DIGITAL18 MEDIA LIMITED
ANNUAL ACCOUNTS - FY : 2016-17

Independent Auditors' Report

TO THE MEMBERS OF DIGITAL18 MEDIA LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Digital18 Media Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies;making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether thesefinancial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2017, and its profit/loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c. The financial statements dealt with by this report are in agreement with the books of account.
   d. In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act.
   e. On the basis of the written representations received from the directors of the Company as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
   g. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014(as amended), in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company does not have any pending litigations which would impact its financial position.
      ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts.
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
      iv. The company, as detailed in Note 25 to the financial statements, has made requisite disclosures in thesefinancial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the company.

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

Ankush Jain
Partner
Membership No. 540194

Place: New Delhi
Date: 13th April, 2017

"ANNEXURE-A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENT OF DIGITAL18 MEDIA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 ofSection 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Digital18 Media Limited("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financialcontrols based onthe internal control over financial reporting criteriaestablished by the Company considering the essential components of internal control stated inthe Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued bythe Institute of Chartered Accountants of India. These responsibilities include the design,implementation and maintenance of adequate internal financial controls that were operatingeffectively for ensuring the orderly and efficient conduct of its business, including adherence tocompany's policies, the safeguarding of its assets, the prevention and detection of frauds anderrors, the accuracy and completeness of the accounting records, and the timely preparation ofreliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls overfinancial reporting based on our audit. We conducted our audit in accordance withthe Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the"Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribedunder section 143(10) of the Companies Act, 2013, to the extent applicable to an audit ofinternal financial controls, and the Guidance Noteissued by the Institute of Chartered Accountants of India. Those Standards and the GuidanceNote require that we comply with ethical requirements and plan and perform the audit toobtain reasonable assurance about whether adequate internal financial controls over financialreporting were established and maintained and if such controls operated effectively in all materialrespects.

Our audit involves performing procedures to obtain audit evidence about the adequacy ofthe internal financial controls system over financial reporting and their operating effectiveness.Our audit of internal financial controls over financial reporting included obtaining anunderstanding of internal financial controls over financial reporting, assessing the risk that amaterial weakness exists, and testing and evaluating the design and operating effectiveness ofinternal control based on the assessed risk. The procedures selected depend on the auditor'sjudgment, including the assessment of the risks of material misstatement of the financialstatements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to providea basis for our audit opinion on the Company's internal financial controls system overfinancial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to providereasonable assurance regarding the reliability of financial reporting and the preparation offinancial statements for external purposes in accordance with generally accepted accountingprinciples. A company's internal financial control over financial reporting includes those policiesand procedures that (1) pertain to the maintenance of records that, in reasonable detail,accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)provide reasonable assurance that transactions are recorded as necessary to permit preparationof financial statements in accordance with generally accepted accounting principles, and thatreceipts and expenditures of the company are being made only in accordance withauthorizations of management and directors of the company; and (3) provide reasonableassurance regarding prevention or timely detection of unauthorized acquisition, use, ordisposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, includingthe possibility of collusion or improper management override of controls, material misstatementsdue to error or fraud may occur and not be detected. Also, projections of any evaluation of theinternal financial controls over financial reporting to future periods are subject to the risk that theinternal financial control over financial reporting may become inadequate because of changes inconditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financialcontrols system over financial reporting and such internal financial controls over financialreporting were operating effectively as at March 31, 2017, based on theinternal control over financial reporting criteria established by the Company considering theessential components of internal control stated in the Guidance Note on Audit of InternalFinancial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Ankush Jain
Partner
Membership No. 540194

Place: New Delhi
Date: 13th April, 2017

Annexure to the Independent Auditor's Report

To the Members of Digital18 Media Limited

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017.

On the basis of such checks as we considered appropriate and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i) *Fixed assets:*

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties. Accordingly, the provision of clause 3 (i) (c) of the Order is not applicable to the Company.

(ii) *Inventories:*

(a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(iii) *Granting of loans to certain parties:*

(a) According to the information and explanation given to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered by Section 2(76) of the Companies Act, 2013; and therefore clause 3(iii) of the Order is not applicable.

(iv) *Loans and investments:*

(a) According to the information and explanation given to us, the Company has not made any loan, investment, and guarantees to any person specified under section 185 and section 186 of the Companies Act, 2013; and therefore clause 3(iv) of the Order is not applicable.

(v) *Acceptance of Deposits:*

(a) In our opinion and according to the information and explanation given to us, the Company has not received any public deposits during the year.

(vi) *Maintenance of cost records:*

(a) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.

(vii) *Deposit of statutory dues:*

(a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.

(b) According to the information and explanations given to us, there are no dues in respect of Income-tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues that have not been deposited with the appropriate authorities on account of any dispute.

(viii) *Default in repayment of dues:*

(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.

(ix) *Application of term loans/public issue/follow on offer:*

(a) In our opinion and according to the information and explanations given to us, monies raised by way of debt instruments and the term loans have been applied by the Company for the purposes for which they were raised.

(x) *Fraud reporting:*

(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi) *Managerial remuneration:*

(a) The Company has not paid any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable.

(xii) *Nidhi Company:*

(a) The Company is not Nidhi Company as per Companies Act 2013. Accordingly, the provision of clause 3(xii) of the Order is not applicable.

(xiii) *Related party transactions:*

(a) All transactions with the related parties are in compliance with section 177 and 188 of the Companies act 2013 where applicable and details have been disclosed in financial statements etc., as required by the applicable accounting standards.

(xiv) *Preferential allotment/private placement:*

(a) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the order is not applicable.

