

REED INFOMEDIA INDIA PRIVATE LIMITED
FINANCIAL STATEMENTS
2017-18

Independent Auditor's Report

To,

The Members of Reed Infomedia India Private Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Reed Infomedia India Private Limited ("The Company"), which comprise the Balance Sheet as at March 31st, 2018 and the statement of Profit and Loss and Cash flow statement for the year then ended, and a summary of 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions 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 judgments and estimates that are reasonable and prudent; and the 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 standalone Ind AS financial statements based on our audit.

In conducting 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 and the Order issued under section 143(11) of the Act.

We conducted our audit of the Ind AS financial statements 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 the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS 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 Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

We draw your attention to Note 14 regarding the Management's decision to discontinue the business of the Company; following which it does not have definite business plans. Accordingly, these financial statements have not been prepared on a going concern basis.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its loss, total comprehensive loss, 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 sub-section (11) of section 143 of the Act and on the basis of such checks of the books and records of the company as we considered appropriate and according to the informations and explanation given to us, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by section 143 (3) of the Act, we report 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 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 it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on 31 March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018, 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 B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 1.1 to the standalone Ind AS financial statements;
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SKPAG & Co.
Chartered Accountants
Firm Regd. No. 128940W

Nitin Sharma
Partner
Membership No. 159716

Place: Mumbai
Date: 18th April, 2018

“Annexure A” to the Independent Auditors’ Report referred to Paragraph 1 under the heading of “Report on other legal regulatory requirements of our report of even date.

1. In respect of its fixed assets:
 - a) As per the information and explanations given to us, the Company had no fixed assets, hence the clause with respect to fixed assets of the Order is not applicable to the Company.
 - b) As the Company has no immovable assets during the year, clause (c)(i) of paragraph 3 of the Order is not applicable to the Company.
2. As the Company had no Inventories during the year, clause (ii) of paragraph 3 of the Order is not applicable to the Company.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) to(c) of paragraph 3 of the Order is not applicable to the Company.
4. In respect of loans, investments, guarantees and security, the Company:
 - a) Company has not directly or indirectly advanced loan to the persons or given guarantees or securities in connection with the loan taken by persons covered under section 185 of the Act.
 - b) According to the information and explanations given to us, Company has complied with the provisions of section 186 of the Act.
5. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of section 73 to 76 or any other relevant provisions of the Act and rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
6. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/ services of the Company.
7. In respect of statutory dues:
 - a) According to the information and explanations given to us and as per records of the Company, undisputed statutory dues including Provident fund, Investor Education and Protection Fund, Employees’ State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanation given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at 31st March, 2017 for a period more than six months from the date they become payable.
 - b) According to the information and explanations given to us and as per records of the Company, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value of added tax, cess on account of any dispute, which has not been deposited.
8. In our opinion and according to the information and explanations given to us the Company, has not taken any loans from banks or financial institution or by issue of debentures.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loan and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
10. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. Company has not paid any managerial remuneration during the year and hence clause (xi) of paragraph 3 of the order is not applicable to the Company.
12. In our opinion company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

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13. In respect to transactions with related parties:
- a) In our opinion and according to the information and explanations given to us, section 177 of the Act is not applicable to the company.
 - b) In our opinion and according to the information and explanations given to us, company is in compliance with the section 188 of the Act and details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
14. In our opinion and according to the information and explanations given to us, company has not made any preferential allotment or private placement or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, company has not entered into any non-cash transactions with the directors or persons connected with him and covered under section 192 of the Act. Hence clause (xv) of paragraph 3 of the Order are not applicable to the Company.
16. To the best of our knowledge and as explained, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For SKPAG & Co.
Chartered Accountants
Firm Regd. No. 128940W

Nitin Sharma
Partner
Membership No. 159716

Place: Mumbai
Date: 18th April, 2018

“Annexure B” to the Independent Auditors’ Report referred to Paragraph 2(f) under the heading of “Report on other legal regulatory requirements of our report of even date.

Report on the Internal Financial Controls of Financial Statements under Clause (i) of Sub-section 3 of the Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Reed Infomedia India Private Limited** (“the company”) as of 31 March 2018 in conjunction with our audit of the standalone Ind AS 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 establishment and maintaining internal financial controls based in the internal control over financial reporting criteria establishment by the Company considering the essential components of internal control stated in the Guidance Note on audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibility includes the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable 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 over financial reporting based on our audit. We conducted our audit in accordance with the 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was establishment and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedure selected depends on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company’s internal financial controls systems over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and 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 preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition 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 controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal control over financial reporting may become inadequate because of changes in conditions, 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 financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2018, based on the internal control over reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SKPAG & Co.

