

RB HOLDINGS PRIVATE LIMITED

RB Holdings Private Limited

Independent Auditor's Report

To the Members of
RB Holdings Pvt. Ltd.

1. Reports on the Financial Statements

We have audited the accompanying financial statements of **RB 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

	Notes	As at 31st March 2015	(All Amounts in Rs.) As At 31st March 2014
A Equity and Liabilities			
1 Shareholders' funds			
Share Capital	3	10,000,000	10,000,000
Reserves and Surplus	4	(3,058,456,179)	(3,058,232,919)
2 Non-current Liabilities			
Long-term Borrowings	5	3,049,608,453	1,944,137,207
3 Current Liabilities			
Other Current Liabilities	6	153,795	1,388,562,024
Total		<u>1,306,069</u>	<u>284,466,312</u>
B Assets			
1 Non-current Assets			
Tangible Assets	7	1,095,920	1,095,920
2 Current Assets			
Trade Receivable	8	104,250	-
Cash and Cash equivalents	9	105,899	273,220
Other Current Assets	10	-	184,133,067
Short Term Loans & Advances	11	-	98,964,104
Total		<u>1,306,069</u>	<u>284,466,312</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

M. L. Jain
Partner
Membership No. 084190

Place: New Delhi
Date : 6th April, 2015

For and on behalf of the Board

Ramesh Kumar Damani
Director

Laxmidas Vallabhdas Merchant
Director

Statement of profit and loss for the year ended 31st March, 2015

	Notes	Year Ended 31st March 2015	Year Ended 31st March 2014
(All Amounts in Rs.)			
I. Income			
Revenue from operations	12	104,250	1,296,044
Total revenue		<u>104,250</u>	<u>1,296,044</u>
II. Expenses			
Purchases of traded goods	13	100,000	1,274,932
Other Expenses	14	227,510	466,614
Total Expenses		<u>327,510</u>	<u>1,741,546</u>
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) (I) - (II)		(223,260)	(445,502)
Finance costs	15	-	15,814
Profit/(Loss) before tax and extraordinary items		(223,260)	(461,316)
Tax expense			
Current Tax		-	-
Prior Period Tax Adjustments		-	(285,361)
Total Tax expense		<u>-</u>	<u>(285,361)</u>
Profit/ (Loss) for the year		<u>(223,260)</u>	<u>(746,677)</u>
Earnings per equity share [nominal value of share Rs. 10 each] 16			
Basic		(0.22)	(0.75)
Diluted		(0.22)	(0.75)

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

M. L. Jain
Partner
Membership No. 084190

Place: New Delhi
Date : 6th April, 2015

For and on behalf of the Board

Ramesh Kumar Damani
Director

Laxmidas Vallabhdas Merchant
Director

Cash flow for the year ended 31st March, 2015

	(All Amounts in Rs.)	
	For the year ended 31st March 2015	For the year ended 31st March 2014
Cash flows from Operating activities		
Profit / (Loss) before income tax	(223,260)	(461,316)
Adjustments for:		
Interest & Financial Charges	-	15,814
Changes in working capital		
Increase/(Decrease) in Current Liabilities	(1,388,408,229)	(15,667,938)
(Increase)/Decrease in Current Assets	282,992,922	5,718,782
Cash used in operations	(1,105,638,567)	(10,394,658)
Income tax paid	-	-
Net cash used in Operating activities	(1,105,638,567)	(10,394,658)
Cash flows from Investing activities		
Net cash flow used in Investing activities	-	-
Cash flows from Financing activities		
Loan taken/paid (net)	1,105,471,246	10,202,625
Interest & Financial Charges	-	(15,814)
Net cash flow generated from Financing activities	1,105,471,246	10,186,811
Net Increase/(Decrease) in Cash and Cash equivalents	(167,322)	(207,847)
Cash and Cash equivalents at the beginning of year	273,220	481,067
Cash and Cash equivalents at the end of period	105,898	273,220

As per our report of even date attached

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

For and on behalf of the Board

Ramesh Kumar Damani
Director

Laxmidas Vallabhdas Merchant
Director

Notes to financial statements for the year ended 31st March, 2015

1 Corporate information

The Company was incorporated on 13th May, 2008 and promoted by Mr. Raghav Bahl and Ms. 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 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.

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

Sale of goods

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.

