

**TELEVISION EIGHTEEN MAURITIUS LIMITED**  
**ANNUAL ACCOUNTS - FY : 2017-18**

## Independent Auditor's Report

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### TO THE MEMBERS OF TELEVISION EIGHTEEN MAURITIUS LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of Television Eighteen Mauritius 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 Financial Statements

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

#### Auditor's Responsibility

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

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

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

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

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2018, and its profit/loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

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

**Ankush Jain**  
Partner  
Membership No. 540194

Place: Noida  
Date: 17.04.2018

## Balance Sheet as at 31st March, 2018

	Notes	Amount in USD	
		As at 31.03.2018	As at 31.03.2017
<b>ASSETS</b>			
<b>(1) Non - current assets</b>			
(a) Property, Plant and Equipment	1	-	3
(b) Financial Assets			
- Investments	2	53,01,311	53,01,311
<b>(2) Current assets</b>			
(a) Financial Assets			
(i) Cash and cash equivalents	3	3,31,029	3,72,858
(ii) Loans	4	39,27,390	38,46,300
(iii) Others Financial Assets	5	1,544	1,558
(b) Other Current Assets	6	1,466	1,466
<b>Total Assets</b>		<b>95,62,740</b>	<b>95,23,496</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share capital	7	1,22,95,000	1,22,95,000
(b) Other Equity	8	(84,49,840)	(84,90,408)
		<b>38,45,160</b>	<b>38,04,592</b>
<b>Liabilities</b>			
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
- Borrowings	9	49,34,185	49,34,185
(b) Other current liabilities	10	7,83,395	7,84,719
<b>Total Equity and Liabilities</b>		<b>95,62,740</b>	<b>95,23,497</b>
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 21		

In terms of our report attached

**For Mohan L. Jain & Co.**

Chartered Accountants  
Firm Reg. No. 005345N

**Ankush Jain**

Partner  
Membership No. 540194

Place:- Noida  
Date: 17.04.2018

**For and on behalf of the Board of Directors**

**Shariff Golam Hossen**  
Director

**M Aslam Koamar**  
Director

Place:- Mauritius  
Date: 17.04.2018

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

		Amount in USD	
	Notes	Year ended 31.03.2018	Year ended 31.03.2017
<b>I</b>	Revenue from operations	-	-
<b>II</b>	Other income	59,901	59,985
<b>III</b>	<b>Total Income (I+II)</b>	<b>59,901</b>	<b>59,985</b>
<b>IV</b>	<b>Expenses</b>		
	(a) Finance costs	951	20,325
	(b) Depreciation and amortisation expense	3	385
	(c) Other expenses	18,380	37,076
	<b>Total expenses (IV)</b>	<b>19,334</b>	<b>57,786</b>
<b>V</b>	<b>Profit before exceptional items and tax (III-IV)</b>	<b>40,567</b>	<b>2,199</b>
<b>VI</b>	Exceptional items	-	-
<b>VII</b>	<b>Profit before tax (V-VI)</b>	40,567	2,199
<b>VIII</b>	<b>Tax expense:</b>		
	Current tax expense	-	-
	Net tax expense	-	-
<b>IX</b>	<b>Profit for the period (VII-VIII)</b>	<b>40,567</b>	<b>2,199</b>
<b>X</b>	<b>Other Comprehensive Income</b>	-	-
<b>XI</b>	<b>Total Comprehensive Income for the period (IX + X)</b>	<b>40,567</b>	<b>2,199</b>
<b>XII</b>	<b>Earnings per equity share</b>		
	(Face value of US\$ 1 each)		
	(a) Basic	0.0033	0.0002
	(b) Diluted	0.0033	0.0002
	Significant Accounting Policies		
	See accompanying Notes to the Financial Statements	1 to 21	

In terms of our report attached

**For Mohan L. Jain & Co.**

Chartered Accountants  
Firm Reg. No. 005345N

**Ankush Jain**

Partner  
Membership No. 540194

Place:- Noida

Date: 17.04.2018

**For and on behalf of the Board of Directors**

**Shariff Golam Hossen**

Director

**M Aslam Koomar**

Director

Place:- Mauritius

Date: 17.04.2018

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

OTHER EQUITY		Amount in USD	
	Reserve and Surplus	Total	
	Retained Earnings		
<b>As at 31 March 2017</b>			
Opening Balance	(84,92,607)	(84,92,607)	
Total Comprehensive Income for the year	2,199	2,199	
	<b>(84,90,408)</b>	<b>(84,90,408)</b>	
<b>As at 31 March 2018</b>			
Opening Balance	(84,90,408)	(84,90,408)	
Total Comprehensive Income for the period	40,567	40,567	
	<b>(84,49,840)</b>	<b>(84,49,840)</b>	