(xv) *Non-cash transactions:*

(a) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provision of clause 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

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

Ankush Jain
Partner
Membership No. 540194

Place: New Delhi
Date: 13th April, 2017

Balance Sheet as at 31st March, 2017

₹ in Lakh

	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-current assets				
Property, Plant and Equipment	1	2.37	3.26	6.92
Intangible assets	1	0.16	0.61	2.74
Intangible assets under development	1	-	1.40	1.40
Deferred tax assets	2	15.28	8.87	8.87
Other non-current assets	3	50.16	31.79	52.63
Total Non-current assets		**67.97**	**45.93**	**72.56**
Current assets				
Inventories	4	21.92	64.28	10.22
Financial Assets				
Trade receivables	5	1,123.11	963.47	773.97
Cash and cash equivalents	6	82.18	75.37	140.14
Loans	7	0.07	2.84	6.21
Other financial assets	8	0.74	0.59	0.08
Other current assets	9	131.59	98.48	160.29
Total Current Assets		**1,359.61**	**1,205.03**	**1,090.91**
Total Assets		**1,427.58**	**1,250.96**	**1,163.47**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	10	5.00	5.00	5.00
Other Equity	11	446.62	270.32	363.94
Total Equity		**451.62**	**275.32**	**368.94**
Liabilities				
Non-current liabilities				
Provisions	12	76.21	60.66	51.25
Total Non-current Liabilities		**76.21**	**60.66**	**51.25**
Current liabilities				
Financial Liabilities				
Trade payables	13	571.68	721.77	562.35
Other financial liabilities	14	1.59	6.45	7.54
Provisions	15	18.66	24.50	36.57
Other current liabilities	16	307.82	162.26	136.82
Total Current Liabilities		**899.75**	**914.98**	**743.28**
Total Liabilities		**975.96**	**975.64**	**794.53**
Total Equity and Liabilities		**1,427.58**	**1,250.96**	**1,163.47**

Significant Accounting Policies and accompanying Notes (1 to 31) are part of the Financial Statements.

As per our Report of even date
For Mohan L Jain & Co.
Chartered Accountants
Firm Registration No. 005345N

Ankush Jain
Partner
Membership No. 540194

Place: New Delhi
Date: 13th April, 2017

For and on behalf of the Board of Directors

Ratnesh Rukhariyar
Director
DIN: 00004615

Deepak Gupta
Director
DIN: 07520015

Place: Noida
Date: 13th April, 2017

Statement of Profit and Loss for the year ended 31st March, 2017

₹ in Lakh

	Note No.	2016-17	2015-16
INCOME			
Revenue from operations	17	2,191.84	2,366.31
Other income	18	29.03	14.80
Total Income		**2,220.87**	**2,381.11**
EXPENSES			
Cost of materials consumed	19	93.24	96.68
Employee benefits expense	20	962.37	1,085.40
Finance costs	21	0.79	1.80
Depreciation and amortisation expense	1	2.18	6.59
Other expenses	22	1,137.34	1,485.54
Total expenses		**2,195.92**	**2,676.01**
Profit/ (Loss) before tax		**24.95**	**(294.90)**
Tax expense:			
Current tax expense	23	-	-
Net tax expense		**-**	**-**
Profit/ (Loss) for the year		**24.95**	**(294.90)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		1.35	(8.72)
Total Other Comprehensive Income for the year		**1.35**	**(8.72)**
Total Comprehensive Income for the year		**26.30**	**(303.62)**
Earnings per equity share of face value of ₹ 10 each			
Basic (in ₹)	27	49.89	(589.79)
Diluted (in ₹)	27	4.61	(492.31)

Significant Accounting Policies and accompanying Notes (1 to 31) are part of the Financial Statements.

As per our Report of even date
For Mohan L Jain & Co.
Chartered Accountants
Firm Registration No. 005345N

Ankush Jain
Partner
Membership No. 540194

Place: New Delhi
Date: 13th April, 2017

For and on behalf of the Board of Directors

Ratnesh Rukhariyar
Director
DIN: 00004615

Deepak Gupta
Director
DIN: 07520015

Place: Noida
Date: 13th April, 2017

Statement of Changes in Equity for the year ended 31st March, 2017

A. Equity Share Capital

₹ in Lakh

Balance as at 1st April 2015	Changes in equity share capital during the year 2015-16	Balance as at 31st March 2016	Changes in equity share capital during the year 2016-17	Balance as at 31st March 2017
5.00	-	5.00	-	5.00

B. OTHER EQUITY

₹ in Lakh

	Equity component of compound financial instruments	Retained Earnings	Remeasurements of the defined benefit plans	Total
For the year 2015-16				
Opening balance as at 1st April, 2015	**4,585.00**	**(4,221.06)**	**-**	**363.94**
Total Comprehensive Income for the year	-	(294.90)	(8.72)	(303.62)
Addition during the year	210.00	0.00	-	210.00
Balance at the end of 31st March, 2016	**4,795.00**	**(4,515.96)**	**(8.72)**	**270.32**
For the year 2016-17				
Balance at the beginning of the reporting period	**4,795.00**	**(4,515.96)**	**(8.72)**	**270.32**
Total Comprehensive Income for the year	-	24.95	1.35	26.30
Addition during the year	150.00	-	-	150.00
Balance at the end of the reporting period	**4,945.00**	**(4,491.01)**	**(7.37)**	**446.62**

As per our Report of even date
For Mohan L Jain & Co.
Chartered Accountants
Firm Registration No. 005345N