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
3	Share capital		
	a. Authorized Share Capital		
	Equity Shares		
	30,10,00,000 (Previous Year 30,10,00,000) equity shares of Rs. 10/- each	3,010,000,000	3,010,000,000
		<u>3,010,000,000</u>	<u>3,010,000,000</u>
	b. Issued, Subscribed and Paid-up capital		
	Equity Shares		
	10,00,000 (Previous Year 10,00,000) equity shares of Rs. 10/- each fully paid up	10,000,000	10,000,000
	Total Issued, Subscribed and fully Paid-up share capital	<u>10,000,000</u>	<u>10,000,000</u>
	DISCLOSURES		
	a. Reconciliation of the shares outstanding		
	Equity shares	Numbers	Numbers
	i. At the beginning of the period	1,000,000	1,000,000
	ii. Issued during the period	-	-
	iii. Issued during the period-ESOP	-	-
	iv. Redeemed during the period	-	-
	v. Forfeited During the period	-	-
	Outstanding at the end of the period	<u>1,000,000</u>	<u>1,000,000</u>
	b. Details of shares held within the Group		
		Numbers	Numbers
	i. Others	1,000,000	1,000,000
		<u>1,000,000</u>	<u>1,000,000</u>
	c. Details of shareholders holding more than 5% shares in the company		
	Name of Shareholder	As at 31st March 2015	
		No. of Shares held	% of Holding
		<u> </u>	<u> </u>
	Raghav Bahl	-	-
	Sanchar Content Private Limited (On behalf of Independent Media Trust)	999,999	99.99
	Total	<u>999,999</u>	<u>99.99</u>
		<u> </u>	<u> </u>
		As at 31st March 2014	
		No. of Shares held	% of Holding
		<u> </u>	<u> </u>
		950,000	95.00
		-	-
	Total	<u>950,000</u>	<u>95.00</u>
		<u> </u>	<u> </u>

Notes to financial statements for the year ended 31st March, 2015

		(All Amount in Rs.)	
		As at	As at
		31st March 2015	31st March 2014
4	Reserve and Surplus		
	Deficit in the statement of profit and loss		
	Balance as per the last financial statements	(3,058,232,919)	(3,057,486,242)
	Profit/(Loss) for the year	(223,260)	(746,677)
	Total Reserves and Surplus	<u>(3,058,456,179)</u>	<u>(3,058,232,919)</u>
5	Long-term Borrowings (Unsecured)		
	Loans and advances from related parties*		
	- From Directors or the Company in which Directors are interested	-	79,167,341
	Independent Media Trust	3,049,608,453	-
	Loans from Corporates	-	1,864,969,866
	Total	<u>3,049,608,453</u>	<u>1,944,137,207</u>
	Note:-		
	*Loans and advances from related parties		
	BK Media Private Limited	-	54,472,341
	Raghav Bahl	-	20,695,000
	RB Investments Private Limited	-	4,000,000
	Independent Media Trust	3,049,608,453	-
	Total	<u>3,049,608,453</u>	<u>79,167,341</u>
6	Other Current Liabilities		
	Creditors for Investment	-	1,388,368,410
	TDS on Professionals	10,306	16,854
	Expenses Payable	143,489	176,760
	Total	<u>153,795</u>	<u>1,388,562,024</u>

Notes to financial statements for the year ended 31st March, 2015

		(All Amount in Rs.)	
		Land	Total
7	Tangible assets		
	Cost or valuation		
	At 1st April 2012	1,095,920	1,095,920
	Additions	-	-
	Disposals	-	-
	Transfer to assets held for sale (discontinuing operation)	-	-
	Other adjustments	-	-
	- Exchange differences	-	-
	At 31st March 2013	<u>1,095,920</u>	<u>1,095,920</u>
	Additions	-	-
	Acquisitions through amalgamation	-	-
	Disposals	-	-
	Other adjustments	-	-
	- Exchange differences	-	-
	At 31st March 2014	<u>1,095,920</u>	<u>1,095,920</u>
	Additions	-	-
	Acquisitions through amalgamation	-	-
	Disposals	-	-
	Other adjustments	-	-
	- Exchange differences	-	-
	At 31st March 2015	<u><u>1,095,920</u></u>	<u><u>1,095,920</u></u>
	Depreciation		
	At 1st April 2013	-	-
	Charge for the year	-	-
	Disposals	-	-
	Transfer to assets held for sale (discontinuing operation)	-	-
	At 31st March 2014	<u>-</u>	<u>-</u>
	Charge for the period	-	-
	Disposals	-	-
	At 31st March 2015	<u>-</u>	<u>-</u>
	Net Block		
	At 31st March 2015	<u>1,095,920</u>	<u>1,095,920</u>
	At 31st March 2014	<u>1,095,920</u>	<u>1,095,920</u>