In terms of our report attached

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

**Ankush Jain**  
Partner  
Membership No. 540194

Place:- Noida  
Date: 17.04.2018

**For and on behalf of the Board of Directors**

**Shariff Golam Hossen**  
Director

**M Aslam Koomar**  
Director

Place:- Mauritius  
Date: 17.04.2018

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

Particulars	Amount in USD	
	Year ended 31.03.2018	Year ended 31.03.2017
<b>A. Cash flow from operating activities</b>		
Profit before tax	40,567	2,199
Adjustments for :		
- Depreciation and amortisation expense	3	385
- Finance costs	-	19,050
- Interest income	(81,090)	(55,658)
	<b>(81,087)</b>	<b>(36,223)</b>
<b>Operating profit before working capital changes</b>	<b>(40,520)</b>	<b>(34,024)</b>
<b>Changes in working capital:</b>		
<b>Adjustments for (increase) / decrease in operating assets:</b>		
- Current Financial Assets other than cash	(81,090)	(55,658)
- Other current assets	14	(265)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
- Other current liabilities	(1,324)	17,614
<b>Net cash generated from / (used in) operating activities</b>	<b>(A) (1,22,920)</b>	<b>(72,332)</b>
<b>B. Cash flow from investing activities</b>		
Interest received	81,091	55,659
<b>Net cash generated from / (used in) investing activities</b>	<b>(B) 81,091</b>	<b>55,659</b>
<b>C. Cash flow from financing activities</b>		
Finance costs	-	19,050
Proceeds from short term borrowings (net)	-	(19,050)
<b>Net cash generated from / (used in) financing activities</b>	<b>(C) -</b>	<b>-</b>
Net increase/ (decrease) in Cash and cash equivalents	<b>(A+B+C) (41,829)</b>	(16,674)
Cash and cash equivalents as at the beginning of the year	3,72,858	3,89,532
<b>Cash and cash equivalents at end of the year</b>	<b>3,31,029</b>	<b>3,72,858</b>

In terms of our report attached

**For Mohan L. Jain & Co.**

Chartered Accountants  
Firm Reg. No. 005345N

**Ankush Jain**

Partner  
Membership No. 540194

Place:- Noida

Date: 17.04.2018

**For and on behalf of the Board of Directors**

**Shariff Golam Hossen**  
Director

**M Aslam Koomar**  
Director

Place:- Mauritius

Date: 17.04.2018

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

### A CORPORATE INFORMATION

Television Eighteen Mauritius Limited (“the Company”) was incorporated in Mauritius, under the Mauritius Companies Act 1984, on 29 October 1996. The Company’s registered office address is 5th Floor, Ebene Esplanade, 24 Cybercity, Ebene, Mauritius. The Company’s principal activity is production of television content. The company is a wholly owned subsidiary of Network 18 Media & Investment Limited.

### B ACCOUNTING POLICIES

#### B.1 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis.

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.

These financial statement has been prepared for the purpose of preparation of consolidated financial statement of Network18 Media & Investments Limited, the parent entity of the Company incorporated and listed in India.

The Company’s financial statements are presented in US Dollars (\$), which is its functional currency.

#### B.2 Summary of significant accounting policies

##### (a) Property, plant and equipment:

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

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

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

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

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

Tangible assets carrying value under previous GAAP is recognised as deemed cost.

##### (b) Intangible assets:

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

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

##### (c) Leases:

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

##### Company as a lessee

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

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant

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

rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

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

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

### (d) 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.

### (e) Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of purchase cost and other overheads, net of recoverable taxes, incurred in bringing them to their respective present location and condition.

### (f) Impairment of non-financial assets

At each balance sheet date, the Company assesses whether there is an indication that any property, plant and equipment and intangible assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit or loss.

