loan taken during the year	Loan paid during the year	Balances outstanding of at the end of the year- Loan Payables	ZORCD outstanding of at the end of the year
Independent Media Trust	84,725,645 -	- -	84,725,645 -	3,785,895,380 (3,785,895,380)
BK Media Private Limited	- -	8,677,469 -	- (8,677,469)	- -
Raghav Bahl	- (300,000)	9,595,000 (300,000)	- (9,595,000)	- -
RB Holdings Private Limited	- (4,203)	24,798,156 -	- (24,798,156)	- -

Name of Party	Balances outstanding of at the end of the year Creditors for Investment	Balances outstanding of at the end of the year - Expenses Payable	Payment during the year
Raghav Bahl	- (12,872,060)	- (238,210)	13,110,270 -
Ritu Kapur	- (660,795)	- -	660,795 -
RB Holdings Private Limited	- (24,152,485)	- -	24,152,485 -
RB Investments Private Limited	- (3,731,470)	- -	3,731,470 -

Note: Figures in bracket relates to previous year

For and on behalf of the Board

Raja Kolumum Ramachandran  
Director

Laxmidas Vallabhdas Merchant  
Director