

INDIACAST US LIMITED

Independent Auditors' Report

To The Board of Directors of Indiacast US Limited

❖ Report on the Financial Statements

We have audited the accompanying standalone Ind AS Financial statements of **INDIACAST US LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other Comprehensive Income) and the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

❖ Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for preparation of these standalone 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 accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of 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.

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 of the Standalone Ind AS 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 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 standalone 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 the standalone 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 standalone 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, of the financial position of the Company as at 31st March 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

❖ Restriction on Use and Distribution

This report is intended solely for the information and use of the Company, IndiaCast Media Distribution Private Limited and Deloitte Haskins & Sells in connection with the audit of the consolidated financial information of IndiaCast Media Distribution Private Limited and should not be used for any other purpose or by any other party without obtaining our prior consent in writing.

For and on behalf of

SANDIP SHAH & CO.

Chartered Accountants
Firm Reg. No.: 133680W

Sandip Shah

Proprietor
Membership No.: 103125

Place: Mumbai
Date: 13th April, 2018

Balance Sheet as at 31 March, 2018

	Note No.	As at 31 March, 2018 (USD)	As at 31 March, 2017 (USD)
A ASSETS			
1 Non-current assets			
(i) Property, Plant and Equipment	3	12,311	5,496
(ii) Other Intangible assets	4	74	129
(iii) Financials assets			
a. Loans	5	16,333	16,333
(iv) Advance income tax asset(net)		23,477	-
(v) Deferred tax assets (net)	6	14,272	23,367
		66,467	45,325
2 Current Assets			
(i) Financial assets			
a. Trade receivables	7	32,28,113	38,52,852
b. Cash and Cash equivalents	8	1,75,405	2,57,163
c. Other Financial Assets	9	4,18,341	6,11,733
(ii) Other current assets	10	28,104	28,677
		38,49,963	47,50,425
		39,16,430	47,95,750
B EQUITY AND LIABILITIES			
1 EQUITY			
(i) Equity Share capital	11	1,00,000	1,00,000
(ii) Other Equity		3,62,219	2,80,130
		4,62,219	3,80,130
2 LIABILITIES			
Current Liabilities			
(i) Financial Liabilities			
a. Trade payables	12	34,28,148	42,85,145
		34,28,148	42,85,145
(ii) Other current liabilities	13	26,063	1,01,127
(iii) Short-term provisions	14	-	29,348
		34,54,211	44,15,620
		39,16,430	47,95,750

See accompanying notes forming part of the financial statements 1 to 25

In terms of our report attached

For and on behalf of
Sandip Shah & Co
Chartered Accountants
Firm Reg. No 133680W

Sandip Shah
Proprietor
Membership No. 103125
Place: Mumbai
Date: 13th April 2018

For and on behalf of the Board of Directors
INDIACAST US LTD

Anuj Gandhi
Director
Place: Mumbai
Date: 13th April 2018

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

	Note No.	Year ended 31 March, 2018 (USD)	Year ended 31 March, 2017 (USD)
1 Revenue from operations	15	1,34,81,705	1,31,33,187
		1,34,81,705	1,31,33,187
2 Expenses			
a. License fees		1,02,00,145	97,77,399
b. Employee benefits expense	16	8,65,664	6,57,402
c. Depreciation and amortisation expense	3 & 4	2,462	2,898
d. Other expenses	17	22,91,815	25,57,582
		1,33,60,086	1,29,95,281
3 Profit before tax (1 - 2)		1,21,619	1,37,906
4 Tax expense			
a. Current tax expense		30,435	63,762
b. Deferred tax		9,095	(25,987)
Net tax expense		39,530	37,775
5 Profit after tax (3 - 4)		82,089	1,00,131
6 Other Comprehensive income		-	-
7 Total Comprehensive Income for the Year		82,089	1,00,131

See accompanying notes forming part of the financial statements

1 to 25

In terms of our report attached

For and on behalf of
Sandip Shah & Co
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Membership No. 103125
Place: Mumbai
Date: 13th April 2018

