

# Sumit Gupta & Co.

Chartered Accountants

23, 11nd Floor, T-565,

Pragati Complex, Chamelian Road,

Near Idgah Circle, Delhi-110006

Ph. No.09953200212, 011-23510531

E-mail: [sumitgca@gmail.com](mailto:sumitgca@gmail.com)

[emailsgco@gmail.com](mailto:emailsgco@gmail.com)

## Independent Auditor's Report

To the Members of Variety Entertainment Private Limited

### Report on the Financial Statements

- 1 We have audited the accompanying consolidated Ind AS financial statements of Variety Entertainment Private Limited ("the Holding Company") and its associate which comprise the consolidated balance sheet as at 31 March 2017, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated 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 "the consolidated Ind AS financial statements").

### Management's Responsibility for the Consolidated Financial Statements

- 2 The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

- 3 Our responsibility is to express an opinion on these consolidated 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.
- 4 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 consolidated financial statements are free from material misstatement.

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- 5 An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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.
- 6 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

## Opinion

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

## Other Matter(s)

- 8 We did not audit the financial statements of one associate company whose financial statements reflect total assets of ` 45.64 million as at 31 March 2017, total revenues of ` 47.56 million, total net loss after tax of ` 2.83 million total comprehensive income of ` 2.83 million and net cash inflows of ` for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of 2.04 million for the year ended 31 March 2017, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of Section 143 (3) of the Act, in so far as it relates to the aforesaid associate is based solely on the reports of the other auditors.

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10 The comparative financial information of the Group and its associates for the year ended 31 March, 2016 and the transition date opening balance sheet as at 1 April, 2015 included in these consolidated Ind AS financial statements, are based on previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us whose report for the year ended 31 March, 2016 dated May 21, 2016 expressed an unmodified opinion on those consolidated financial statements and have been restated to comply with Ind AS. Adjustments made to the said consolidated financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

## Report on Other Legal and Regulatory Requirements

11 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

12 Further to our comments in Annexure 1, as required by Section 143(3) of the Act, we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the consolidated financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified from being appointed as a director in terms of Section 164(2) of the Act;
- f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2017 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date and our report dated May 24, 2017 as per Annexure 2 expressed unqualified opinion; and

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- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company did not have any impact of pending litigations on its financial position in its consolidated Ind AS financial statements;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - iv. The Company has provided requisite disclosures in the consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016, on the basis of information available with the Company. Based on audit procedures, and relying on management's representation, we report that disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management Refer Note I to the consolidated Ind AS financial statements.

**For Sumit Gupta & Co.**  
**Chartered Accountants**  
**FRN. 022622N**

SD/-

**CA Sumit Gupta**  
**(Partner)**  
**Membership No 513086**  
**Place- Delhi**  
**Date- 24<sup>th</sup> May 2017**

**Annexure I to the Independent Auditor's Report of even date to the members of VARIETY ENTERTAINMENT PRIVATE LIMITED, on the financial statements for the year ended 31-March-2017**

**Annexure-I**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the IND AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:-

- I. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company has not any immovable properties.
- II. The Company does not have any inventory. Accordingly, the provision of the clause 3(ii) of the Order are not applicable.
- III. The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act Accordingly, the provision of the clause 3(iii)(a), 3(iv)(b) and 3(iii)(c) of the Order are not applicable
- IV. In our opinion, the company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security
- V. The Company has not accepted deposits within the meaning of sections 73 to 76 the Act and the Companies (Acceptance of Deposits) Rule, 2014 (as amended). Accordingly the provision of clause 3(v) of the Order Are not applicable
- VI. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable
- VII. (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited with the appropriate authorities. Further, no disputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six month from the date they become payable.
- (b) There are no dues in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute

**Annexure I to the Independent Auditor's Report of even date to the members of VARIETY ENTERTAINMENT PRIVATE LIMITED, on the financial statements for the year ended 31-March-2017**