Chartered Accountants
Firm Regd. No. 128940W

Nitin Sharma

Partner
Membership No. 159716

Place: Mumbai

Date: 18th April, 2018

Balance Sheet as at 31st March, 2018

	Notes	Amount in ₹	
		As at 31st March, 2018	As at 31st March, 2017
ASSETS			
Non - current assets			
Other non- current assets	1	2,10,977	2,10,977
Current assets			
Financial Assets			
Cash and cash equivalents	2	46,325	729
Total Assets		2,57,302	2,11,706
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	3	10,00,00,000	10,00,00,000
Other Equity	4	(10,02,24,028)	(9,99,34,546)
Total Equity		(2,24,028)	65,454
LIABILITIES			
Current liabilities			
Financials Liabilities			
Borrowings	5	4,30,000	-
Trade payable	6	30,000	1,46,252
Other financial liabilities	7	19,197	-
Other Current Liabilities	8	2,133	-
Total Current Liabilities		4,81,330	1,46,252
Total Equity and Liabilities		2,57,302	2,11,706

Significant Accounting Policies and accompanying notes (1 to 18) are part of the financial statements.

As per our report of even date.

For SKPAG & Co.

Chartered Accountants

Firm's Registration No.: 128940W

Nitin Sharma

Partner

Membership No. 159716

Place: Mumbai

Date : 18th April, 2018

For and on behalf of the Board of Directors

Reed Infomedia India Private Limited

Ratnesh Rukhariyar

Director

DIN: 00004615

Place: Noida

Date : 18th April, 2018

Deepak Gupta

Director

DIN: 07520015

Statement of Profit & Loss for the year ended 31st March, 2018

	Notes	Year ended 31st March, 2018	Amount in ₹ Year ended 31st March, 2017
Revenue			
Revenue from operations		-	-
Other income	9	185	-
Total Revenue		185	-
Expenses:			
Finance Costs	10	21,330	-
Other operating expenses	11	2,68,337	44,485
Total expenses		2,89,667	44,485
Loss before tax		(2,89,482)	(44,485)
Tax expense:			
(a) Current Tax		-	-
(b) Deferred tax		-	-
		-	-
Profit for the year		(2,89,482)	(44,485)
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		(2,89,482)	(44,485)
Earnings per equity share of face value of ₹ 10/- each			
Basic and diluted (in ₹)	12	(0.029)	(0.004)

Significant Accounting Policies and accompanying notes (1 to 18) are part of the financial statements.

As per our report of even date.

For SKPAG & Co.

Chartered Accountants

Firm's Registration No.: 128940W

Nitin Sharma

Partner

Membership No. 159716

Place: Mumbai

Date : 18th April, 2018

For and on behalf of the Board of Directors

Reed Infomedia India Private Limited

Ratnesh Rukhariyar

Director

DIN: 00004615

Place: Noida

Date : 18th April, 2018

Deepak Gupta

Director

DIN: 07520015

Statement of Changes in Equity for the period ended 31st March, 2018

A. Equity Share Capital

Amount in ₹

Balance at the beginning of 1st April, 2016	Changes in equity share capital during the year 2016-17	Balance as at 31st March, 2017	Changes in equity share capital during the year 2017-18	Balance as at 31st March, 2018
10,00,00,000	-	10,00,00,000	-	10,00,00,000

B. Other Equity

Amount in ₹

Particulars	Reserves and Surplus
	Retained Earnings
For the year 2016-17	
Balance at the beginning of 1st April, 2016	(9,98,90,061)
Total Comprehensive Income for the year	(44,485)
Balance as at the end of 31st March, 2017	(9,99,34,546)
For the year 2017-18	
Balance at the beginning of 1st April, 2017	(9,99,34,546)
Total Comprehensive Income for the year	(2,89,482)
Balance as at the end of 31st March, 2018	(10,02,24,028)

As per our report of even date.

For SKPAG & Co.

Chartered Accountants

Firm's Registration No.: 128940W

Nitin Sharma

Partner

Membership No. 159716

Place: Mumbai

Date : 18th April, 2018

For and on behalf of the Board of Directors

Reed Infomedia India Private Limited

Ratnesh Rukhariyar

Director

DIN: 00004615

Place: Noida

Date : 18th April, 2018

Deepak Gupta

Director

DIN: 07520015

Cash flow statement for the year ended 31st March, 2018

Particulars	Amount in ₹	
	Year ended 31st March, 2018	Year ended 31st March, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES:		
(Loss) Before Taxation	(2,89,482)	(44,485)
Adjustments For:		
Increase In Trade and Other Payables	(94,922)	44,485
Cash Generated From/ (Used In) Operations	(3,84,404)	
Taxes Paid	-	-
Net Cash Generated From/ (Used In) Operating Activities	(3,84,404)	-
B. CASH FLOW FROM INVESTING ACTIVITIES:	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Loan received from related party	4,30,000	-
Net Cash From Financing Activities	4,30,000	
Net (Decrease) in cash and cash equivalents (A+B+C)	45,596	-
Cash and Cash Equivalents as at the beginning of the year	729	729
Cash and Cash Equivalents as at the end of the year	46,325	729
Cash and cash equivalents		
Balances with Scheduled Banks in:		
- Current Accounts	46,325	729
Cash and cash equivalents as per note 2	46,325	729

As per our report of even date.