Ankush Jain
Partner
Membership No. 540194

Place: New Delhi
Date: 13th April, 2017

For and on behalf of the Board of Directors

Ratnesh Rukhariyar
Director
DIN: 00004615

Deepak Gupta
Director
DIN: 07520015

Place: Noida
Date: 13th April, 2017

Cash Flow Statement for the year ended 31st March, 2017

₹ in Lakh

Particulars		2016-17	2015-16
A. Cash flow from operating activities			
Profit before tax		24.95	(294.90)
Adjustments for :			
- Depreciation and amortisation expense		2.18	6.59
- Finance costs		0.79	1.80
- Interest income		(7.03)	(14.51)
- Allowance for doubtful trade receivable, loans and advances (net) written back		8.70	58.40
- Net unrealised exchange (gain)/loss		(0.34)	1.61
Operating profit before working capital changes		**29.25**	**(241.01)**
Changes in working capital:			
Adjustments for (increase) / decrease in operating assets:			
Trade and other receivable		(179.14)	(245.57)
Trade and other Payable		24.83	179.57
Cash generated from operations		**(125.06)**	**(307.01)**
Net income tax (paid)		(24.78)	20.84
Net cash flow from/ (used in) operating activities	**(A)**	**(149.84)**	**(286.17)**
B. Cash flow from investing activities			
Capital expenditure on fixed assets, including capital advances		0.56	(0.80)
Interest received		6.88	14.00
Net cash flow from investing activities	**(B)**	**7.44**	**13.20**
C. Cash flow from financing activities			
Finance costs		(0.79)	(1.80)
Proceeds of long - term borrowings		150.00	210.00
Net cash flow from / (used in) financing activities	**(C)**	**149.21**	**208.20**
Net increase/ (decrease) in Cash and cash equivalents	**(A+B+C)**	6.81	(64.77)
Cash and cash equivalents as at the beginning of the year		75.37	140.14
Cash and cash equivalents as at the end of the year		**82.18**	**75.37**
Cash and cash equivalents Comprises of: (Refer Note 6)			
(a) Cash on hand		-	-
(b) Balances with banks		82.18	75.37
		82.18	**75.37**

As per our Report of even date
For Mohan L Jain & Co.
Chartered Accountants
Firm Registration No. 005345N

Ankush Jain
Partner
Membership No. 540194

Place: New Delhi
Date: 13th April, 2017

For and on behalf of the Board of Directors

Ratnesh Rukhariyar
Director
DIN: 00004615

Deepak Gupta
Director
DIN: 07520015

Place: Noida
Date: 13th April, 2017

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

A CORPORATE INFORMATION

Digital 18 Media Limited was incorporated on 16th April, 2007 in India.

The registered address of the Company is First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra.

B ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which have been measured at fair value amount.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the companies Act, 2013.

Upto the year ended 31st March, 2016, the Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

These financial statements are the Company's first Ind AS financial statements.

Company's financial statements are presented in Indian Rupees (₹), which is its functional currency.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Property, plant and equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably.

Depreciation on property, plant and equipment is provided using straight-line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(b) Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leased assets:

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

(c) Intangible assets:

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebate less accumulated amortisation and impairment loss, if any. Such cost include purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate assets, as appropriate, only when it is propable that future economic benefits associated with the items will flow to the Company and cost can be measurred reliabily.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Computer Software are being amortised over its estimated useful life of 5 years.

(d) Finance Cost:

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

(e) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Raw materials is valued at lower of cost and net realizable value. Cost is determined on a first in first out basis.

(f) Impairment of non-financial assets - property, plant and equipment and intangible assets:

The Company assesses at each reporting dates as to whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

An impairment loss is recognized in the Statement of the Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of receoverable amount.

(g) Provisions and Contigencies

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

(h) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recongnised as a liability as at the Balance Sheet date on the basis of acturial valuation.

Post-Employment Benefits

Defined Contribution Plans

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions towards Provident Fund, Employee State Insurance and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/ superannuation. The gratuity is paid @ 15 days salary for the every completed year of service as per the Payment of Gratuity Act, 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income.

(i) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit or Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

i **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

ii **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(j) Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit or Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

(k) Revenue recognition

Revenue from sale of goods, is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

Revenue from rendering of services is recongised when the performance of agreed contractual task been completed.

Revenue from operations includes:

Revenue from operations includes sale of goods and services measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excluding taxes or duties collected on behalf of the government.

Sale of goods and services includes print publication revenue, sales to retail outlets/ newsstands & event sale.

Interest Income from a financial asset is recognisd using effective interest rate method.

Dividend income is recognised when the Company's right to receive the payment is established.

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

(I) Financial instruments

(i) Financial Assets

A. Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets , which are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement:

a) *Financial assets carried at amortised cost (AC)*

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) *Financial assets at fair value through profit or loss (FVTPL)*

A financial asset which is not classified in any of the above categories are fair valued through profit or loss.

C. Equity Investments:

All equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

D. Investment in subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

E. Impairment of financial assets

In accordance with Ind AS 109, the Company use 'Expected Credit Loss' (ECL) model, for evaluating impairment assessment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivable. Further the Company uses historical default rates to determine impairment loss on the portfolio of the trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(ii) Financial liabilities

A. Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

B. Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

C Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Depreciation and useful lives of property, plant and Equipment and intangible assets:

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is adjusted if there are significant changes from previous estimates.

b) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and detemining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigae the risk of non-payment.

c) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

First time adoption of Ind AS:

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the opening Reserves as at 1st April 2015 and all the periods presented have been restated accordingly.

a) Exemptions from retrospective application:

i) Fair value as deemed cost exemption:

The Company has elected to measure any items of property, plant and equipment and intangible assets at its carrying value at the transition date.

