ADVENTURE MARKETING PRIVATE LIMITED
ANNUAL ACCOUNTS - FY : 2017-18

Independent Auditor's Report

TO THE MEMBERS OF ADVENTURE MARKETING PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Adventure Marketing Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, 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 Ind AS 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), its losses (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') prescribed under Section 133 of the Act read with relevant rules issued there under. 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 Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act and the Rules made thereunder including 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 of Ind AS financial statement 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 these 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 controls 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these Ind AS financial statements.

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 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 2018, and its losses (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The Ind AS financial statement of the Company for the year ended 31st March 2017 were audited by Mohan L. Jain & Co., Chartered Accountants (Firm registration no. 005345N) who expressed unmodified opinion vide their report dated 17th April 2017. Our Opinion is not modified in respect of said matter.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure A** statement on the matters specified in paragraphs 3 and 4 of the Order.

2. Further to our comment in the Annexure A, 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 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 Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

   d. In our opinion, the aforesaid Ind AS financial statements comply with Ind AS prescribed under Section 133 of the Act read with relevant rules there under;

   e. On the basis of the written representations received from the directors of the Company as on 31st March, 2018, taken on record by the Board of Directors, none of the directors are disqualified as on 31st 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"**;

   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, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed in Note 14 to the Financial Statement, has disclosed the impact of pending litigation on 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 required to be transferred to the Investor Education and Protection Fund by the Company.

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No. 107783W

Gopal Chaturvedi
Partner
Membership No. 090903

Place: Mumbai
Date:16th April 2018

"Annexure A" to the Independent Auditor's Report

(Referred to in paragraph 1 under the heading " Report on Other Legal and Regulatory Requirements" of our report of even date to the members of the Adventure Marketing Private Limited on the financial statements for the year ended 31st March 2018)

(i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) are not applicable to the Company.

(ii) The Company does not have any inventory during the year that requires physical verification. Therefore, the provisions of paragraph 3(ii) of the Order are not applicable to the Company.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provision of paragraph 3 (iii) of the Order are not applicable to the Company.

(iv) 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. Therefore, the provisions of paragraph 3(iv) of the Order are not applicable to the Company.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) According to the information and explanation 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 Company's products. Therefore, the provisions of paragraph 3(vi) of the Order are not applicable to the Company.

(vii) **(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, Income-tax, Tax deducted at sources, Tax collected at source, Professional tax, Sales tax, value added tax, Service Tax, duty of customs, duty of excise, Cess and other material statutory dues applicable to it, with the appropriate authorities.

(b) Details of dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2018 on account of disputes are given below:

Name of the Statute	Nature of Dues	Period to which the amount relates	Forum where dispute is pending	Amount demanded (INR)	Amount deposited/ adjusted (INR)
Income Tax Act, 1961	Income Taxes	AY 2013-14	CIT(A)	11,45,70,550/-	Nil

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

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

(x) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and on the basis of information and explanations given 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.

(xi) No managerial remuneration is paid by the Company. Therefore, the provisions of Clause 3 (xi) of the Order are not applicable to the Company.

(xii) The Company is not Nidhi Company as per Companies Act 2013. Therefore, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

(xiii) According to the information and explanations given to us, Company's transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, where applicable and details have been disclosed in financial statements, as required by the applicable Indian accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private- placement of shares or fully or partly convertible debentures. Therefore, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

(xv) 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. Therefore, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

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

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration No. 107783W

Gopal Chaturvedi
Partner
Membership No. 090903

Place: Mumbai
Date: 16th April 2018

"Annexure B" to the Independent Auditor's Report

Referred to in paragraph 2(f) under the heading " Report on Other Legal and Regulatory Requirements" of our report of even date to the members of the Adventure Marketing Private Limited on the financial statements for the year ended 31st March 2018.

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

We have audited the internal financial controls over financial reporting of Adventure Marketing Private Limited ("the Company") as of March 31, 2018 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 financial controls based on the internal control over financial 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. These responsibilities include 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 established 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 procedures selected depend on the auditor's judgement, 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 system 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 financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements 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 financial 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 March 31, 2018, based on the internal control over financial 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 Pathak H.D. & Associates
Chartered Accountants
Firm Registration No. 107783W