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INDIACAST US LTD

Anuj Gandhi
Director
Place: Mumbai
Date: 13th April 2018

Cash Flow Statement for the year ended 31 March, 2018

	Year ended 31 March, 2018 (USD)	Year ended 31 March, 2017 (USD)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	1,21,619	1,37,906
Adjustments for :		
Depreciation and amortisation expense	2,462	2,898
Provision for doubtful debts	(18,951)	(16,359)
Bad and doubtful debts written off	18,951	87,535
Operating Profit before working capital changes	1,24,081	2,11,980
<u>Working Capital adjustments:</u>		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	6,24,739	(25,13,663)
Short-term loans and advances	1,93,392	15,03,847
Long-term loans and advances	-	(16,333)
Other current assets	573	(12,284)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(8,56,997)	7,00,954
Other current liabilities	(75,064)	62,099
Cash generated from operations	10,724	(63,400)
Tax (paid) refund / deducted at source	(83,260)	(56,850)
Net cash used in operating activities [A]	(72,536)	(1,20,250)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances	(9,222)	(817)
Net cash generated from investing activities [B]	(9,222)	(817)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net cash from financing activities [C]	-	-
Net (decrease) in cash and cash equivalents [A+B+C]	(81,758)	(1,21,067)
Cash and cash equivalents as at the beginning of the year	2,57,163	3,78,230
Cash and cash equivalents as at the end of the year (Refer note 8)	1,75,405	2,57,163

See accompanying notes forming part of the financial statements

1 to 25

In terms of our report attached

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Director
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Statement of Change in Equity for the year ended 31 March, 2018

A. EQUITY SHARE CAPITAL						Total
As at 31 March 2016						1,00,000
Changes in Equity share capital during the year (Note 11)						-
As at 31 March 2017						1,00,000
Changes in Equity share capital during the year (Note 11)						-
As at 31 March 2018						1,00,000
B. OTHER EQUITY						Total
	Compulsorily Convertible Debentures (Unsecured)	Capital reserve	Reserves and Surplus		Retained earnings	
			Securities premium reserve	Other reserves		
Balance as at 1 April, 2016	-	-	-	-	1,79,999	1,79,999
Total Comprehensive income for the year	-	-	-	-	1,00,131	1,00,131
Restated balance as at 31 March, 2017	-	-	-	-	2,80,130	2,80,130
Total Comprehensive income for the year	-	-	-	-	82,089	82,089
Balance as at 31 March, 2018	-	-	-	-	3,62,219	3,62,219

See accompanying notes forming part of the financial statements 1 to 25

In terms of our report attached

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Date: 13th April 2018

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INDIACAST US LTD

Anuj Gandhi
Director
Place: Mumbai
Date: 13th April 2018

Notes forming part of the financial statements

1 Background

The Company was formed on January 28, 2013 as a New Jersey corporation. It is a 100% subsidiary of Indiacast Media Distribution Private Limited (A Company registered under the laws of India). The Company is engaged in Advertisement Sales and Distribution of Channels of Viacom18, India and other broadcasters in North America.

2 Significant Accounting Policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Examples of such estimates include provision for doubtful debts, future obligations under employee retirement benefit plans, provision for income taxes, and useful life of fixed assets. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Cash and cash equivalents

Cash and cash equivalents comprises of cash on hand and balance with banks.

2.4 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.5 Depreciation and amortisation

Depreciation on fixed assets is provided on the straight line method based on economic useful lives of these assets as determined by the management and are greater than the corresponding rates prescribed in Schedule II of the Companies Act, 2013:

Office equipment excluding mobile phones	5 years
Computer hardware	3 years
Computer Software	5 years
Furniture & Fixtures	10 years

2.6 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Subscription fee comprises revenue from telecasting and distributing television channels, which is recognized on accrual basis when the services are provided in accordance with contractual obligations in domestic and international locations and revenues generated from internet enabled platforms. Revenue from sale of advertising time, is recognised on accrual basis when advertisements are telecast in accordance with contractual obligations.

2.7 Other income

Interest income is accounted on accrual basis. There is no Interest Income in current year.