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

1 -

₹ in lakh

Particulars	Gross Block							Depreciation/Amortisation							Net Block		
	Opening As at 1st April, 2015	Additions	Deletions/ adjustment	As at 31st March, 2016	Additions	Deletions/ adjustment	As at 31st March, 2017	Opening As at 1st April, 2015	Depreciation / amortisation expense for the year	On disposals / adjustments/ exceptional items	As at 31st March, 2016	Depreciation / amortisation expense for fhe year	On disposals / adjustments/ exceptional items	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016	Opening As at 1st April, 2015
(a) **Property, Plant & Equipment**																	
Plant and equipment																	
- others	10.95	-	-	10.95	-	-	10.95	10.36	0.08	-	10.44	0.08	-	10.52	0.43	0.51	0.59
Computers																	
- others	6.63	0.79	(68.50)	75.92	0.84	-	76.76	2.99	3.11	68.50	74.60	0.99	-	75.59	1.17	1.32	3.64
Vehicles	2.08	-	-	2.08	-	-	2.08	0.84	0.29	-	1.13	0.29	-	1.42	0.66	0.95	1.24
Office equipment	5.99	0.10	(0.16)	6.25	-	-	6.25	4.54	0.98	0.25	5.77	0.37	-	6.14	0.11	0.48	1.45
Total	**25.65**	**0.89**	**(68.66)**	**95.20**	**0.84**	**-**	**96.04**	**18.73**	**4.46**	**68.75**	**91.94**	**1.73**	**-**	**93.67**	**2.37**	**3.26**	**6.92**
(b) **Intangible Assets**																	
Computers software	42.01	-	-	42.01	-	-	42.01	39.27	2.13	-	41.40	0.45	-	41.85	0.16	0.61	2.74
Total	**42.01**	**-**	**-**	**42.01**	**-**	**-**	**42.01**	**39.27**	**2.13**	**-**	**41.40**	**0.45**	**-**	**41.85**	**0.16**	**0.61**	**2.74**
Total (a+b)	**67.66**	**0.89**	**(68.66)**	**137.21**	**0.84**	**-**	**138.05**	**58.00**	**6.59**	**68.75**	**133.34**	**2.18**	**-**	**135.52**	**2.53**	**3.87**	**9.66**
(c') **Intangible assets under development**															**-**	**1.40**	**1.40**

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
2	**Deferred tax assets**			
	Deferred tax assets	15.28	8.87	8.87
		15.28	**8.87**	**8.87**

A DEFERRED TAX ASSET (NET)

Deferred tax is calculated, in full, on all temporary timing differences under the liability method using a principal tax rate prevalent in the various jurisdictions the group operates in. The movement on the deferred tax account is as follows:

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
At the Start of the year	8.87	8.87	8.87
Charge/ (credit) to profit or loss (Note 23)	6.41	-	-
At the End of the year	**15.28**	**8.87**	**8.87**

Deferred tax liabilities and assets at the end of the reporting period and deferred tax (credit) / charge in profit or loss and other comprehensive income.

	At the start of the year i.e 1st April, 2016	Charge/ (credit) to profit or loss	At the end of the year i.e. 31st March, 2017
Deferred tax liabilities / asset in relation to:			
Tax Credit	8.87	6.41	15.28

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
3	**Other non - current assets**			
	Advance income tax (net of allowance)	50.16	31.79	52.63
		50.16	**31.79**	**52.63**

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
4	**Inventories**			
	Raw materials and components	21.92	64.28	5.45
	Work in progress	-	-	4.77
		21.92	**64.28**	**10.22**

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
5	**Trade receivables (Unsecured)**			
	a. Trade receivables			
	- considered good	1,123.11	963.47	773.97
	- considered doubtful	88.70	80.00	21.60
	Less: Allowance for doubtful trade receivables	(88.70)	(80.00)	(21.60)
		1,123.11	**963.47**	**773.97**

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
6	**Cash and cash equivalents**			
	Cash on hand [Refer Note (a)]	-	-	0.06
	Balances with banks	82.18	75.37	140.08
		82.18	**75.37**	**140.14**

(a) Please refer Note No. 25 for details of specified Bank Note (SBN) held and transacted during the period 08/11/2016 to 30/12/2016.

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
7	**Financial Assets - Loans**			
	Loans and advances	0.07	2.84	6.21
		0.07	**2.84**	**6.21**

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
8	**Other financial assets**			
	Interest accrued but not due on deposits and advances	0.72	0.57	0.06
	Security deposits	0.02	0.02	0.02
		0.74	**0.59**	**0.08**

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
9	**Other current assets**			
	Prepaid expenses	8.79	-	0.73
	Balance with government authorities			
	- Service tax credit receivable	57.89	29.03	127.35
	Others			
	- Advances to Vendors	64.91	69.45	32.21
		131.59	**98.48**	**160.29**

₹ in Lakh

		Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
			Number of Shares	**₹ in lakh**	**Number of Shares**	**₹ in lakh**	**Number of Shares**	**₹ in lakh**
10	**Equity Share capital**							
	a.	**Authorised Share Capital:**						
		Equity shares of ₹ 10 each	**20,00,000**	**200.00**	**20,00,000**	**200.00**	**20,00,000**	**200.00**
	b.	**Issued, Subscribed and fully paid up**						
		(i)Issued - Equity Shares	**50,000**	**5.00**	**50,000**	**5.00**	**50,000**	**5.00**
		(ii)Subscribed and fully paid up	50,000	5.00	50,000	5.00	50,000	5.00
		(iii)Shares forfeited	-	-	-	-	-	-
		Total	**50,00.0**	**5.00**	**50,000**	**5.00**	**50,000**	**5.00**

Notes :

(i) The Company has only one class of equity share having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share held. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

(ii) Details of shares held by holding company and their subsidiaries:

₹ in Lakh

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of Shares	**₹ in lakh**	**Number of Shares**	**₹ in lakh**	**Number of Shares**	**₹ in lakh**
Network18 Media & Investments Limited, the Holding Company *	50,000	5.00	50,000	5.00	50,000	5.00
	50,000	**5.00**	**50,000**	**5.00**	**50,000**	**5.00**

* including shares held by its nominee.