- VIII. The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable
- IX. The Company did not raised moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loan outstanding during the year Accordingly, the provision of clause 3(ix) of the Order are not applicable.
- X. No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit
- XI. In our opinion, the provisions of section 197 of the Act read with Schedule V to the Act is not applicable to the Company as the Company does not pay any remuneration to its directors. Accordingly, the provisions of clause 3(xi) of the Order are not applicable.
- XII. In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable
- XIII. In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standard
- XIV. During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year
- XV. The Company has not entered into any non cash transaction with directors or person connected with him.
- XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Sumit Gupta & Co.  
Chartered Accountants  
FRN. 022622N**

**SD/-  
CA Sumit Gupta  
(Partner)  
Membership No 513086  
Place- Delhi  
Date- 24<sup>th</sup> May, 2017**

## **Annexure II**

### **Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. In conjunction with our audit of the consolidated financial statements of Variety Entertainment Private Limited ("the Holding Company") and its associate, (the Holding Company and its associate together referred to as "the Group") as of and for the year ended 31 March 2017 we have audited the internal financial controls over financial reporting (IFCoFR) of the Company of as of that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The respective Board of Directors of the Holding Company and its associate company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 the respective company's business, including adherence to the respective company's policies, the safeguarding of the respective company's 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 Act.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company and its associate as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing ("Standards"), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.
5. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company and its associate as aforesaid.

## **Meaning of Internal Financial Controls over Financial Reporting**

- 6 A company's IFCoFR 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 IFCoFR 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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**

- 7 Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

- 8 In our opinion, the Holding Company and its associate, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

## **Other Matters**

9. We did not audit the IFCoFR insofar as it relates to associate , whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹ 45.64 million as at 31 March 2017, total revenues (after eliminating intra-group transactions) of ₹ 47.56 million and net cash flows amounting to ₹ million for the year ended on that date. Our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company and such associate, under Section 143(3)(i) of the Act insofar as it relates to the aforesaid associate, is solely based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors. Further, we did not audit the IFCoFR insofar as it relates to the associate company, as referred in our audit report on consolidated financial statements.

**For Sumit Gupta & Co.  
Chartered Accountants  
FRN. 022622N**

**SD/-  
CA Sumit Gupta  
(Partner)  
Membership No 513086  
Place- Delhi  
Date- 24<sup>th</sup> May 2017**

**VARIETY ENTERTAINMENT PRIVATE LIMITED**

Statement of Consolidated Financial Position as at March 31, 2017

CIN: U92132TG1998PTC029754

	Notes	March 31, 2017 ` millions	March 31, 2016 ` millions
<b>A. Assets</b>			
<b>1. Non-current assets</b>			
<b>Fixed assets</b>			
(a) Property, Plant and Equipment	4	1.10	1.61
(b) Investment	5	45.04	
<b>Sub-total of Non-current assets</b>		<b>46.13</b>	<b>1.61</b>
<b>2. Current assets</b>			
(a) Inventories			-
(b) Financial assets			
(i) Trade receivables	6	212.11	212.33
(ii) Investments		-	-
(ii) Cash and bank balances	7	3.51	0.74
(iii) Loans	8	0.61	13.92
(c) Other current assets	9	66.46	352.92
<b>Sub-total of Current assets</b>		<b>282.69</b>	<b>579.91</b>
<b>Total assets</b>		<b>328.82</b>	<b>581.52</b>
<b>B. Equity and liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	10	0.10	0.10
(b) Other equity	11	(19.12)	(20.78)
(c) Non-controlling interests			
<b>Sub-total - Equity</b>		<b>(19.02)</b>	<b>(20.68)</b>
<b>Liabilities</b>			
<b>1. Non-current liabilities</b>			
(a) Financial liabilities			
(i) Long-term borrowings	12	234.48	234.00
(b) Provisions			-
(c) Deferred tax liability (net)	13	1.08	1.08
(d) Other non-current liabilities	14	-	2.01
<b>Sub-total - Non-current liabilities</b>		<b>235.56</b>	<b>237.08</b>
<b>2. Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	15	5.15	358.41
(ii) Other financial liabilities	16	36.13	-
(b) Other current liabilities	17	70.30	6.00
(c) Provisions	18	0.71	0.71
<b>Sub-total of current liabilities</b>		<b>112.28</b>	<b>365.11</b>
<b>Total equity and liabilities</b>		<b>328.82</b>	<b>581.52</b>

Summary of significant accounting policies

The accompanying notes are an integral part of these financial statements.