### (g) Provisions and Contingencies

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

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

### (h) Employee Benefits

#### (i) Short Term Employee Benefits

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

#### (ii) Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date on the basis of actuarial valuation.

#### (iii) Post-Employment Benefits

##### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which specified contributions are made. The contributions



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

are recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

### Defined Benefit Plans

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

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

### (i) 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. In this case, the tax is also recognised in other comprehensive income and equity.

#### - 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.

#### - 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.

The Company is a "Category 1 Global Business Licence Company" for the purpose of the Financial Services Act 2007 of Mauritius. The profit of the company, as adjusted for income tax purposes, is subject to income tax at 15%. It is, however, entitled to a tax credit equivalent to the higher of the foreign taxes paid on 80% of the Mauritius tax on its foreign source income.

### (j) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution, repayable on demand or maturing within three months of the date of acquisition and which are subject to an insignificant risk of change in value.

### (k) Foreign currencies

#### Transactions and Translation

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

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

### (l) 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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if the following conditions are satisfied:

- The Company has transferred risks and rewards incidental to ownership to the customer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

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

- It is probable that the economic benefit associated with the transaction will flow to the Company; and
- it can be reliably measured and it is reasonable to expect ultimate collection.

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

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, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends Income is recognised when the Company's right to receive the payment has been established.

### (m) Financial instruments

#### 1) Financial assets

##### 1.a Initial recognition and measurement:

Financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, 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.

##### 1.b 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.

##### 1.c Equity instruments

Equity investments are measured at fair value, with value changes recognised in statement of profit and loss, except for those equity investments for which the company has elected to present the value changes in 'Other Comprehensive Income'.

##### 1.d Investment in subsidiaries, associates and joint ventures

The company has accounted for its investments in subsidiary at cost.

##### 1.e 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.

Historical loss experience used 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 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

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

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.

### 2 Financial liabilities

#### 2.a 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.

#### 2.b Subsequent measurement:

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

### C CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

The preparation of the Company's financial statements requires management to make judgments, 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 may require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### C.1 Depreciation and useful lives of Property, Plant and Equipments :

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

#### C.2 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 judgment 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.

#### C.3 Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

#### C.4 Recoverability of trade receivable:

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

#### C.5 Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

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

### 1 PROPERTY, PLANT AND EQUIPMENT Amount in USD

Particulars	Gross Block			Depreciation/Amortisation			Net Block	
	As at 01.04.2017	Additions	As at 31.03.2018	As at 01.04.2017	For the period	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
Computers	1,930	-	1,930	1,927	3	1,930	0	3
<b>Total</b>	<b>1,930</b>	<b>-</b>	<b>1,930</b>	<b>1,927</b>	<b>3</b>	<b>1,930</b>	<b>0</b>	<b>3</b>

Amount in USD

As at  
31.03.2018      As at  
31.03.2017

### 2 NON-CURRENT INVESTMENTS

#### Investment classification at cost

#### Unquoted, fully paid up

#### In Equity Shares of fellow subsidiary company

5,300,095 (March 2017 : 5,300,095) Class B ordinary shares  
of USD .00374 each in WEB 18 Holdings Limited

53,01,311      53,01,311

#### Total

53,01,311      53,01,311

Aggregate amount of unquoted investments

53,01,311      53,01,311

Amount in USD

As at  
31.03.2018      As at  
31.03.2017

### 3 CASH AND CASH EQUIVALENTS

Balances with banks

3,31,029      3,72,858

**Cash and cash equivalents as per statement of cash flow**

3,31,029      3,72,858

**3.1** Cash and Cash Equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal.

### 4 LOANS - CURRENT

(Unsecured and considered Good)

Loan & Advances \*

39,27,390      38,46,300

39,27,390      38,46,300

\* To related parties (Refer Note No. 16 b).