2.8 Fixed Assets (Tangible / Intangible)

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other

Notes forming part of the financial statements

than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

2.9 Foreign currency transactions and translations

- (a) **Initial recognition:** Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
- (b) **Measurement at the balance sheet date:** Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.
- (c) **Treatment of exchange differences:** Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

2.10 Leases

In operating leases, all the benefits and risks remain with the lessor and therefore rentals are charged to the profit and loss account.

2.11 Taxes on income

Income tax comprises of current tax and deferred tax. The company's profit, as adjusted for tax purposes is subject to tax as per the USA tax laws. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.12 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed in notes. Contingent assets are not recognised in the financial statements.

2.13 Employee Benefits

The Employee benefits are accounted on accrual basis.

2.14 Operating Cycle

Based on the nature of activities of the Group, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Notes forming part of the financial statements

3 Property, Plant and Equipment

(Amount in USD)

Description of Assets	Plant and Equipment	Equipments and Computer System	Furniture and Fixtures	Total
I. Gross Block				
Balance as at 1 April, 2016	2,112	5,459	4,782	12,353
Additions	817	-	-	817
Disposals	-	-	-	-
Balance as at 31 March, 2017	2,929	5,459	4,782	13,170
Additions	-	357	8,865	9,222
Disposals	-	-	-	-
Balance as at 31 March, 2018	2,929	5,816	13,647	22,392
II. Accumulated depreciation				
Balance as at 1 April, 2016	533	3,178	1,121	4,832
Depreciation expense for the year	843	1,440	559	2,842
Disposal of assets	-	-	-	-
Balance as at 31 March, 2017	1,376	4,618	1,680	7,674
Depreciation expense for the year	510	645	1,252	2,407
Disposal of assets	-	-	-	-
Balance as at 31 March, 2018	1,886	5,263	2,932	10,081
Net block (I-II)				
Balance as at 31 March, 2018	1,043	553	10,715	12,311
Balance as at 31 March, 2017	1,553	841	3,102	5,496

4 Intangible assets

Description of Assets	Computer Software	Total
I. Gross Block		
Balance as at 1 April, 2016	266	266
Additions	-	-
Disposals	-	-
Balance as at 31 March, 2017	266	266
Additions	-	-
Disposals	-	-
Balance as at 31 March, 2018	266	266
II. Accumulated depreciation		
Balance as at 1 April, 2016	81	81
Depreciation expense for the year	56	56
Disposal of assets	-	-
Balance as at 31 March, 2017	137	137
Depreciation expense for the year	55	55
Disposal of assets	-	-
Balance as at 31 March, 2018	192	192
Net block (I-II)		
Balance as at 31 March, 2018	74	74
Balance as at 31 March, 2017	129	129

Notes forming part of the financial statements

Note No.	Particulars	As at 31 March, 2018 (USD)	As at 31 March, 2017 (USD)
5	Financial Assets - Loans		
a.	Security deposits Unsecured, considered good	16,333	16,333
		16,333	16,333
6	Deferred Tax Assets		
	Provision for Doubtful Debts	8,888	16,279
	Expenses disallowed	10,214	9,282
		19,102	25,561
	Less: Deferred Tax Liability		
	Property Plant & Equipment & intangible Assets	4,830	2,194
		14,272	23,367
	The Movement in deferred tax assets		
	Particulars	Year Ended 31 March, 2018	Year Ended 31 March, 2017
	At the Beginning of the Year	23,367	(2,620)
	(Charged)/Credit to Profit or Loss	(9,095)	25,987
	At the end of the Year	14,272	23,367
7	Trade receivables (Unsecured)		
a.	Other trade receivables		
i.	Considered good	32,28,113	38,52,852
ii.	Considered doubtful	22,789	41,740
		32,50,902	38,94,592
	Less : Provision (Basis Expected Credit Loss)	22,789	41,740
	Total	32,28,113	38,52,852
	Generally Credit Period ranges from Advance to 120 Days		
7.1	Movement n the Expected Credit Loss Allowance		
	At the Beginning of the Year	41,740	58,099
	Movement in the Expected Credit Loss Allowance during the year	(18,951)	(16,359)
	At the End of the Year	22,789	41,740
8	Cash and cash equivalents		
a.	Balances with banks:		
i.	In current accounts	1,75,405	2,57,163
		1,75,405	2,57,163
9	Other Financial Assets (Unsecured, considered good)		
a.	Unbilled revenue	4,18,341	6,11,733
		4,18,341	6,11,733
10	Other current assets (Unsecured, considered good)		
a.	Loans and advances to employees	6,105	8,955
b.	Advances to vendors	6,000	6,500
c.	Prepaid expenses	15,999	13,222
		28,104	28,677