This is the balance sheet referred to in our report of even date.

**For Sumit Gupta & Co**

**Firm Registration No:- 022622N**

**Chartered Accountants**

SD/-

**CA Sumit Gupta**

**Partner**

**M.NO:- 513086**

**Place : New Delhi**

**Date:- 24th May 2017**

**For and on behalf of the Board of Directors of VARIETY ENTERTAINMENT PVT LTD**

SD/-

**Anil Kumar Jain**

**Director**

**DIN: 07208514**

SD/-

**Suresh Kumar**

**Director**

**DIN: 00010948**

**VARIETY ENTERTAINMENT PRIVATE LIMITED**

Statement of Consolidated Financial Performance for the year ended March 31, 2017

CIN: U92132TG1998PTC029754

	Notes	March 31, 2017 ` millions	March 31, 2016 ` millions
<b>Revenue</b>			
Revenue from operations	19	3.76	194.04
Other income	20	0.15	0.87
<b>Total revenue</b>		<b>3.91</b>	<b>194.92</b>
<b>Expenses</b>			
Cost of materials consumed			
Carriage sharing, pay channel and related costs		-	-
Employee benefits expense	21	0.00	1.88
Finance costs	22	0.48	0.01
Depreciation and amortisation expenses	23	0.51	4.51
Other expenses	24	3.29	190.23
<b>Total expenses</b>		<b>4.28</b>	<b>196.63</b>
<b>Profit/(Loss) before prior period expenses</b>		<b>(0.37)</b>	<b>(1.71)</b>
<b>Loss before and after tax</b>		<b>(0.37)</b>	<b>(1.71)</b>
<b>Tax expenses</b>			
Current Tax			0.71
Deferred Tax		-	1.08
<b>Loss for the year</b>		<b>(0.37)</b>	<b>(3.50)</b>
OCI (32.34% Share of Associate Voice Snap Services Pvt Ltd.)		2.04	-
<b>Total Comprehensive Income For the Year</b>		<b>1.66</b>	<b>(3.50)</b>
<b>EARNING PER SHARE</b>			
	25		
Basic		(0.00)	(0.00)
Diluted		(0.00)	(0.00)

Summary of significant accounting policies

The accompanying notes are an integral part of these financial statements.