Gopal Chaturvedi
Partner
Membership No. 090903

Place: Mumbai
Date: 16th April 2018

Balance Sheet as at 31st March, 2018

Amount in Rupees

	Note No.	As at 31st March 2018	As at 31st March 2017
ASSETS			
Non-current assets			
Financial Assets			
Investments	1	3,82,73,04,270	3,82,73,04,270
Other non-current assets	2	3,954	3,954
Total Non-current Assets		**3,82,73,08,224**	**3,82,73,08,224**
Current assets			
Financial Assets			
Investments	3	26,73,353	25,02,649
Cash and cash equivalents	4	1,04,474	2,65,129
Total Current Assets		**27,77,827**	**27,67,778**
Total Assets		**3,83,00,86,051**	**3,83,00,76,002**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	6	1,00,000	1,00,000
Other Equity	7	3,82,98,37,075	3,82,98,37,127
Total Equity		**3,82,99,37,075**	**3,82,99,37,127**
Liabilities			
Current liabilities			
Other current liabilities	8	1,48,976	1,38,875
Total Current Liabilities		**1,48,976**	**1,38,875**
Total Equity and Liabilities		**3,83,00,86,051**	**3,83,00,76,002**
Significant Accounting Policies See accompanying Notes to the Financial Statements	1 to 21		

As per our Report of even date

For Pathak H.D. & Associates.
Chartered Accountants
Firm Registration No. 107783W

Gopal Chaturvedi
Partner
Membership No. 090903

Place: Mumbai
Date : 16th April, 2018

For and on behalf of the Board of Directors

L V Merchant
Director

Venkataraman Ramachandran
Director

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

Amount in Rupees

	Note No.	2017-18	2016-17
Income			
Revenue from operations	9	2,87,860	1,06,920
Other income	10	1,70,704	1,02,649
Total Income		**4,58,564**	**2,09,569**
Expenses			
Purchase of traded goods	11	2,87,570	1,01,734
Other expenses	12	1,71,046	1,20,315
Total expenses		**4,58,616**	**2,22,049**
Loss before tax		**(52)**	**(12,480)**
Tax expense:			
Current Tax		-	-
Net tax expense		-	-
Loss for the year		**(52)**	**(12,480)**
Other Comprehensive Income		-	
Total Comprehensive Income for the year		**(52)**	**(12,480)**
Earnings per equity share of face value of Rs. 10 each			
(a) Basic	13	(0.01)	(1.25)
(b) Diluted	13	(0.00)	(0.00)
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 21		

As per our Report of even date

For Pathak H.D. & Associates.
Chartered Accountants
Firm Registration No. 107783W

Gopal Chaturvedi
Partner
Membership No. 090903

Place: Mumbai
Date : 16th April, 2018

For and on behalf of the Board of Directors

L V Merchant
Director

Venkataraman Ramachandran
Director

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

A. Equity Share Capital

Amount in Rupees

Balance at the beginning of reporting period i.e 1st April, 2016	Changes in equity share capital during the year 2016-17	Balance at the end of reporting period i.e. 31st March, 2017	Changes in equity share capital during the year 2017-18	Balance at the end of reporting period i.e. 31st March, 2018
1,00,000	-	1,00,000	-	1,00,000

B. Other Equity

Amount in Rupees

Particulars	Equity instruments	Retained Earnings	Total
Balance at the beginning of the reporting period i.e. 1st April, 2016	3,86,60,09,670	(3,61,60,063)	3,82,98,49,607
Total Comprehensive Income for the year	-	(12,480)	(12,480)
Balance at the end of the reporting period i.e. 31st March, 2017	**3,86,60,09,670**	**(3,61,72,543)**	**3,82,98,37,127**
As on 31st March, 2018			
Balance at the beginning of the reporting period i.e. 1st April, 2017	3,86,60,09,670	(3,61,72,543)	3,82,98,37,127
Total Comprehensive Income for the year	-	(52)	(52)
Balance at the end of the reporting period i.e. 31st March, 2018	**3,86,60,09,670**	**(3,61,72,595)**	**3,82,98,37,075**

As per our Report of even date

For Pathak H.D. & Associates.
Chartered Accountants
Firm Registration No. 107783W