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

(iii) Details of shares held by each shareholder holding more than 5% shares :

₹ in Lakh

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of Shares	**% Holding**	**Number of Shares**	**% Holding**	**Number of Shares**	**% Holding**
Network18 Media & Investments Limited	**50,000**	**100%**	**50,000**	**100%**	**50,000**	**100%**

(iv) Aggregate number of shares issued for consideration other than cash during the period of 5 years immediately preceding the Balance Sheet date:

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Number of Shares	**Number of Shares**	**Number of Shares**
	-	-	-
(v) Shares reserved for issue under options under ESOP scheme 2007	-	-	-

(vi) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Issued		Subscribed and fully paid up	
	Number of Shares	**Amount (₹ in Lakh)**	**Number of Shares**	**Amount (₹ in Lakh)**
Equity Shares opening balance	50,000	5.00	50,000	5.00
	(50,000)	(5.00)	(50,000)	(5.00)
Add : Shares issued during the year	-	-	-	-
	(-)	(-)	(-)	(-)
Equity Shares closing balance	50,000	5.00	50,000	5.00
	(50,000)	(5.00)	(50,000)	(5.00)

Figures in brackets pertains to the previous year

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
11	**Other Equity**			
(a)	**Equity component**			
	494,500 (Previous Year 479,500) Zero (coupon) Optionally Fully Convertible Debentures of ₹ 1,000 each *	4,945.00	4,795.00	4,585.00
		4,945.00	**4,795.00**	**4,585.00**

*** Terms of Debenture**

Zero (coupon) Optionally Fully Convertible Debenture (ZOFCD) has tenure of 10 years from allotment date, are unsecured and do not carry interest right. The debentures are convertible into paid up equity share of ₹ 10/- of the Company in 1:1 ratio, at option of the issuer. The conversion option is exercisable any time after two years of allotment date. The debentures are held by Network18 Media & Investments Limited.

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(b)	**Retained Earnings**			
	As per Last Balance Sheet	(4,524.68)	(4,221.06)	(4,361.40)
	Add: Profit for the year	24.95	(294.90)	140.34
	Add: Other Comprehensive Inocme	1.35	(8.72)	-
		(4,498.38)	**(4,524.68)**	**(4,221.06)**
	Total Other Equity	**446.62**	**270.32**	**363.94**

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
12	**Non-Current Provisions**			
	Provision for employee benefits:			
	Provision for compensated absences	25.07	19.98	17.33
	Provision for gratuity	51.14	40.68	33.92
		76.21	**60.66**	**51.25**

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
13	**Trade payables**			
	Micro,Small and Medium Enterprises	-	-	-
	Others	571.68	721.77	562.35
		571.68	**721.77**	**562.35**

*** Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 -**

Based on the information available with the company, the balance due to micro, small and medium enterprises as defined under the MSMED Act, 2006 is ₹ Nil (Previous year ₹ Nil, Opening as at 1st April, 2015 ₹ Nil) and no interest has been paid or is payable under the terms of the MSMED Act, 2006.

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
14	**Other financial liabilities**			
	Security Deposits	1.59	6.45	7.54
		1.59	**6.45**	**7.54**

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
15	**Provisions**			
	Provision for employee benefits			
	Provision for compensated absences	0.58	1.94	1.44
	Provision for gratuity	1.00	1.93	0.90
	Provision for sales returns	17.08	20.63	34.23
		18.66	**24.50**	**36.57**

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
16	**Other current liabilities**			
	Unearned revenue	16.77	2.25	1.15
	Statutory dues	31.03	24.96	23.24
	Advances from customers	113.12	44.21	111.32
	Others	146.90	90.84	1.11
		307.82	**162.26**	**136.82**

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

₹ in Lakh

		2016-17	2015-16
17	**Revenue from operations**		
	Sale of services		
	Advertisement and subscription revenue	1,969.50	2,012.93
	Other media income and equipment rentals	141.47	254.50
	Sale of Magazines	80.87	98.88
		2,191.84	**2,366.31**

₹ in Lakh

		2016-17	2015-16
18	**Other income**		
	a. Interest income on		
	- Loans and advances	0.06	0.15
	- Deposit accounts with banks	6.97	9.65
	- Income tax refund	-	4.71
		7.03	**14.51**
	b. Other non-operating income		
	- Profit On Sale Of Assets	-	0.29
	- Miscellaneous income	22.00	-
		29.03	**14.80**

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

₹ in Lakh

				2016-17	2015-16
19	**Cost of materials consumed and traded goods sold**				
	Cost of materials consumed			93.24	91.91
	Change in inventory of work-in-progress			-	4.77
				93.24	**96.68**
	a.	**Cost of materials consumed**			
		Opening balance			
		-	Raw material	64.28	5.45
		-	Add : Purchase during the year	50.88	150.74
				115.16	**156.19**
		Less: Closing balance			
		-	Raw material	21.92	64.28
		-	Work in progress	-	-
				93.24	**91.91**
	b.	**Cost of traded products**			
		Opening balance		-	-
		Work-in-progress at the beginning of the year		-	4.77
		Less :Work in progress at the end of the year		-	-
				-	**4.77**
				93.24	**96.68**

₹ in Lakh

		2016-17	2015-16
20	**Employee benefits expense**		
	Salaries and wages	836.08	935.41
	Contribution to provident and other fund	44.54	44.38
	Gratuity and compensated absences	24.05	20.18
	Staff welfare expenses	57.70	85.43
		962.37	**1,085.40**

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

20.1 Defined contribution plans

The Company's defined contribution plans are Provident fund, Employee State Insurance and Employees' pension scheme Under the schemes, the Company is required to contribute a specified percentage of the payroll costs.