This is the statement of profit and loss referred to in our report of even date

**For Sumit Gupta & Co**  
Firm Registration No:- 022622N  
Chartered Accountants

**For and on behalf of the Board of Directors of**  
**VARIETY ENTERTAINMENT PVT LTD**

SD/-  
**CA Sumit Gupta**  
Partner  
M.NO:- 513086

SD/-  
**Anil Kumar Jain**  
Director  
DIN: 07208514

SD/-  
**Suresh Kumar**  
Director  
DIN: 00010948

Place : New Delhi  
Date:- 24th May 2017

**VARIETY ENTERTAINMENT PRIVATE LIMITED**  
Cash flow statement for the year ended March 31,2017

Cash flow from operating Activities	March 31,2017	March 31, 2016
		in Mn
Profit after tax from continuing operations	1.66	(3.50)
<b>Non Cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation/Amortisation on continuing operations	0.51	4.51
<b>Operating Profits before working capital changes</b>	<b>2.17</b>	<b>1.02</b>
<b>Movement in working capital:</b>		
Increase/(Decrease) in other non current liabilities	(2.01)	(41.31)
Increase/(Decrease) in trade payables	(353.26)	354.05
Increase/(Decrease) in other current liabilities	100.43	6.45
Decrease/(Increase) in trade receivables	0.22	(209.00)
Decrease/(Increase) in short terms loans and advances & Other current assets	299.77	(354.12)
<b>Cash generated from/(used) in operations</b>	<b>47.32</b>	<b>(242.92)</b>
<b>Deferred Tax</b>		(1.08)
Direct tax paid(net of refunds)		
<b>Net Cash flow from/(used) in operating activities (A)</b>	<b>47.32</b>	<b>(241.84)</b>
<b>Cash Flow from investing activities</b>		
Purchase of fixed assets, including CWIP and capital advances		(0.28)
Proceeds of non current investments	(45.04)	
Long-term loans and advances		
<b>Net Cash flow from/(used) in investing activities (B)</b>	<b>(45.04)</b>	<b>(0.28)</b>
<b>Cash Flow from Financing activities (C)</b>		
Proceeds from issuance of equity share capital		-
Proceeds from issuance of OCD	0.48	234.00
<b>Net Cash flow from/(used) in Financing activities (C)</b>	<b>0.48</b>	<b>234.00</b>
<b>Net Increase/(Decrease) in cash and cash equivalent (A+B+C)</b>	<b>2.77</b>	<b>(8.13)</b>
Effect of exchange difference in cash and cash equivalents held in foreign currency		
Cash and cash equivalent at the beginning of the year	0.74	8.87
<b>Cash and cash equivalent at the end of the year</b>	<b>3.51</b>	<b>0.74</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.00	0.00
<b>With Bank-on current account</b>	<b>3.51</b>	<b>0.74</b>
<b>Total Cash and cash equivalent(Note 18)</b>	<b>3.51</b>	<b>0.74</b>

For Sumit Gupta & Co.  
Firm Registration No:- 022622N  
Chartered Accountants

For and on behalf of the Board of Directors of  
VARIETY ENTERTAINMENT PVT LTD

SD/-  
CA Sumit Gupta  
Partner  
M.NO:- 513086  
Place:- Delhi  
Date:- 24th May 2017

SD/-  
Anil Kumar Jain  
Director  
DIN: 07208514

SD/-  
Suresh Kumar  
Director  
DIN: 00010948

VARIETY ENTERTAINMENT PRIVATE LIMITED

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

4	Intangible assets	( INR millions)			
	Gross block	Furniture & Fixture	Plant & Machinery	Electrical Equipment	Total
	<b>Balance as at April 1, 2015</b>	0.78	2.36	16.64	19.78
	Additions		0.28		0.28
	<b>Balance as at March 31, 2016</b>	<b>0.78</b>	<b>2.64</b>	<b>16.64</b>	<b>20.06</b>
	Additions				
	<b>Balance as at March 31, 2017</b>	<b>0.78</b>	<b>2.64</b>	<b>16.64</b>	<b>20.06</b>
	<b>Accumulated amortisation</b>				
	<b>Balance as at April 1, 2015</b>	<b>0.68</b>	1.55	11.70	13.94
	Opening Equity	0.10	(0.34)	(3.77)	(4.01)
	Charge for the year	0.07	0.11	0.33	0.51
	<b>Balance as at March 31, 2016</b>	<b>0.65</b>	<b>2.00</b>	<b>15.80</b>	<b>18.46</b>
	Charge for the year	0.07	0.11	0.33	0.51
	<b>Balance as at March 31, 2017</b>	<b>0.73</b>	<b>2.11</b>	<b>16.13</b>	<b>18.97</b>
	<b>Net block</b>				
	<b>Balance as at March 31, 2016</b>	<b>0.13</b>	<b>0.64</b>	<b>0.83</b>	<b>1.61</b>
	<b>Balance as at March 31, 2017</b>	<b>0.06</b>	<b>0.53</b>	<b>0.51</b>	<b>1.10</b>