Gopal Chaturvedi
Partner
Membership No. 090903

Place: Mumbai
Date : 16th April, 2018

For and on behalf of the Board of Directors

L V Merchant
Director

Venkataraman Ramachandran
Director

Cash Flow Statement for the year ended 31st March, 2018

			Amount in Rupees
		2017-18	**2016-17**
A:	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Loss before tax as per Statement of Profit and Loss	(52)	(12,480)
	Adjusted for:		
	Unrealised gain on investment	(1,70,704)	(1,02,649)
	Operating loss before working capital changes	**(1,70,756)**	(1,15,129)
	Adjusted for:		
	Trade and Other Payables	10,101	94,167
	Trade and Other Receivables	-	-
	Cash (used in) operations	**(1,60,655)**	(20,962)
	Taxes paid (Net)	-	-
	Net cash (used in) operating activities	**(1,60,655)**	(20,962)
B:	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Current Investments	**-**	(24,00,000)
	Net cash (used in) investing activities	**-**	(24,00,000)
C:	**CASH FLOW FROM FINANCING ACTIVITIES**	**-**	-
	Net cash (used in) financing activities	**-**	-
	Net (Decrease) in Cash and Cash equivalents	**(1,60,655)**	(24,20,962)
	Opening Balance of Cash and Cash equivalents	2,65,129	26,86,091
	Closing Balance of Cash and Cash equivalents	**1,04,474**	2,65,129

As per our Report of even date

For Pathak H.D. & Associates.
Chartered Accountants
Firm Registration No. 107783W

Gopal Chaturvedi
Partner
Membership No. 090903

Place: Mumbai
Date : 16th April, 2018

For and on behalf of the Board of Directors

L V Merchant
Director

Venkataraman Ramachandran
Director

Notes to the Financial Statements for the year ended 31 March, 2018

A CORPORATE INFORMATION

Adventure Marketing Private Limited ("the Company") is a private limited company incorporated in India on 2nd May, 2011, having its registered office at 9th Floor, Maker Chambers IV, 222, Nariman Point, Mumbai - 400021 Maharashtra, India. The company is engaged in the business of trading and has also made investments.

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 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.

Company's financial statements are presented in Indian Rupees (Rs.) 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 written down value 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) 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.

(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 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 31 March, 2018

(d) 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 operations includes sale of goods 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.

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

(e) Financial instruments

(I) Financial Assets

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.

Subsequent measurement:

i) 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.

ii) 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.

iii) 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.

iv) Investment in subsidiaries, associates and joint ventures:

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

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.

The Company uses historical loss experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

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 31 March, 2018

(II) Financial liabilities

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.

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.

i) 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 31 March, 2018

Amount in Rupees

		As at 31st March 2018	As at 31st March 2017
1	**Non-current Investments**		
	Investments classification at cost		
	In Equity shares - Quoted, fully paid up		
	12,75,28,287 (Previous year 12,75,28,287) shares of Network18 Media & Investments Limited	3,61,88,98,610	3,61,88,98,610
	1,04,20,173 (Previous Year 1,04,20,173) shares of TV18 Broadcast Limited	20,84,05,660	20,84,05,660
	Total	**3,82,73,04,270**	**3,82,73,04,270**
	Aggregate amount of quoted investments	3,82,73,04,270	3,82,73,04,270
	Market Value of quoted investments	8,33,17,61,585	4,96,49,01,455
1.1	**Category-wise Non-current Investments**		
	Financial assets measured at cost	3,82,73,04,270	3,82,73,04,270
	Total	**3,82,73,04,270**	**3,82,73,04,270**
2	**Other non-current assets**		
	(Unsecured and considered good)		
	Balance with Revenue Authorities	3,954	3,954
	Total	**3,954**	**3,954**
3	**Current Investments**		
	Investments classification at Fair value through Profit and Loss		
	In Mutual Fund-Unquoted		
	10,396.63 (Previous year 10396.63) units of ICICI Prudential Liquid - Direct plan growth	26,73,353	25,02,649
	Total	**26,73,353**	**25,02,649**
	Aggregate amount of quoted investments	26,73,353	25,02,649
	Market Value of quoted investments	26,73,353	25,02,649
3.1	**Category-wise current investments**		
	Financial assets measured at Fair value through Profit and Loss	26,73,353	25,02,649
4	**Cash and Cash equivalents**		
	Balance with Banks		
	‘ -in current accounts	1,04,474	2,65,129
	Total	**1,04,474**	**2,65,129**

Notes to the Financial Statements for the year ended 31 March, 2018

Amount in Rupees

		Year ended 31st M0arch, 2018	Year ended 31st March, 2017
5	**Taxation**		
	Income tax recognised in Statement of Profit and Loss		
	Current tax	-	-
	Deferred tax	-	-
	Total income tax expenses recognised in the current year	-	-

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

	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit before tax	**(52)**	-
Applicable Tax Rate	**34.61%**	34.61%
Computed Tax Expense	**(18)**	-
Tax Effect of :		
Income not taxable	**(1,70,704)**	-
Expenses disallowed	**1,70,722**	-
Current Tax Provision (A)	-	-
Incremental Deferred Tax Liability on account of PPE	-	-
Incremental Deferred Tax Asset on account of Financial Assets & Other items	-	-
Deferred Tax Provision (B)	-	-
Tax Expenses recognised in Statement of Profit and Loss (A+B)	-	-
Effective Tax Rate	**0.00%**	0.00%