Notes forming part of the financial statements

Note No.	Particulars	As at 31 March, 2018		As at 31 March, 2017	
		Number of shares	Amount (USD)	Number of shares	Amount (USD)
11	Share capital				
	Authorised				
	Equity Shares of \$1 each	1,00,000	1,00,000	1,00,000	1,00,000
	Issued, subscribed and fully paid up:				
	Equity Shares of \$1 each	1,00,000	1,00,000	1,00,000	1,00,000
	Refer notes (i) to (iv) below:				
	(i) The Company has only one class of equity shares having a par value of USD 1 per share. Each holder of equity shares is entitled to one vote per shares held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.				
	(ii) Details of shares held by:				

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares	Amount (USD)	Number of shares	Amount (USD)
Indiacast Media distribution Private Limited (100%)	1,00,000	1,00,000	1,00,000	1,00,000
(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:				

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares	Amount (USD)	Number of shares	Amount (USD)
Opening and Closing balance	1,00,000	1,00,000	1,00,000	1,00,000
(iv) Details of shares held by each shareholder holding more than 5% shares :				

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares	% Holding	Number of shares	% Holding
Indiacast Media Distribution Private Limited	1,00,000	100%	1,00,000	100%

Notes forming part of the financial statements

Note No.	Particulars	As at 31 March, 2018 (USD)	As at 31 March, 2017 (USD)
12	Trade payables		
a.	Trade payables	34,28,148	42,85,145
		<u>34,28,148</u>	<u>42,85,145</u>
13	Other current liabilities		
a.	Advances from customers	2,328	82,561
b.	Other payables		
i.	Statutory dues	23,735	18,566
		<u>26,063</u>	<u>1,01,127</u>
14	Short term provisions		
a.	Other Provisions		
i.	for income Tax (net of TDS)	-	29,348
		<u>-</u>	<u>29,348</u>
Note No.	Particulars	Year ended 31 March, 2018 (USD)	Year ended 31 March, 2017 (USD)
15	Revenue from operations		
a.	Subscription income	1,14,86,417	1,10,02,933
b.	Advertisement revenue	19,75,288	21,19,266
c.	Licence Fees Income	-	10,988
d.	Other operating income	20,000	-
		<u>1,34,81,705</u>	<u>1,31,33,187</u>
16	Employee benefits expense		
a.	Salaries and wages	8,60,647	6,54,440
b.	Staff welfare expenses	5,017	2,962
		<u>8,65,664</u>	<u>6,57,402</u>

Notes forming part of the financial statements

Note No.	Particulars	Year ended 31 March, 2018 (USD)	Year ended 31 March, 2017 (USD)
17	Other expenses		
a.	Airtime purchased	18,59,400	19,00,700
b.	Brokerage & Commission	8,423	25,655
c.	Rent including lease rentals	66,584	62,125
d.	Power and fuel	1,695	1,425
e.	Repairs and maintenance-others	-	204
f.	Insurance	45,137	59,465
g.	Legal and professional	21,448	1,26,029
h.	Bank charges	7,136	7,665
i.	Travelling and conveyance	46,367	47,275
j.	Advertisement, publicity and business promotion	13,857	24,384
k.	Communication expenses	16,290	18,973
l.	Rates and taxes	4,787	5,574
m.	Printing and stationery	239	295
n.	Provision for doubtful debts	(18,951)	(16,359)
o.	Bad and Doubtful debts written off	18,951	87,535
p.	Net loss on foreign currency transactions and translations	(168)	778
q.	Miscellaneous expenses	2,00,620	2,05,859
		22,91,815	25,57,582

18 There are no employee benefits accruing to employees except the salaries (including bonus) payable to them. Hence, Disclosures as required by Ind AS 19, Employee Benefits issued by Institute of Chartered Accountants of India are not given.