**VARIETY ENTERTAINMENT PRIVATE LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017

<b>5</b>	<b>Investments (Non trade, unquoted)</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
		` millions	` millions
	Investments in shares (Associate)	43.00	
	Other Comprehensive Income (Profit from Associate)	2.04	-
		<b>45.04</b>	<b>-</b>
<b>6</b>	<b>Trade receivables</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
		` millions	` millions
	Dues for more than six months	6.90	7.12
	Dues for less than six months	206.55	206.55
		<b>213.45</b>	<b>213.67</b>
	Less: Provision for doubtful debts	1.33	1.33
		<b>212.11</b>	<b>212.33</b>
	<b>Other receivables</b>		
	Unsecured, considered good		
		<b>212.11</b>	<b>212.33</b>
<b>7</b>	<b>Cash and bank balances</b>	<b>Current</b>	<b>Current</b>
		<b>March 31, 2017</b>	<b>March 31, 2016</b>
		` millions	` millions
	<b>Cash and cash equivalents</b>		
	Cash on hand	0.00	0.00
	Balances with banks		
	On current accounts	3.51	0.74
		<b>3.51</b>	<b>0.74</b>
<b>8</b>	<b>Unsecured, considered good</b>	<b>Short-term</b>	<b>Short-term</b>
		<b>March 31, 2017</b>	<b>March 31, 2016</b>
		` millions	` millions
	Other Deposits		0.03
	TDS Recievables		3.89
	Other Advances	0.61	10.00
	<b>Doubtful</b>		
	Advances to distribution companies		
	Less: Provision for doubtful advances		
		0.61	13.92
		<b>0.61</b>	<b>13.92</b>
<b>9</b>	<b>Other Current Assets</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
		` millions	` millions
	Prepaid Expenses	0.02	0.02
	Advance Received from Customers	0.20	0.08
	Other recevables	66.25	352.83
		<b>66.46</b>	<b>352.92</b>

10	Share capital	March 31, 2017 ` millions	March 31, 2016 ` millions
	<b>Issued share capital</b>		
	10000(Previous year10000) equity shares of INR 10 each	0.10	0.10
	0 (Previous year 0) 7.25% Non-cumulative redeemable preference shares of INR 1 each		-
	<b>Total issued capital</b>	<b>0.10</b>	<b>0.10</b>
	<b>Subscribed and fully paid up capital</b>		
	10000 (Previous year: 10000) equity shares of ` 10 each fully paid up	0.10	0.10
	0 (Previous year ) Non-cumulative redeemable preference shares of INR 1 each fully paid up		
	Shares warrants		
	<b>Total paid up capital</b>	<b>0.10</b>	<b>0.10</b>
	Forfeited equity shares	-	-
		<b>0.10</b>	<b>0.10</b>
11	Other Equity	March 31, 2017 ` millions	March 31, 2016 ` millions
	Deficit in the Statement of profit and loss		
	Balance at the beginning of the year	(20.78)	(17.28)
	Add: Profit/Loss for the year	1.66	(3.50)
	Balance at the end of the year	<b>(19.12)</b>	<b>(20.78)</b>
		<b>(19.12)</b>	<b>(20.78)</b>
12	Long-term borrowings	March 31, 2017 INR millions	March 31, 2016 INR millions
	<b>(a) Term loans from banks (Secured)</b>		
	Optionally Convertible debenture	234.00	234.00
		<b>234.00</b>	<b>234.00</b>
	<b>The above amount includes</b>		
	Secured borrowings	234.48	234.00
	Amount disclosed under the head "other current liabilities"		
		-	-
	<b>Net amount</b>	<b>234.48</b>	<b>234.00</b>
13	Deferred tax liability (net)	March 31, 2017 INR millions	March 31, 2016 INR millions
	Deferred Tax	1.08	1.08
		<b>1.08</b>	<b>1.08</b>
14	Other liabilities	March 31, 2017 INR millions	March 31, 2016 INR millions
	Security Deposit		2.01
		-	<b>2.01</b>