For SKPAG & Co.

Chartered Accountants

Firm's Registration No.: 128940W

Nitin Sharma

Partner

Membership No. 159716

Place: Mumbai

Date : 18th April, 2018

For and on behalf of the Board of Directors

Reed Infomedia India Private Limited

Ratnesh Rukhariyar

Director

DIN: 00004615

Place: Noida

Date : 18th April, 2018

Deepak Gupta

Director

DIN: 07520015

Notes to the financial statements for the year ended on 31st March, 2018

A CORPORATE INFORMATION

The registered office of the Company is situated at First Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra. Reed Infomedia India Private Limited (“the Company”) was a 49:51 joint venture between Infomedia Press Limited and Reed Overseas B.V., a company incorporated in Netherlands; a multinational with presence in several countries respectively.

The principal activities of the company are magazines publishing.

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 rules notified under the relevant provisions of the Companies Act, 2013.

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

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Borrowings 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.

(b) Provisions and Contingencies

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.

(c) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in 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 income tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilised.

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.

Notes to the financial statements for the year ended on 31st March, 2018

(d) Revenue recognition

Revenue from operations includes sale of goods and services. Sale of services includes advertisement revenue, subscription revenue, revenue from sale of magazine.

Sale of services is 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. Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. 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.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

(e) Financial instruments

1 Financial Assets

i 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. Regular way purchase and sale of financial assets are recognised using trade date accounting.

ii 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 subsequently 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 subsequently fair valued through profit or loss.

iii Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

a) Financial assets at amortised cost

b) Financial assets measured at fair value through Other Comprehensive income

The Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Notes to the financial statements for the year ended on 31st March, 2018

2 Financial liabilities

i Initial recognition and measurement:

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

ii 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.

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.

Notes to the financial statements for the year ended on 31st March, 2018

Particulars	Amount in ₹	
	As at 31st March, 2018	As at 31st March, 2017
1 Other non-current assets		
Advance Income Tax (Refer Note No. 1.1)	2,10,977	2,10,977
Total	2,10,977	2,10,977

- 1.1 Includes recovery of tax by Income Tax Department ₹ 176,503/- is against demand order no. OE/II/27/18/12-13 issued u/s 156 dated 23/03/2013. Against this order the Company received part relief from CIT (A). Subsequently vided ITAT order dated 03.04.2017 received 100% relief. The Company had file order given effect letter to AO and claimed refund of ₹ 176,503/-.

Particulars	Amount in ₹	
	As at 31st March, 2018	As at 31st March, 2017
2 Cash and cash equivalents		
Balances with banks in current accounts	46,325	729
Total	46,325	729

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
3 Share capital				
a (i) Authorised				
Equity Shares of ₹ 10 each	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
(ii) Issued, Subscribed & Paid up				
Equity Shares of ₹ 10 each				
Issued	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Subscribed and fully paid up	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Total	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- b **Details of shares held by each shareholder holding more than 5% shares :**

Name of Shareholders	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Capital 18 Fincap Private Limited, the Holding Company*	1,00,00,000	100%	1,00,00,000	100%
Total	1,00,00,000	100%	1,00,00,000	100%

*includes shares held jointly by its nominees

Notes to the financial statements for the year ended on 31st March, 2018

c Details of shares held by holding company and their subsidiaries:

Name of Shareholders	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Capital 18 Fincap Private Limited, the Holding Company*	1,00,00,000	100%	1,00,00,000	100%
Total	1,00,00,000	100%	1,00,00,000	100%

*includes shares held jointly by its nominees

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

There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

e Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Equity Share opening balance	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Add: Shares Issued during the year	-	-	-	-
Equity Share closing balance	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000

	Amount in ₹	
	As at 31st March, 2018	As at 31st March, 2017
4 Reserves & Surplus		
Retained Earnings		
Opening balance	(9,99,34,546)	(9,98,90,061)
Add: Net Loss for the current year	(2,89,482)	(44,485)
Closing Balance	(10,02,24,028)	(9,99,34,546)
Total	(10,02,24,028)	(9,99,34,546)

	Amount in ₹	
	As at 31st March, 2018	As at 31st March, 2017
5 Borrowings - current		
(Unsecured)		
Loans from related parties (Refer Note No. 5.1)	4,30,000	-
Total	4,30,000	-