Amount in Rupees

			As at 31st March, 2018	As at 31st March 2017
6	**Equity Share capital**			
	a)	**Authorized Share Capital**		
		10,000 (Previous year 10,000) Equity shares of Rs. 10 each	1,00,000	1,00,000
			1,00,000	**1,00,000**
	b)	**Issued, subscribed and paid up capital**		
		10,000 (Previous year 10,000) Equity shares of Rs. 10 each fully paid up	1,00,000	1,00,000
		Total	**1,00,000**	**1,00,000**

c) The Company has only one class of equity shares having face value of Rs. 10 each 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 right 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 of their shareholding.

Notes to the Financial Statements for the year ended 31 March, 2018

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

Particulars	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	10,000	10,000
Add : Shares issued during the year	-	-
Equity Shares at the end of the year	**10,000**	**10,000**

6.2 Details of shareholders holding more than 5% shares of the Company:

Particulars	% held	No. of Shares	No. of Shares
Sanchar Content Private Limited (On behalf of Independent Media Trust)	99.99%	9,999	9,999
Total	**99.99%**	**9,999**	**9,999**

Amount in Rupees

		As at 31st March, 2018	As at 31st March 2017
7	**Other Equity**		
	Reserves & Surplus		
	a) Equity Instruments		
	Opening balance	3,86,60,09,670	3,86,60,09,670
	Add: Issued during the year	-	-
	Closing balance	3,86,60,09,670	3,86,60,09,670

Note:

Zero coupon optionally fully convertible debentures (ZOFCD) Units 3,86,60,097 (Previous year Units 3,86,60,097)

Conversion at any time after 2 years from the date of allotment at the option of the Company (Issuer). The Company shall issue 10 equity shares of every debenture held in the Company. Early conversion at any time after allotment of the ZOFCDs by giving one month notice. These ZOFCDs are held by Sanchar Content Private Limited (On behalf of Independent Media Trust).

	As at 31st March, 2018	As at 31st March 2017
b) Retained Earnings		
Opening balance	(3,61,72,543)	(3,61,60,063)
Add: Total Comprehensive Income for the year	(52)	(12,480)
Closing balance	(3,61,72,595)	(3,61,72,543)
Total (a + b)	**3,82,98,37,075**	**3,82,98,37,127**

Amount in Rupees

		As at 31st March, 2018	As at 31st March 2017
8	**Other current liabilities**		
	Statutory dues payable	10,125	9,500
	Other payables	1,38,851	1,29,375
	Total	**1,48,976**	**1,38,875**

Notes to the Financial Statements for the year ended 31 March, 2018

		Amount in Rupees	
		2017-18	2016-17
9	**Revenue from operations**		
	Sale of traded goods	2,87,860	1,06,920
	Total	**2,87,860**	**1,06,920**
10	**Other Income**		
	Unrealised gain on investments	1,70,704	1,02,649
	Total	**1,70,704**	**1,02,649**
11	**Purchase of traded goods**		
	Cost of goods sold	2,87,570	1,01,734
	Total	**2,87,570**	**1,01,734**
12	**Other expenses**		
	DP AMC charges	885	863
	Bank Charges	944	342
	Legal and professional expenses	1,23,501	7,160
	Payment to Auditor (Refer details below)	29,500	1,09,250
	Other Establishment Expenses	16,216	2,700
	Total	**1,71,046**	**1,20,315**
	Payment to Auditor		
	As Auditor:		
	Statutory Audit Fees	29,500	28,750
	Other Services	-	80,500
	Total	**29,500**	**1,09,250**

		Amount in Rupees	
		2017-18	2016-17
13	**Earnings per share (EPS)**		
	Net Loss after tax as per Statement of Profit and Loss attributable to Equity Shareholders	(52)	(12,480)
	Net profit/(loss) for calculation of basic EPS	(52)	(12,480)
	Net profit/(loss) as above	(52)	(12,480)
	Net profit/(loss) for diluted EPS	(52)	(12,480)
	Weighted Average number of Equity Shares used as denominator for calculating basic EPS	10000	10,000

Notes to the Financial Statements for the year ended 31 March, 2018

Effect of dilution:		
Weighted average number of equity shares upon coversion of Zero coupon optionally fully convertible debentures	38,66,00,970	38,66,00,970
Weighted Average number of Equity Shares used as denominator for calculating diluted EPS	38,66,10,970	38,66,10,970
Basic Earnings per Share	(0.01)	(1.25)
Diluted Earnings per Share	(0.00)	(0.00)
Face value per Equity Share	10	10

14 Contingent Liabilities and Commitments

Claim against the company not acknowledged as debt is the demand raised by the income-tax authorities relating to the assessment year 2013-14 amount to Rs. 11,45,70,550, which has been disputed by the company. before CIT - Appeal. Accordingly, no provision has been made in books of accounts.