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
8	Trade Receivables		
	Trade receivables outstanding for a period less than six months	104,250	-
	Unsecured, considered good		
	Total	<u>104,250</u>	<u>-</u>
9	Cash and Bank Balances		
	Cash and Cash equivalents		
	Balances with Banks	105,899	229,224
	Cash on hand	-	43,996
	Total	<u>105,899</u>	<u>273,220</u>
10	Other Current Assets		
	Debtors for Investment	-	184,133,060
	Balance with Revenue Authorities	-	7
	Total	<u>-</u>	<u>184,133,067</u>
11	Short-Term Loans & Advances		
	Loans & Advances to related parties*	-	98,964,104
	Total	<u>-</u>	<u>98,964,104</u>
	Note:-		
	*Loans & Advances to related parties		
	Adventure Marketing Private Limited	-	24,798,039
	Colorful Media Private Limited	-	24,569,869
	R B Media Holding Private Limited	-	24,798,156
	Watermark Infratech Private Limited	-	24,798,040
	Total	<u>-</u>	<u>98,964,104</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
12 Revenue from operations		
Proceeds from Sale of Agro Products (Gram & Wheat)	107,250	1,296,044
Total	<u>107,250</u>	<u>1,296,044</u>
13 Details of purchase of traded goods		
Wheat & Gram	100,000	1,274,932
Total	<u>100,000</u>	<u>1,274,932</u>
14 Finance costs		
Bank Charges	-	281
Demat Charges	-	843
Interest paid on Loan	-	14,690
Total	<u>-</u>	<u>15,814</u>
15 Other Expenses		
Land Tax	2,000	-
Fees & Subscription	73,352	10,540
Legal and professional expenses	58,989	45,534
Miscellaneous Expenses	2,600	2,000
Salary staff	40,000	240,000
Payment to Auditor(refer details below)	50,562	168,540
Amount Written off	7	-
Total	<u>227,510</u>	<u>466,614</u>
*Payment to Auditor As Auditor:		
Statutory Audit fee	50,562	168,540
Total	<u>50,562</u>	<u>168,540</u>

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
16 Earnings per share (EPS)		
The following reflects the profit and equity shares data used in the basic and diluted EPS computations:		
Total operations for the year		
Profit/(Loss) after tax	(223,260)	(746,677)
Less : Dividend on convertible preference shares & tax thereon	-	-
Net profit/(loss) for calculation of basic EPS	<u>(223,260)</u>	<u>(746,677)</u>
Net profit as above	(223,260)	(746,677)
Add : Dividend on convertible preference shares & tax thereon	-	-
Net profit/(loss) for diluted EPS	<u>(223,260)</u>	<u>(746,677)</u>
	No.of shares	
Weighted average number of equity shares in calculating basic EPS	1,000,000	1,000,000
Effect of dilution:	-	-
Convertible preference shares	-	-
Convertible bonds	-	-
Stock options granted under ESOP	-	-
Weighted average number of equity shares in calculating diluted EPS	<u>1,000,000</u>	<u>1,000,000</u>
Earnings per equity share [nominal value of share Rs. 10 each]		
Basic	(0.22)	(0.75)
Diluted	(0.22)	(0.75)

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:

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships

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 Investments Private Limited (till 7th July, 2014) Colorful Media Private Limited (till 7th July, 2014) Adventure Marketing Private Limited (till 7th July, 2014) RB Media Holdings Private Limited (till 7th July, 2014) Watermark Infratech Private Limited (till 7th July, 2014) RB Mediasoft Private Limited (till 7th July, 2014) RRB Mediasoft Private Limited (till 7th July, 2014)	Entities under significant influence of KMP

(ii) Details of related party transactions during the year ended 31st March 2015 and balances outstanding as at 31st March 2015:

Unsecured Loan from the Entities under significant influence of KMP and KMP's (All Amount in Rs.)

Particulars	Balances outstanding at the end of year	Loan taken	Loan repaid
Independent Media Trust	3,049,608,453	3,049,608,453	-
	-	-	-
BK Media Private Limited	(54,472,341)	-	54,472,341
	-	-	-
Raghav Bahl	(20,695,000)	(10,215,000)	20,695,000
	-	-	-
RB Investments Private Limited	(4,000,000)	-	4,000,000
	-	-	-

Advances to the Entities under significant influence of KMP and KMP's (All Amount in Rs.)

Particulars	Balances outstanding at the end of year	Amount given as Loan	Amount Received against Loan
Adventure Marketing Private Limited	-	-	24,798,039
	(24,798,039)	(4,086)	-
Colorful Media Private Limited	-	-	24,569,869
	(24,569,869)	-	-
RB Media Holdings Private Limited	-	-	24,798,156
	(24,798,156)	(4,203)	-
Watermark Infratech Private Limited	-	-	24,798,040
	(24,798,040)	(4,086)	-

Notes to financial statements for the year ended 31st March, 2015

(All Amount in Rs.)

Particulars	Debtors for Investment	Creditors for Investment	Payments/Receipts during the year
Adventure Marketing Private Limited	- (24,152,400)	- -	24,152,400 -
Colorful Media Private Limited	- (24,152,400)	- -	24,152,400 -
RB Media Holdings Private Limited	- (24,152,485)	- -	24,152,485 -
RB Mediasoft Private Limited	- (24,152,400)	- -	24,152,400 -
RRB Mediasoft Private Limited+	- (63,370,975)	- -	63,370,975 -
RB Investments Private Limited	- -	- (1,388,368,410)	1,388,368,410 -
Watermark Infratech private Limited	- (24,152,400)	- -	24,152,400 -

Note: Figures in bracket relates to previous year

Note: Related parties transaction have been identified by the management

For and on behalf of the Board**Ramesh Kumar Damani**
Director**Laxmidas Vallabhdas Merchant**
DirectorPlace: New Delhi
Date : 6th April, 2015