19 Earnings per share

Basic earnings per equity share have been computed by dividing net profit/loss after tax by the weighted average number of equity shares outstanding for the year. Diluted earnings per equity share have been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year. The reconciliation between basic and diluted earnings per equity share is as follows :

Particulars	Units	Year ended 31 March, 2018	Year ended 31 March, 2017
Basic earnings per equity share			
(Loss)/Profit for the year	USD (a)	82,089	1,00,131
Weighted average of number of equity shares used in computing basic earnings per share	Nos. (b)	1,00,000	1,00,000
Nominal value of equity shares	USD	1	1
Basic and diluted Earning/(loss) per equity share (a)/(b)	USD	0.82	1.00

20 Operating Segments Information

As the Company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosures under Ind AS 108 Operating Segments Reporting, have not been provided in these financial statements.

Notes forming part of the financial statements

21 Related Party Disclosures as required in accordance with Ind AS-24

Details of related parties:

Description of relationship	Names of related parties
Enterprise Exercising Control	TV18 Broadcast Limited
Holding Company	Indiacast Media Distribution Private Limited
Joint Venturer of Holding Company	Viacom18 Media Private Limited
Fellow Subsidiary	Indiacast UK Ltd
Subsidiary Company of Viacom18 Media Private Limited	Viacom18 US Inc
Associate of Enterprise Exercising Control	Eenadu Television Private Limited

Particulars	<i>(Amounts in USD)</i>					
	Holding company	Joint Venturer of Holding Company	Enterprise Exercising Control	Fellow Subsidiary	Associate of Enterprise Exercising Control	Subsidiary Company of Viacom 18 Media Private Limited
Transactions with related parties during the period						
<u>License Fee Expense</u>						
Indiacast UK Ltd	-	-	-	1,02,00,145	-	-
	(-)	(-)	(-)	(97,77,399)	(-)	(-)
<u>Airtime Purchased</u>						
Viacom 18 Media Private Ltd	-	18,21,600	-	-	-	-
	(-)	(17,91,300)	(-)	(-)	(-)	(-)
TV18 Broadcast Limited	-	-	37,800	-	-	-
	(-)	(-)	(67,000)	(-)	(-)	(-)
<u>Reimbursement of expenses paid</u>						
Indiacast Media Distribution Private Limited	1,92,000	-	-	-	-	-
	(2,04,000)	(-)	(-)	(-)	(-)	(-)
<u>Reimbursement of expenses Received</u>						
Viacom 18 Media Private Ltd	-	5,378	-	-	-	-
	(-)	(33,143)	(-)	(-)	(-)	(-)
Balance outstanding with related parties at year end						
<u>Trade Payables</u>						
Viacom18 Media Private Limited	-	3,01,622	-	-	-	-
	(-)	(1,11,357)	(-)	(-)	(-)	(-)
Indiacast Media distribution Private Limited	52,000	-	-	-	-	-
	(17,000)	(-)	(-)	(-)	(-)	(-)
Indiacast UK Ltd	-	-	-	29,20,703	-	-
	(-)	(-)	(-)	(39,41,090)	(-)	(-)
TV18 Broadcast Limited	-	-	6,000	-	-	-
	(-)	(-)	(12,000)	(-)	(-)	(-)
Eenadu Television Private Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(9,000)	(-)
<u>Other Payables</u>						
Viacom 18 US Inc	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(17,438)
<u>Equity Share Capital</u>						
Indiacast Media distribution Private Limited	1,00,000	-	-	-	-	-
	(1,00,000)	(-)	(-)	(-)	(-)	(-)

Note: Figures in brackets relate to the previous year

Notes forming part of the financial statements

22 Capital risk management

The Company's objectives when managing capital is to safeguard continuity as a going concern and provide adequate return to shareholders through continuing growth and maintain an optimal capital structure to reduce the cost of Capital.