15 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 and small enterprises as defined under the MSMED Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid or is payable under the terms of the MSMED Act, 2006.

16 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

17 Related Parties Disclosures

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

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Name of Related Party	Relationship
Independent Media Trust	Enterprise exercising control
Reliance Industries Limited Reliance Industrial Investments and Holdings Limited	Beneficiary/ Protector of Independent Media Trust

(ii) Transactions during the year with related parties:

Particulars	**Beneficiary/ Protector of Independent Media Trust (Rs)**
<u>Professional fees</u>	
Reliance Industries Limited	**1,19,476**
	(0)
Balances as on 31st March, 2018	
<u>Others Payable</u>	
Reliance Industries Limited	1,09,351
	(0)

(Figures in brackets represents figures for previous years)

Notes to the Financial Statements for the year ended 31 March, 2018

18 Segment Information

The Company has identified two reportable segments viz. Finance & Investments and Trading. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment.

Segment assets and segment liabilities represent assets and liabilities in respective segments.

i) Primary Segment Information : ***Amount in Rupees***

Sr No	Particulars	Finance & Investments		Trading		Total	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
1	**Segment Revenue**						
	Turnover	1,70,704	1,02,649	2,87,860	1,06,920	4,58,564	2,09,569
2	**Segment results before Interest and Taxes**	(342)	(17,666)	290	5,186	(52)	(12,480)
	Less: Interest expense	-	-	-	-	-	-
	Add : Interest Income	-	-	-	-	-	-
	Profit before tax	(342)	(17,666)	290	5,186	(52)	(12,480)
	Current Tax	-	-	-	-	-	-
	Net profit after tax	(342)	(17,666)	290	5,186	(52)	(12,480)
3	**Other Information**						
	Segment Assets	383 00 86 051	383 00 76 002	-	-	3,83,00,86,051	3,83,00,76,002
	Segment Liabilities	1 48 976	1 38 875	-	-	1,48,976	1,38,875
	Capital Expenditure	-	-	-	-	-	-
	Depreciation	-	-	-	-	-	-

ii) Since all the operations of the Company are conducted within India, as such there is no separate reportable geographical segement.

19 Approval of Financial Statements

The Financial statements were approved for issue by the Board of Directors on 16th April, 2018

20 Capital Management

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The company manages its capital structure and make adjustment in light of changes in business condition. The overall strategy remains unchanged as compare to last year.

Notes to the Financial Statements for the year ended 31 March, 2018

21 Financial Instruments

Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value as described bellow :

Fair Valuation Measurement hierarchy ***Amount in Rupees***

Particulars	As at 31st March, 2018			As at 31st March, 2017		
	Carrying Amount	Level of input used in Level 1	Level 2	Carrying Amount	Level of input used in Level 1	Level 2
Financial Assets						
At Amortised Cost	-	-	-	-	-	-
Investments *	-	-				
Cash and Bank balance	1,04,474			2,65,129		
At FVTPL						
Investments	26,73,353	-	26,73,353	25,02,649	-	25,02,649
At FVTOCI	-	-	-	-	-	-
Financial Liabilities						
At Amortised Cost						
Loans	-	-	-	-	-	-
At FVTPL	-	-	-	-	-	-

* Excludes financial assets measured at Cost (Refer note 1.1)

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company.

It arises from cash and cash equivalents, financial instruments and from credit exposures relating to outstanding receivables.

The Company has a prudent and conservative process for managing its cridit risk arising in the course of its business activities..

Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Company manages liquidity risk by maintaining adequate reserves and matching maturity profiles of financial assets and financial liabilities.

As per our Report of even date

For Pathak H.D. & Associates.
Chartered Accountants
Firm Registration No. 107783W

Gopal Chaturvedi
Partner
Membership No. 090903

Place: Mumbai
Date : 16th April, 2018

For and on behalf of the Board of Directors

L V Merchant
Director

Venkataraman Ramachandran
Director