### 5 OTHER FINANCIAL ASSETS - CURRENT

Interest accrued on deposits

1,544      1,558

1,544      1,558

### 6 OTHER CURRENT ASSETS

(Unsecured and considered good)

Prepaid expenses

1,466      1,466

1,466      1,466

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

		Amount in USD			
		As at 31.03.2018		As at 31.03.2017	
		Number of Shares	(USD)	Number of Shares	(USD)
<b>7</b>	<b>SHARE CAPITAL</b>				
	<b>(a) Authorised Share Capital:</b>				
	Equity shares of US\$ 1 each	1,22,95,000	1,22,95,000	1,22,95,000	1,22,95,000
	<b>(b) Issued, Subscribed and fully paid up</b>				
	Equity shares of US\$ 1 each fully paid up	1,22,95,000	1,22,95,000	1,22,95,000	1,22,95,000
	<b>Total</b>	<b>1,22,95,000</b>	<b>1,22,95,000</b>	<b>1,22,95,000</b>	<b>1,22,95,000</b>

**Notes :**

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

		Amount in USD			
Particulars		As at 31.03.2018		As at 31.03.2017	
		Number of Shares	(USD)	Number of Shares	(USD)
	Network18 Media & Investments Limited, the Holding Company	1,22,95,000	1,22,95,000	1,22,95,000	1,22,95,000
		<b>1,22,95,000</b>	<b>1,22,95,000</b>	<b>1,22,95,000</b>	<b>1,22,95,000</b>

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

		Amount in USD			
Particulars		As at 31.03.2018		As at 31.03.2017	
		Number of Shares	% Holding	Number of Shares	% Holding
	Network18 Media & Investments Limited	1,22,95,000	100%	1,22,95,000	100%

**(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	Issued		Issued	
	Number of Shares	Amount (US\$)	Number of Shares	Amount (US\$)
Equity Shares opening balance	1,22,95,000	1,22,95,000	1,22,95,000	1,22,95,000
Add : Shares issued during the period	-	-	-	-
Less : Forfeited During the year	-	-	-	-
Equity Shares closing balance	1,22,95,000	1,22,95,000	1,22,95,000	1,22,95,000

**(iv) No shares have been issued for consideration other than cash or as bonus shares or bought back in the current reporting period or in the last five years immediately preceding the current reporting period.**

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

	Amount in USD	
	As at 31.03.2018	As at 31.03.2017
<b>8 OTHER EQUITY</b>		
<b>Surplus/ (Deficit) in the Statement of Profit and Loss</b>		
Opening balance	(84,90,408)	(84,92,607)
Profit/(Loss) for the year	40,567	2,199
<b>Total Other Equity</b>	<b>(84,49,840)</b>	<b>(84,90,408)</b>
<b>9 BORROWINGS - CURRENT</b>		
Unsecured Loans and advances from related parties	49,34,185	49,34,185
	<b>49,34,185</b>	<b>49,34,185</b>
<b>10 OTHER CURRENT LIABILITIES</b>		
(a) Other payables		
i) Statutory dues	930	930
ii) Payable to related parties	7,68,419	7,70,789
iii) Others	14,046	13,000
	<b>7,83,395</b>	<b>7,84,719</b>
		Amount in USD
	Year ended 31.03.2018	Year ended 31.03.2017
<b>11 OTHER INCOME</b>		
(a) Interest income on -		
Deposit with Bank	3,811	4,327
Loan to related parties *	56,090	55,658
(b) Gain on foreign currency transaction and translation	-	-
	<b>59,901</b>	<b>59,985</b>
* Refer note no. 16 b.		
<b>12 FINANCE COSTS</b>		
(a) Interest expense on -		
Loan from related parties *	-	19,050
(b) Bank Charges	951	1,275
	<b>951</b>	<b>20,325</b>
* Refer note no. 16 b.		

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

### 13 OTHER EXPENSES

#### Establishment Expenses

Legal and professional expenses (Refer note below)	20,741	19,825
Net loss on foreign currency transactions and translations	(2,361)	17,251
	<u>18,380</u>	<u>37,076</u>

#### 13.1 Payments to the auditors :

Statutory audit fees	6,500	6,500
Other services	-	-
	<u>6,500</u>	<u>6,500</u>

### 14 TAXATION

Amount in USD

(a) Income tax recognised in Profit or Loss	Year ended 31.03.2018	Year ended 31.03.2017
Current tax	-	-
Deferred tax	-	-
<b>Total Income tax expenses recognised in the current year relating to continuing operations.</b>	-	-

