

RRB Investment Private Limited

Independent Auditor's Report

To the Members of
RRB Investment Pvt. Ltd.

1. Reports on the Financial Statements

We have audited the accompanying financial statements of **RRB Investment 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

Nitin Aggarwal
Partner
Membership No: 528066

Place: New Delhi

Date:

Balance Sheet as at 31st March, 2015

	Note No.	As at 31 March 2015	Amount in Rs As at 31 March 2014
EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	3	20,100,000	20,100,000
(b) Reserves and Surplus	4	(219,026,803)	(218,971,811)
2. Non-current liabilities			
(a) Long-Term Borrowings	5	441,015,012	441,015,012
3. Current liabilities			
(a) Other Current Liabilities	6	41,101,278	40,873,114
TOTAL		283,189,487	283,016,315
ASSETS			
1. Non-Current Assets			
(a) Non-Current Investments	7	280,682,445	280,682,445
2. Current Assets			
(a) Cash and Bank Balances	8	255,829	277,825
(b) Short-Term Loans and Advances	9	2,251,213	2,056,045
TOTAL		283,189,487	283,016,315
Notes forming part of the financial statements	1-16		

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

Place:
Date :

Sanjiv Kulshreshtha
Director

Place:
Date :

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

	Notes No.	Year ended 31 March 2015	Amount in Rs. Year ended 31 March 2014
I. INCOME			
Other Income	10	286	22,390,360
Total Income		286	22,390,360
II. EXPENSES			
Administrative and other Expenses	11	467,606	157,535
Finance Costs	12	-	21,983,778
Total Expense		467,606	22,141,313
Profit/(Loss) before exceptional items and tax		(467,320)	249,047
Exceptional Items	13	-	3,713,960
Profit/(Loss) for the year before tax		(467,320)	(3,464,913)
Tax expense			
Current tax	14	-	(91,500)
Prior Period Tax Adjustment		412,328	-
Total tax expense		412,328	(91,500)
Profit/(Loss) for the year after tax		(54,992)	(3,556,413)
Earning per Equity share (Face value of Rs.10 each)			
(a) Basic & diluted		(5.50)	(355.64)
Notes forming part of the financial statements	1-16		

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

Place:
Date :

Sanjiv Kulshreshtha
Director

Place:
Date :

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

	Year Ended 31.03.2015	Amount in Rs. Year Ended 31.03.2014
Cash flows from Operating activities		
Profit / (Loss) before income tax	(54,992)	(3,556,413)
Adjustments for:		
Investment Written Off	-	3,713,960
Interest Income	(286)	(22,360,960)
Interest Expense	-	21,983,778
Changes in working capital		
Increase/ (Decrease) in Current Liabilities	228,165	(313,397)
(Increase)/ Decrease in Current Assets	(195,168)	93,228
Cash used in operations	(22,282)	(439,804)
Income tax paid	-	(2,050,428)
Net cash flow from operating activities	(22,282)	(2,490,232)
Cash flows from investing activities		
Interest income	286	22,360,960
Net cash flow from investing activities	286	22,360,960
Cash flows from financing activities		
Loan taken/(paid)	-	252,200,000
Debentures Issued	-	(250,000,000)
Interest & Financials Charges	-	(21,983,778)
Net cash flow from financing activities	-	(19,783,778)
Net increase/(decrease) in cash and cash equivalents	(21,996)	86,950
Cash and cash equivalents at beginning of year	277,825	190,875
Cash and cash equivalents at end of year	255,829	277,825

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

Place:
Date :

Sanjiv Kulshreshtha
Director

Place:
Date :

Notes on Financial Statements for the year ended 31st March, 2015

1. Corporate information

RRB Investments Private Limited was incorporated on June 12, 2007 to carry on the business of Investment in all its aspects and branches, stock brokers, custodian and all types of related services.

2. Significant accounting policies

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.

2.1 Basis of accounting and preparation of financial statements

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.

These financial statements have not been prepared on a going concern basis.

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

Income from services

Revenue is accounted for on accrual basis.

2.4 Other Income

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

Dividend income is accounted for when the right to receive it is established.

2.5 Investments

Long term investments are stated at cost less 'other than temporary' diminution in the value of such investments.

Current investments are carries forward at lower of cost or fair value.

2.6 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.

2.7 Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences on foreign exchange transactions settled during the period are recognised in the profit and loss account.

Monetary items denominated in foreign currency and outstanding at the balance sheet date are translated at the exchange rate prevailing at the date of balance sheet, the resultant exchange differences are recognised in the profit and loss account.

Notes on Financial Statements for the year ended 31st March, 2015

2.8 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 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) 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.

2.9 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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.10 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. Contingent liabilities are disclosed in the Notes.

2.11 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.