15	<b>Trade payables</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
		<b>INR millions</b>	<b>INR millions</b>
	- Total outstanding dues of micro enterprises and small enterprises; and		
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	5.15	358.41
		<b>5.15</b>	<b>358.41</b>
<hr/>			
16	<b>Other financial liabilities</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
		<b>INR millions</b>	<b>INR millions</b>
	Payable to SNL	36.13	
		<b>36.13</b>	
<hr/>			
17	<b>Other Current Liabilities</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
		<b>INR millions</b>	<b>INR millions</b>
	Advances from customers	67.02	
	Professional Tax payable	0.00	0.00
	Service tax Liabilities		1.21
	Entertainment Tax Liability	0.28	0.28
	TDS Payable		3.63
	Salaries Payable		0.13
	Rent Payable	0.01	0.01
	Other Liability	0.35	0.35
	Liability for Expenses	0.12	0.12
	Audit Fess payable		0.09
	Bonus Payable	0.00	0.00
	Legal & Professional Fee Payable	0.08	0.10
	Advances From Customers		0.01
	Tour Advance	0.05	0.05
	Commission Payable	2.38	
		<b>70.30</b>	<b>6.00</b>
<hr/>			
18	<b>Provisions</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
		<b>INR millions</b>	<b>INR millions</b>
	Provision For Income Tax	0.71	0.71
		<b>0.71</b>	<b>0.71</b>

**VARIETY ENTERTAINMENT PRIVATE LIMITED**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017**

<b>19 Revenue from operations</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	<b>` millions</b>	<b>` millions</b>
Sale of services		
Subscription income	3.76	10.44
Other operating revenue		183.60
Other networking and management income	-	
	<b>3.76</b>	<b>194.04</b>
<b>20 Other income</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	<b>` millions</b>	<b>` millions</b>
Interest on Bank deposits		0.56
Insurance Claim Received		0.29
Installation Charges	-	0.02
Misc. Receipts	-	0.00
Interest on refund	0.15	-
	-	-
	<b>0.15</b>	<b>0.87</b>
<b>21 Employee benefits expense</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	<b>` millions</b>	<b>` millions</b>
Salaries, wages and bonus		1.77
Staff welfare expenses	0.00	0.02
Bonus		
Gratuity		0.09
	<b>0.00</b>	<b>1.88</b>
<b>22 Finance costs</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	<b>` millions</b>	<b>` millions</b>
Bank Charges	0.00	0.01
Interest Paid (ST)	-	0.00
Interest on OCD' (Fair Value)	0.48	
	<b>0.48</b>	<b>0.01</b>
<b>23 Depreciation and amortisation expenses</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	<b>` millions</b>	<b>` millions</b>
Depreciation of tangible assets (Refer note 4)	0.51	0.51
Amortisation of intangible assets (Refer note 4a)	0.33	0.51
	<b>0.84</b>	<b>1.02</b>

**VARIETY ENTERTAINMENT PRIVATE LIMITED**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2017**

<b>24 Other expenses</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	<b>` millions</b>	<b>` millions</b>
Rent	0.10	0.15
Entertainment Expenses	-	0.01
Lodging & Boarding Expenses	-	0.02
Poles & Cable Expenses		0.15
Repairs and maintenance	-	-
- Air Conditioners		0.01
- Cables		0.03
- Electrical		0.06
- Others	0.09	0.05
Payment To Auditors	-	-
As Auditor	-	0.08
For Tax Audit		0.02
Electricity and water charges		0.14
Legal, professional and consultancy charges		0.24
Printing and stationery		0.01
Other Administrative Expenses		0.09
Travelling and conveyance expenses	0.01	0.17
Telephone Expenses		0.01
Internet		0.01
Vehicle Hire Charges	-	0.21
Equipment Hire Charges	-	0.00
Office Maintenance	0.10	0.04
Insurance expenses		0.09
Postage & Telegram	0.01	0.00
Loss on sale of assets		
Transport Charges	0.01	0.00
Mobile Allowances	0.00	0.01
Round Off		0.00
Rates & Taxes	0.47	0.01
Mis Exps	0.01	-
Debit Balance Written Off		0.58
Other Operating Expenses		187.97
Commission	2.50	-
	<b>3.29</b>	<b>190.23</b>