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

₹ in Lakh

Particulars	2016-17	2015-16
Employer's Contribution to Provident Fund	34.65	28.34
Employer's Contribution to Pension Fund	6.29	12.49
Employer's Contribution to Employees State Insurance	0.09	0.05

20.2 Defined benefit plans

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences is recognised in the same manner as gratuity.

i) Reconciliation of opening and closing balances of Defined Benefit Obligation:

₹ in Lakh

Particulars	2016-17	2015-16
	Gratuity	
Defined Benefit obligation at beginning of the year	42.60	34.82
Current Service Cost	10.70	8.72
Interest Cost	3.41	2.78
Actuarial (gain)/ loss	(1.35)	8.72
Benefits paid	(3.22)	(12.44)
Defined Benefit obligation at year end	**52.14**	**42.60**

ii) Expenses recognised during the year:

₹ in Lakh

Particulars	2016-17	2015-16
	Gratuity	
In Income Statement		
Current Service Cost	10.70	8.72
Interest Cost	3.41	2.78
Expected return on Plan assets	-	-
Actuarial (gain) / loss	-	-
Net Cost	**14.11**	**11.50**
In Other Comprehensive Income		
Actuarial (Gain) / loss	(1.35)	8.72
Return on Plan assets	-	-
Net (Income)/Expenses for the year recognised in OCI	**(1.35)**	**8.72**

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

iii) Actuarial assumptions:

₹ in Lakh

Particulars	2016-17	2015-16
	Gratuity	
Mortality Table	IALM (06-08)	IALM (06-08)
Discount rate (per annum)	7.60%	8.00%
Rate of escalation in salary (per annum)	5.50%	5.50%

The discount rate is based on the prevailing market yields of Government of India Bonds as at the Balance Sheet date for the estimated term of the obligations.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

iv) Amounts recognised in current year and previous four years:

₹ in Lakh

Gratuity	As at 31st March				
	2017	2016	2015	2014	2013
Defined benefit obligation	52.14	42.60	34.82	32.87	50.85
Fair value of plan assets	-	-	-	-	-
(Deficit) in the plan	(52.14)	(42.60)	(34.82)	(32.87)	(50.85)
Actuarial (gain) / loss on plan obligation	(1.35)	8.72	(6.43)	(3.07)	(7.67)
Actuarial gain / (loss) on plan assets	-	-	-	-	-

v) The expected contributions for Defined Benefit Plan for the current financial year will be in line with financial year 2016-17.

vi) Sensitivity Analysis of the defined benefit obligation :

Significant Acturial Assumptions for the determination of the defined benefit obligation are discount trade and expected salary increase. The sensitivity analysis below, have been determined based on resonably possible changes of the assumptions occuring at end of the reporting period , while holding all other assumptions constant. The result of Sesitivity analysis is given below:

₹ in Lakh

Particulars	2016-17	2015-16
	Gratuity	
a) Impact of the change in discount rate		
Present value of obligation at the end of the period	52.14	42.60
i) Impact due to increase of 0.50%	(3.46)	(2.95)
ii) Impact due to decrease of 0.50%	3.78	3.24
b) Impact of the change in salary increase		
Present value of obligation at the end of the period	52.14	42.60
i) Impact due to increase of 0.50%	3.84	3.30
ii) Impact due to decrease of 0.50%	3.54	(3.03)

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

(A) Investment risk – The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds; if the return on plan asset is below this rate, it will create a plan deficit.

(B) Interest risk - A decrease in the discount rate will increase the plan liability.

(C) Longevity risk – The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the lifeexpectancy of the plan participants will increase the plan's liability.

(D) Salary risk – The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

₹ in Lakh

	Particulars	2016-17	2015-16
21	**Finance costs**		
	Interest expense	0.01	0.29
	Other borrowing costs	0.78	1.51
		0.79	**1.80**

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

₹ in Lakh

	Particulars	2016-17	2015-16
22	**Other expenses**		
	Production Expenses		
	Studio and equipment hire charges	1.16	0.17
	Royalty expenses	186.49	376.05
	Content expenses	74.58	45.68
	Media professional fees	28.71	40.32
	Other production expenses	260.41	358.61
	Net (Gain)/Loss on foreign currency transactions and translations	(2.40)	2.92
	Electricity expenses	7.18	8.14
	Repairs and maintenance - Plant & Equipments	3.40	0.34
		559.53	**832.23**
	Selling and distribution Expenses		
	Distribution, advertising and business promotion	277.17	256.29
		277.17	**256.29**
	Establishment Expenses		
	Insurance	4.07	4.40
	Travelling and conveyance	116.32	144.48
	Vehicle running and maintenance	40.76	44.22
	Communication expenses	15.31	15.22
	Professional expenses	11.78	25.09
	Payment to Auditors (Refer Note 22.1)	4.00	4.00
	Rates and taxes	18.20	-
	Repairs Others	2.22	2.11
	Rent including lease rentals	45.27	74.24
	Office upkeep and maintenance	5.87	9.43
	Bad debts and allowance for doubtful trade receivable, loans and advances (net)	30.70	58.40
	Other Establishment expenses	6.14	15.43
		300.64	**397.02**
		1,137.34	**1,485.54**

22.1 Payments to the auditors comprises (net of service tax,where applicable):

₹ in Lakh

Particulars	2016-17	2015-16
Audit Fees	2.00	2.00
Tax Audit Fees	0.50	0.50
Fees For Certification & Consultation Work (Including limited review)	1.50	1.50
Total	**4.00**	**4.00**

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016
23	**Non-Current tax (net)**		
(a)	**Income tax recognised in Profit or Loss**		
	Current tax		
	In respect of the current year	-	-
	In respect of prior year	-	-
	Total Income tax expenses recognised in the current year relating to continuing operations.	-	-

The income tax expenses for the year can be reconciled to the accounting profit as follows.