Investment in Royal Traders Limited & Inca Finlease Limited

The Company has investments of Rs 22,00,000 in equity shares in of Royal Traders Limited as the operations and outlook for the business are very bleak, The Company has decided to write off the investment in Royal Traders.

The Company has investments of Rs 15,13,960 in equity shares of Inca Finlease Limited as at 31 March, 2014. The market price of shares have gone down considerably. Accordingly, the company has written off Rs 15,13,960 for diminution in the value of total investment.

Notes on Financial Statements for the year ended 31st March, 2015

	As at 31.03.2015	Amount in Rs. As at 31.03.2014
3. Share capital		
a. Authorized share capital		
i. 2,00,90,000 (Previous Year 2,00,90,000) equity shares of Rs.10/- each	200,900,000	200,900,000
ii. 2,59,90,000 (Previous Year 2,59,90,000) preference shares of Rs. 10/- each*	259,900,000	259,900,000
	460,800,000	460,800,000
b. Issued, subscribed and paid-up capital		
i. 10,000 (Previous Year 10,000) equity shares of Rs. 10/- each fully paid up	100,000	100,000
ii. 20,00,000 (Previous Year 20,00,000) 0.01% Cumulative Redeemable Preference shares of Rs. 10/- each*	20,000,000	20,000,000
Total issued, subscribed and fully paid-up share capital	20,100,000	20,100,000

*Term & Conditions

1. Preference Shares shall carry a right of Dividend at a fixed rate of 0.01% per year, subject to availability of profits.
2. Preference Shares shall be entitled to an effective annualized return of 10% that shall be paid in the form of a redemption premium.
3. Preference Shares shall be redeemable either upon expiry of the maximum period as may be prescribed under Section 80 of the Indian Companies Act 1956 or at the end of such other earlier period at the option of the subscriber.
4. Preference Shares shall have the option of redemption before the expiry of Tenders at the option of the subscriber.
5. Preference Shares shall carry a right to vote only on resolutions placed before the Company, which directly affects the rights, attached to preference shares.
6. Preference Shareholders does not carry any voting rights or relinquishes their voting rights in the Company that may arise on account of non-payment of preference dividend.

3.1 DISCLOSURES	31 March 2015 Numbers	31 March 2014 Numbers
a. Reconciliation of the shares outstanding		
i. Equity shares		
i. At the beginning of the period	10,000	10,000
Outstanding at the end of the period	10,000	10,000
ii. Preference shares	31 March 2015 Numbers	31 March 2014 Numbers
i. At the beginning of the year	2,000,000	2,000,000
Outstanding at the end of the period	2,000,000	2,000,000
b. Details of shares held within the Group	31 March 2015	31 March 2014
Equity Shares held by the holding company	10,000	10,000
Preference Shares held by the holding company	2,000,000	2,000,000
Total	2,010,000	2,010,000

c. Details of Equity shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Capital18 Fincap Pvt. Ltd.	10000	100		
Network18 Media & Investment Limited			10000	100
Total	10000	100	10000	100

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

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Capital18 Fincap Pvt. Ltd.	2000000	100		
Network18 Media & Investment Limited			2000000	100
Total	2000000	100	2000000	100

	Amount in Rs.	
	As at 31.03.2015	As at 31.03.2014
NOTE -4		
RESERVE AND SURPLUS		
a. Statement of profit and loss		
Surplus/ (Deficit) at the beginning of the year	(218,971,811)	(215,415,398)
Profit/ (Loss) for the year	(54,992)	(3,556,413)
	(219,026,803)	(218,971,811)
		Amount in Rs.
	As at 31.03.2015	As at 31.03.2014

NOTE -5**LONG TERM BORROWINGS****a. Long-term borrowings -Unsecured**

i. <u>Loans and advances from related parties*</u>		
260,400 (Previous Year-8,200) Zero (Coupon) Optionally Redeemable Convertible Debenture of Rs 1000/- each*	260,400,000	260,400,000
ii. Loans and advances from related parties*	180,615,012	180,615,012
	441,015,012	441,015,012

*Terms of redemption

- Each ZORCD shall have a face value of Rs. 1,000/- and tenure of 10 years from the date of allotment of the ZORCDs and at the option of the holder thereof shall be convertible into one fully paid up equity share of Rs. 10/- each of RRB Investments Private Limited ("Conversion Option") at a price of Rs.1,000/- per share (including premium of Rs.990/- per share).

Notes on Financial Statements for the year ended 31st March, 2015

2. 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.
3. 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 (5) below, ("Conversion Shares").
4. 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.
5. 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.
6. 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.
7. ZORCDs shall be freely transferable by the allottee or the holders of ZORCD.