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 from continuing operation	40,567	2,199
Applicable Tax Rate (refer note no. 2 B.3 (h) )	3.000%	3.000%
Computed tax expenses	1,217	66
Income not considered for tax purposes	-	-
Expenses not allowed for tax purposes	328	518
Carried forward losses utilised	(851)	(584)
<b>Income tax expenses recognised in statement of profit or loss</b>	<b>694</b>	-

b) Current tax assets (Net)	As at 31st March 2018	As at 31st March 2017
At start of year	-	-
Charge for the year	-	-
<b>At end of year</b>	-	-

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

Particulars	Amount in USD	
	Year ended 31 March 2018	Year ended 31 March 2017
<b>15 EARNINGS PER SHARE (EPS)</b>		
Net Profit after Tax as per Profit and Loss Statement attributable to Equity Shareholders	40,567	2,199
Weighted average number of equity shares used as denominator for calculating Basic EPS	1,22,95,000	1,22,95,000
Total Weighted Average Potential Equity Shares	-	-
Weighted Average number of Equity Shares used as denominator for calculating diluted EPS	1,22,95,000	1,22,95,000
<b>Earnings per Equity ShareAs at</b>		
1) <b>Basic (USD)</b>	0.0033	0.0002
2) <b>Diluted (USD)</b>	0.0033	0.0002
Face Value per Equity Share (USD)	1	1

## 16 RELATED PARTY DISCLOSURES

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

- a) List of related parties where control exists and related parties with 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 (formerly Shinano Retail Private Limited which has merged with Teesta Retail Private Limited effective 29.12.2016)*	
10	Network18 Media & Investments Limited	
11	Reliance Industries Limited (RIL)	Beneficiary/Protector of Independent Media Trust
12	Reliance Industrial Investments and Holdings Limited	
13	E-18 Limited	Fellow Subsidiaries
14	Network18 Holdings Ltd.	
15	Television Eighteen Media and Investment Limited	
16	Web18 Holdings Limited	

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



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

b) Transactions during the year with related parties :

Amount in USD

Nature of Transactions	Enterprises exercising Control	Fellow Subsidiaries
<b>Interest Expenses</b>		
E-18 Limited	-	-
	(-)	(19,050)
<b>Interest Income</b>		
Network 18 Holding Limited	-	43,494
	(-)	(43,494)
Television Eighteen Media and Investments Limited	-	12,596
	(-)	(12,164)
<b>Exchange Gain/(Loss) Fluction</b>		
Network18 Media & Investments Limited	(6,132)	-
	(17,314)	(-)
<b>Balances as at 31st March 2018</b>		
<b>Loans &amp; advances payable</b>		
Network18 Media & Investments Limited	7,68,419	
	(7,70,789)	
Web18 Holdings Limited	-	10,00,000
	(-)	(10,00,000)
E-18 Limited	-	39,34,184
	(-)	(39,34,184)
<b>Loans &amp; advances receivable</b>		
Network 18 Holding Limited	-	34,22,898
	(-)	(33,79,404)
Television Eighteen Media and Investments Limited	-	5,04,492
	(-)	(4,66,896)

17 The Scheme for Merger by Absorption (the 'Scheme') for merger of Digital18 Media Limited, Capital18 Fincap Private Limited, RVT Finhold Private Limited, RRB 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.

### 18 SEGMENT REPORTING

Considering the nature of Company's business, there is only one Reportable Segment in accordance with the requirement of IND AS-108 on "Segment Reporting", hence separate disclosure of the segment information is not considered necessary.

19 There are no Contingent liabilities and outstanding Commitments as at 31st March 2018 and 31st March 2017.

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

### 20 OTHER DISCLOSURES \*

	As at 31.03.2018	As at 31.03.2017
i. Disclosures under MSMED Act 2006	-	-
ii. Earning in Foreign Currency	-	-
iii. Expenditure in Foreign Currency	-	-
iv. Value of Imports on CIF basis	-	-
* Not applicable being an entity of foreign domicile.		

### 21 PRIOR YEAR COMPARATIVES

The figures for the corresponding previous year have been regrouped, wherever necessary, to make them comparable.

In terms of our report attached

**For Mohan L. Jain & Co.**

Chartered Accountants  
Firm Reg. No. 005345N

**Ankush Jain**

Partner  
Membership No. 540194

Place:- Noida

Date: 17.04.2018

**For and on behalf of the Board of Directors**

**Shariff Golam Hossen**

Director

Place:- Mauritius

Date: 17.04.2018

**M Aslam Koomar**

Director