₹ in Lakh

	As at 31st March, 2017	As at 31st March, 2016
Profit before tax from continuing operation	24.95	-
Applicable Tax Rate	19.055%	-
Computed tax expenses	4.75	-
Income not considered for tax purposes	(4.19)	-
Expenses not allowed for tax purposes	5.85	-
Additional allowances for tax purposes	-	
Additional allowances for Capital Gain	-	-
Carried forward losses utilised	-	
Tax Paid at lower rate	-	-
MAT Credit entitlement during the year	(6.41)	-
Other temprory differences	-	-
Income tax expenses recognised in statement of profit or loss	**0.00**	**-**

₹ in Lakh

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
b)	**Current tax assets (net)**			
	At start of year	31.79	52.63	52.63
	Charge for the year	-	-	-
	Adjusted with MAT Credit	(6.41)	-	-
	Over provision prior period	-	-	-
	Tax paid/ (received) during the year	24.78	(20.84)	-
	At end of year	**50.16**	**31.79**	**52.63**

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

₹ in Lakh

	Particulars	2016-17	2015-16
24	**Earnings Per Share (EPS)**		
	a. Net profit after tax (₹ in lakh)	24.95	(294.90)
	b. Weighted average outstanding equity shares considered for basic EPS (Nos.)	50,000	50,000
	c. Basic Earnings per share: (in ₹)	49.89	(589.79)
	d. Weighted average outstanding equity shares considered for basic EPS (Nos.)	50,000	50,000
	e. Add: Conversion of Debenture into Shares (Nos.)	4,91,664	9,900
	f. Weighted average outstanding equity shares considered for diluted EPS (Nos.)	5,41,664	59,900
	g. Diluted Earnings per share: (in ₹)	4.61	(492.31)
	h. Nominal value per share (in ₹)	10.00	10.00

25 Details of Specified Bank Note (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 are as under:

Amount in ₹

	SBN	Other Denomination Notes	Total
Closing Cash in hand as on 08/11/2016	5,500	846	6,346
(+) Permitted Receipts	-	10,000	10,000
(-) Permitted Payments	500	596	1,096
(-) Amount deposited in Bank	5,000	250	5,250
Closing Cash in hand as on 30/12/2016	**-**	**10,000**	**10,000**

26 Related party disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(a) List of related parties where control exists and related parties with whome transactions have taken place and relationships:

Sr. No.	Name of Related Party	Relationship
1	Independent Media Trust	Enterprises exercising Control
2	Adventure Marketing Private Limited*	
3	Watermark Infratech Private Limited*	
4	Colorful Media Private Limited*	
5	RB Media Holdings Private Limited*	
6	RB Mediasoft Private Limited*	
7	RRB Mediasoft Private Limited*	
8	RB Holdings Private Limited*	
9	Teesta Retail Private Limited (Formally Shinano Retail Private Limited which has merged eith Teesta Retail Private Limited w.e.f. 29.12.2016)*	
10	Network18 Media & Investments Limited	
11	Reliance Industries Limited (RIL)	Beneficiary/Protector of Independent Media Trust
12	Reliance Industrial Investments and Holdings Limited	
13	e-Eighteen.com Limited	Fellow Subsidiaries
14	Reliance Jio Digital Services Private Limited	
15	Brook Brothers India Private Limited	
16	TV18 Broadcast Limited	

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

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

26 Related party disclosures

(b) Details of balances and transactions during the year with related parties

Particulars	Year ended on	Purchase of services	Sale of services	Reimbursement of Expenses (Paid)	ZORCD Debentures	Amount Receivable from related parties*	Amount payable to related parties*	Closing Balance of ZORCD
Holding company								
Network18 Media and Investments Ltd	31st March, 2017	-	-	8.82	4,945.00	-	(0.60)	4,945.00
	31st March, 2016	0.25	-	36.80	210.00	-	(42.97)	4,795.00
	Opening as at 1st April, 2015	-	-	163.22	265.00	0.22	(11.86)	(4,585.00)
Fellow subsidiaries								
TV 18 Broadcast Ltd	31st March, 2017	64.62	(262.36)	67.86	-	79.22	(202.99)	-
	31st March, 2016	70.26	(67.07)	188.27	-	18.46	(297.68)	-
	Opening as at 1st April, 2015	90.90	(114.30)	157.37	-	18.03	(30.58)	-
e-Eighteen.com Ltd	31st March, 2017	-	-	1.24	-	-	(0.95)	-
	31st March, 2016	-	(4.64)	24.01	-	2.27	(24.55)	-
	Opening as at 1st April, 2015	27.54	(31.61)	54.48	-	2.27	(18.43)	-
Reliance Jio Digital Services Private Limited	31st March, 2017	-	(6.50)	-	-	-	-	-
	31st March, 2016	-	-	-	-	-	-	-
	Opening as at 1st April, 2015	-	-	-	-	-	-	-
Brook Brothers India Private Limited	31st March, 2017	-	(4.00)	-	-	4.00	-	-
	31st March, 2016	-	(5.00)	-	-	2.50	-	-
	Opening as at 1st April, 2015	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

27 Barter Transactions

During the year ended 31st March, 2017, the Company has entered into barter transactions, which were recorded at the contract price of consideration receivable or payable. The Statement of Profit and Loss for the year ended 31st March, 2017, reflects revenue from barter transactions of ₹ 239.24 lakh (Previous year ₹ 252.70 laks) and expenditure of ₹ 67.10 lakh (Previous year ₹ 79.32 lakh) being the contract price of barter transactions provided and received.

₹ in Lakh

Particulars	2016-17	2015-16
Revenue	239.24	252.70
Expenses	67.10	79.32

28 Foreign exchange exposure

The Company does not use foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitments and forecasted transactions.

The Company's foreign currency exposure not hedged by a derivative instrument or otherwise as at year end is as follows:

Particulars	Currency	Foreign Currency	
Trade receivables		Value	₹ in lakh
31st March, 2017	USD	38,304	24.84
31st March, 2016		(-)	(-)
Opening as on 1st April, 2015		(-)	(-)
Figures in bracket are for the previous year.			