**Payable to Network18 Media & Investment Ltd.

NOTE - 6

Other Current Liabilities

Statutory dues payable	17,500	11,236
Other payables	41,083,778	40,861,878
Total	41,101,278	40,873,114

Notes on Financial Statements for the year ended 31st March, 2015

	As at 31.03.2015	Amount in Rs. As at 31.03.2014
NOTE -7		
Non Current Investments		
Investment in equity shares : Quoted		
Investments in others		
163,563 (Previous year 163,563) equity shares Rs.2/- each fully paid up in TV18 Broadcast Limited (Market price Rs. 4,955,959/-)	5,682,445	5,682,445
Investments in Preference shares : Unquoted		
(a) Investment in others		
2,500,000 (Previous year 2,500,000) Preference Shares of Den Entertainment Network Pvt. Ltd.	25,000,000	25,000,000
In Debentures and Bonds		
(a) Investment in others		
250,000 (Previous year 250,000) unsecured Zero (coupan) optionally redeemable/ convertible debentures of VT Media Pvt Ltd of Rs.1,000 each	250,000,000	250,000,000
Total	280,682,445	280,682,445
NOTE - 8		
Cash and Bank Balances		
Cash and cash equivalents		
Cash on hand	5,274	57,154
Bank Balances:		
In current accounts	250,555	220,671
Total	255,829	277,825
NOTE - 9		
Short Term Loans and Advances		
Fringe benefit tax paid	-	98,845
Income tax paid (net of provision)	2,251,213	1,957,200
Total	2,251,213	2,056,045
NOTE - 10		
Other Income		
Interest income	286	22,360,960
Excess provision written back	-	29,400
Total	286	22,390,360

Notes on Financial Statements for the year ended 31st March, 2015

	As at 31.03.2015	Amount in Rs. As at 31.03.2014
NOTE - 11		
Other Expenses		
Legal and professional expenses	56,650	45,175
Payment to auditor(Refer details below)	196,630	112,360
Sundry Balance Written Off	98,845	-
Miscellaneous expenses	115,481	-
Total	467,606	157,535
Payment to auditor		
Statutory Audit fee	196,630	112,360
	196,630	112,360
NOTE - 12		
Finance Costs		
Interest on others	-	21,982,491
Other financial charges	-	1,287
Total	-	21,983,778
NOTE - 13		
Exceptional Expenses		
Investment Written Off	-	3,713,960
Total	-	3,713,960
NOTE - 14		
Tax Expense		
Current tax	-	91,500
Deferred tax		
Total	-	91,500

Notes on Financial Statements for the year ended 31st March, 2015

Note 15 Related party transactions

15.a Details of related parties:

Description of relationship	Names of related parties
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 Private Limited (w.e.f. 07.07.2014)# RRB Mediasoft Private Limited (w.e.f. 07.07.2014)# RB Holdings Private Limited (w.e.f. 07.07.2014)# Network18 Media & Investments Limited Capital18 Fincap Private Limited
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)
Fellow Subsidiaries	TV18 Home Shopping Network Limited
Key Management Personnel (KMP)	1. Sanjay Ray Chaudhury (Till 24 December, 2014)

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

17.b Details of related party transactions during the year ended and balances outstanding as at 31 March, 2015:

	Amount in Rs.	
	Enterprises exercising control	Fellow Subsidiaries
	Network18 Media & Investment Ltd.	Tv18 Homeshopping Network Ltd.
Details of related party transactions		
Interest expense	-	-
	(21,982,491)	
Reimbursement of exp-paid	19,107	
	-	
Interest income		-
		(22,334,286)
Debenture(ZORCDs) application money-recd	-	
	(252,200,000)	
Balances outstanding		
Long term borrowings-debenture(ZORCDs)	260,400,000	
	(260,400,000)	
Long term borrowings	180,615,012	
	(180,615,012)	
Other current liability	19,107	
	-	

Note: 1. Figures in bracket relates to the previous year

Note: 2. Related parties have been identified by the management.

Notes on Financial Statements for the year ended 31st March, 2015

Note-16

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 Claim against the SGA News Ltd. now merged with RRB Investment Pvt. Ltd. not acknowledged as debts is the demand raised by the income Tax Authorities relating to the AY09-10 amounts to Rs.15,35,98,313/-.The Company hasn't deposited the demand raised by the income Tax Authorities.

iv. Prior Year Comparatives

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

v. The amounts shown in liabilities is subject to confirmation.

vi. The Boards of Directors of the company in its meeting held on January 7, 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 February 7, 2014. The Scheme has been sanctioned by the Hon'ble High Court of Delhi on May 23, 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).

For and on behalf of the Board of Directors

Kshipra Jatana
Director

Sanjiv Kulshreshtha
Director

Place:

Place:

Date :

Date :