The Company sets the amount of capital required on the basis of annual business plan and long-term operating plans which include capital investments.

The Company monitors capital on basis of total debt to total equity on a periodic basis.

The following table summarizes the capital of the Company:

	As at 31 March, 2018	As at 31 March, 2017
Long term borrowings (including current maturities)	-	-
Short term borrowings	-	-
Total Debt	-	-
Equity Share Capital	1,00,000	1,00,000
Share Suspense	-	-
Other Equity	3,62,219	2,80,130
Total Equity	4,62,219	3,80,130
Debt Equity Ratio	0%	0%

23 Financial Risk Management

A wide range of risks may affect the Company's business and financial results. Amongst other risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

The Board of Directors of the Company manage and review the affairs of the Company by setting up short term and long term budgets by monitoring the same and taking suitable actions to minimise potential adverse effects on its operational and financial performance.

(a) Market risk

The Company is primarily exposed to the following market risks.

(i) Currency risk

The Company is exposed to currency risk on receivables and payables that are denominated in foreign currencies.

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities at the end of the reporting period are as follows;

Particulars	Foreign Currency Denomination	As at 31 March, 2017		As at 31 March, 2018	
		Foreign Currency	USD Equivalent	Foreign Currency	USD Equivalent
Trade Receivables (including advance from customers)	CAD	2,975	2,308	8,684	6,493
Trade Payables	INR	-	-	3,86,815	5,949

The Company's sensitivity to a 5% appreciation/depreciation of CAD and INR with respect to USD would result in decrease/increase in the Company's net profit / (loss) before tax by approximately USD 115 [March 31, 2017: USD 325] and USD NIL [March 31, 2017: USD 297] respectively for the year ended March 31, 2018. This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

(ii) Interest rate risk:

The Company is not exposed to any interest rate risk because it doesn't have any borrowings during the year.

Notes forming part of the financial statements

(b) Credit Risk

Credit risk refers to the risk that the counter party will default on its contractual obligation resulting in financial loss to the Company. The Company has adopted a policy of dealing with only credit worthy counter parties. This risk principally arises from credit exposures to customers, deposits with banks and financial institutions and other receivables.

- (i) Trade and other receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Receivables mainly consist of advertisement sales, subscription income and other streams of revenue. The Company has a dedicated Credit and Control team primarily responsible for monitoring credit risk and receivables. They monitor outstanding receivables along with ageing on periodic basis. For receivables pertaining to all streams of revenues, the credit and collection team regularly follows up for the collection and in rare cases of long past due, legal proceeding for recovery is initiated.

Trade receivables consist of a large number of customers, representing diverse industries and geographical areas, hence the Company is not exposed to concentration risks.

(c) Liquidity risk

Liquidity risk refers to the risk that the Company may not be in a position to meet its financial obligations timely.

Management monitors rolling forecasts of the Company's liquidity position (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The table below analyses the maturity profile of the Company's financial liabilities. The following break up is based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 31 March, 2018	Less than 1 year	Between 1 and 5 years
Long term and short term borrowings	-	-
Interest accrued but not due	-	-
Trade Payables and accruals	34,28,148	-
	34,28,148	-
As at 31 March, 2017	Less than 1 year	Between 1 and 5 years
Long term and short term borrowings	-	-
Interest accrued but not due	-	-
Trade Payables and accruals	42,85,145	-
	42,85,145	-

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

25 The financial statements were approved for issue by the board of directors on 13 April, 2018.

In terms of our report attached

For and on behalf of
Sandip Shah & Co
Chartered Accountants
Firm Reg. No 133680W

Sandip Shah
Proprietor
Membership No. 103125
Place: Mumbai
Date: 13th April 2018

For and on behalf of the Board of Directors
INDIACAST US LTD

Anuj Gandhi
Director

Place: Mumbai
Date: 13th April 2018