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

29 First time Ind AS adoption reconciliations

29.1 Effect of IND AS adoption on the Standalone Balance Sheet as at 31st March, 2016 and 1st April, 2015

₹ in lakh

Particulars	As at 31st March, 2016			As at 1st April, 2015		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
Assets						
Non-current assets						
Property, Plant and Equipment	3.26	-	3.26	6.92	-	6.92
Other Intangible assets	0.61	-	0.61	2.74	-	2.74
Intangible assets under development	1.40	-	1.40	1.40	-	1.40
Deferred tax assets (net)	8.87	-	8.87	8.87	-	8.87
Other non- current assets	31.79	-	31.79	52.63	-	52.63
Total non-current Assets	45.93	-	45.93	72.56	-	72.56
Current assets						
Inventories	64.28	-	64.28	10.22	-	10.22
Financial Assets						
Trade receivables	963.47	-	963.47	773.97	-	773.97
Cash and cash equivalents	75.37	-	75.37	140.14	-	140.14
Loans	2.84	-	2.84	6.21	-	6.21
Other financial assets	0.59	-	0.59	0.08	-	0.08
Other Current Assets	98.48	-	98.48	160.29	-	160.29
Total Current Assets	1,205.03	-	1,205.03	1,090.91	-	1,090.91
Total Assets	**1,250.96**	**-**	**1,250.96**	**1,163.47**	**-**	**1,163.47**
EQUITY AND LIABILITIES						
Equity						
Equity Share capital	5.00	-	5.00	5.00	-	5.00
Other Equity	270.32	-	270.32	363.94	-	363.94
Total equity	275.32	-	275.32	368.94	-	368.94
Liabilities						
Non-current liabilities						
Provisions	60.66	-	60.66	51.25	-	51.25
Total non-current liabilities	60.66	-	60.66	51.25	-	51.25
Current liabilities						
Financial Liabilities						
Trade payables	721.77	-	721.77	562.35	-	562.35
Other financial liabilities	6.45	-	6.45	7.54	-	7.54
Provision	24.50	-	24.50	36.57	-	36.57
Other Current liabilities	162.26	-	162.26	136.82	-	136.82
Total current liabilities	**914.98**	**-**	**914.98**	**743.28**	**-**	**743.28**
Total liabilities	**975.64**	**-**	**975.64**	**794.53**	**-**	**794.53**
Total equity and liabilities	**1,250.96**	**-**	**1,250.96**	**1,163.47**	**-**	**1,163.47**

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

29.2 Reconciliation of Reserve between IND AS and Previous GAAP

₹ in lakh

Sr. No.	Nature of adjustments	Note No	Year ended 31st March, 2016	As at 31st March, 2016	As at 1st April, 2015
	Net Profit/Reserves as per Previous Indian GAAP		**303.62**	**(4,524.67)**	**(4,221.06)**
1	Remeasurements of the defined benefit plans	i	8.72	-	-
	Total		**8.72**	**-**	**-**
	Net profit before Other Comprehensive Income / Reserves as per Ind AS		**(294.90)**	**(4,524.67)**	**(4,221.06)**

Notes:

i Remeasurements of the defined benefit plans:

Remeasurement i.e acturial gains and loss on gratuity are recognised in Other Comprehensive Income instead of Statement of Profit and Loss. Under the previous GAAP, these remeasurement were forming part of the Statement of Profit and Loss for the year.

29.3 Effect of Ind AS adoption on the statement of Profit and Loss for the year ended 31st March, 2016

₹ in lakh

Particulars	Year ended 31st March, 2016		
	Previous GAAP	**Effect of transition to Ind AS**	**As per Ind AS**
INCOME			
Revenue from operations			
Income from Services	2,366.31	-	2,366.31
	2,366.31	**-**	**2,366.31**
Other Income	14.80		14.80
Total Revenue	**2,381.11**	**-**	**2,381.11**
EXPENDITURE			
Cost of materials consumed	96.68	-	96.68
Employee benefits expense	1,094.12	(8.72)	1,085.40
Finance costs	1.80	-	1.80
Depreciation and amortisation expense	6.59	-	6.59
Other expenses	1,485.54	-	1,485.54
Total Expenses	2,684.73	(8.72)	2,676.01
Profit Before Tax	(303.62)	(8.72)	(294.90)
Tax Expenses			
Current Tax	-	-	-
Profit for the Year	**(303.62)**	**(8.72)**	**(294.90)**

Notes to the Standalone Financial Statements for the year ended 31st March, 2017

30 Contingent Liability

There are no contingent liabilities existing as on 31st March, 2017.

31 The Board of Directors, have approved the amalgamation of the Company with Network18 Media & Investments Limited, the holding Company ("Transferee Company") in accordance with the proposed Scheme of Amalgamation for amalgamation of Colosceum Media Private Limited, Digital18 Media Limited, Capital18 Fincap Private Limited, RVT Finhold Private Limited, RRK Finhold Private Limited, RRB Investments Private Limited, Setpro18 Distribution Limited, Reed Infomedia India Private Limited, Web18 Software Services Limited, Television Eighteen Media and Investments Limited, Television Eighteen Mauritius Limited, Web18 Holdings Limited, E18 Limited and Network18 Holdings Limited with the 'Transferee Company' with appointed date as 1st April, 2016, subject to necessary approvals.

As per our Report of even date
For Mohan L Jain & Co.
Chartered Accountants
Firm Registration No. 005345N

Ankush Jain
Partner
Membership No. 540194

Place: New Delhi
Date: 13th April, 2017

For and on behalf of the Board of Directors

Ratnesh Rukhariyar
Director
DIN: 00004615

Deepak Gupta
Director
DIN: 07520015

Place: Noida
Date: 13th April, 2017