5.1 The above interest bearing loan is repayable within 11 months.

Notes to the financial statements for the year ended on 31st March, 2018

		Amount in ₹	
		As at 31st March, 2018	As at 31st March, 2017
6	Trade payables		
	Micro, Small and Medium Enterprises	-	-
	Others	30,000	1,46,252
	Total	30,000	1,46,252
6.1	Note		
	According to the records available with the Company, there were no transactions with Micro, Small and Medium Enterprises and no dues payable to entities that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 during the period 1st April, 2017 to 31st March, 2018. Hence disclosures, if any, relating to amounts unpaid as at the year end together with the interest paid / payable as required under the said Act have not been given.		
		Amount in ₹	
		As at 31st March, 2018	As at 31st March, 2017
7	Other financial liabilities - current		
	Interest accrued but not due on borrowings	19,197	-
	Total	19,197	-
		Amount in ₹	
		As at 31st March, 2018	As at 31st March, 2017
8	Other Current liabilities		
	Other Payables		
	Statutory dues	2,133	-
	Total	2,133	-
		Amount in ₹	
		Year ended 31st March, 2018	Year ended 31st March, 2017
9	Other Income		
	Interest income	185	-
	Total	185	-
		Amount in ₹	
		Year ended 31st March, 2018	Year ended 31st March, 2017
10	Finance Cost		
	Interest cost	21,330	-
	Other borrowing costs	-	-
	Total	21,330	-

Notes to the financial statements for the year ended on 31st March, 2018

	Year ended 31st March, 2018	Amount in ₹ Year ended 31st March, 2017
11 Other Expenses		
Professional and Legal fees (Refer footnote No. 11.1)	2,64,677	44,485
Other establishment expenses	3,660	-
Total	2,68,337	44,485

11.1 Includes payments to Auditors:

Particulars

Statutory audit fees	30,000	34,500
Total	30,000	34,500

	Year ended 31st March, 2018	Amount in ₹ Year ended 31st March, 2017
12 Computation of Basic Earning Per Share		
Net Loss/Profit attributable (₹)	(2,89,482)	(44,485)
Weighted average number of equity shares used as denominator for calculating basic and diluted EPS	1,00,00,000	1,00,00,000
Basic and diluted Earnings per Share (₹)	(0.029)	(0.004)
Face Value per Equity Share (₹)	10	10

13 Related Parties Disclosures

As per Ind AS 24, 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:

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*	
10	Network18 Media & Investments Limited	
11	Capital18 Fincap Private Limited	
12	Reliance Industries Limited (RIL)	Beneficiary/Protector of Independent Media Trust
13	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary
14	Setpro 18 Distribution Limited	

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

Notes to the financial statements for the year ended on 31st March, 2018

(ii) Transactions and details of balances during the year with related parties

Particulars	Amount in ₹ Fellow Subsidiary
(a) Transactions during the year	
Loan taken during the year	
Setpro 18 Distribution Limited	4,30,000 (-)
Finance Cost	
Setpro 18 Distribution Limited	21,330 (-)
(b) Balance at the end of the year:	
Amount due to	
Setpro 18 Distribution Limited	4,49,197 (-)

Figures in brackets represents figures for previous year

- 14 The accumulated losses of the Company have resulted in negative of its net worth. Reed Elsevier Overseas B.V and Infomedia Press Limited have entered into an agreement on 20th July, 2009 relating to the termination of the Joint Venture and the liquidation and winding up of the Company. Accordingly, the financial statements have been prepared assuming the Company will not continue as a going concern, accordingly current assets and liabilities are stated at the values at which they are realizable and payable.
- 15 The Scheme for Merger by Absorption (the 'Scheme') for merger of 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 in to Network18 Media & Investments Limited ('Transferee Company') with appointed date as 1st April, 2016, has been filed with National Company Law Tribunal, Mumbai Bench, for approval. The Transferee Company has decided to continue Colosseum Media Private Limited, a wholly owned subsidiary of the Transferee Company and the Scheme was filed accordingly.
- 16 The Company has neither incurred any expenses nor earned any income in foreign currency during the financial year.
- 17 The Company operates only in one segment, hence there are no reportable segments in accordance with Ind AS 108 "Operating Segments".
- 18 The Financial Statements were approved by Board of Directors on 18th April, 2018

As per our report of even date.

For SKPAG & Co.

Chartered Accountants

Firm's Registration No.: 128940W

Nitin Sharma

Partner

Membership No. 159716

Place: Mumbai

Date : 18th April, 2018

For and on behalf of the Board of Directors

Reed Infomedia India Private Limited

Ratnesh Rukhariyar

Director

DIN: 00004615

Place: Noida

Date : 18th April, 2018

Deepak Gupta

Director

DIN: 07520015