**25 Earnings per share**

	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	<b>` millions</b>	<b>` millions</b>
Loss attributable to equity shareholders	(0.37)	(3.50)
Number of weighted average equity shares		
Basic	10000	10000
Diluted	10000	10000
Nominal value of per equity share (INR )	10	10
Loss per share after tax (INR )		
Basic	(0.00)	(0.00)
Diluted	(0.00)	(0.00)

**NOTES : SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDING 31<sup>st</sup> MARCH, 2017**

**1 CORPORATE INFORMATION:**

Variety Entertainment Private Limited (hereinafter referred to as 'the Company') was incorporated in the state of Hyderabad on 14<sup>th</sup> July, 1998 and is a wholly owned subsidiary of SITI Networks Limited (hereinafter referred to as the 'Parent Company'). The Company is in the business of providing cable TV services to the end consumers.

**2 BASIS OF PREPARATION:**

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.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These financial statements are the first financial statements of the Company under Ind AS.

The accounting policies have been consistently applied by the Company.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of business and the time between the acquisition of assets and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**3.1 USE OF ESTIMATES:**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

**3.2 RECOGNITION OF REVENUE:**

Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction.

**Income from Services**

- Subscription revenue and other Services revenue are recognized on completion of services.
- Carriage fees are recognized on accrual basis over the terms of related agreements.

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- Advertisement revenue is recognized when the related advertisement appears before the public. Other Advertisement revenue for slot sale is recognized on period basis

**3.3 RECOGNITION OF INCOME AND EXPENSE:**

Items of income and expenditure are recognized on accrual basis.

**3.4 Cash & Cash Equivalents**

Cash & Cash equivalents are comprise cash at bank and in hand, cheques in hand and short term investments with an original maturity of three months or less.

**3.5 PLANT, PROPERTY AND EQUIPMENT**

Plant, properties and equipments are carried at the cost of acquisition or construction less accumulated depreciation. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Depreciation / amortization on plant, properties and equipments is provided at rates computed on the basis of useful life of assets as specified in Schedule II of the Companies Act, 2013 except in case of intangible assets and leasehold improvements on which depreciation is provided at rate as mentioned below which in view of the management represents the useful life of assets. Assets costing less than Rs 5,000 each, are depreciated in full excluding residual value as per Schedule II, in year of purchase.

**Asset categoryRate of depreciation/ amortization**

Intangible assets	Straight Line Method
Leasehold improvements	Over the lease term or useful life whichever is lower

However, during the current year no depreciation has been provided on tangible assets as the remaining carrying amount is equal to the 5% of the original cost.

**3.6 INVESTMENTS:**

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

However, the company does not have any investments during the current year.

**3.7 INVENTORIES:**

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

However, the company does not have any inventory during the current year.

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**3.8 TRADE RECEIVABLES:**

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, loss promise for impairment.

**3.9 INCOME TAXES:**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

During the current year, the company has incurred losses and hence there is no tax liability.

**3.10 EVENTS OCCURRING AFTER BALANCE SHEET DATE:**

Events occurring after balance sheet date which affect the financial position to a material extent are taken into cognizance, if any.

**3.11 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES:**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Liabilities are generally not provided for in the accounts are shown separately under notes to the accounts if any.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

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**NOTE: EXPLANATORY/ CLARIFICATORY NOTES:**

- A. No dividend has been proposed by the Directors of the Company due to nominal loss of the company.
- B. Balances of sundry creditors and debtors are subject to confirmation from the respective parties.
- C. In the opinion of the Board, current assets, loans & advances have a value in the ordinary course of business at least equal to that stated in Balance Sheet.
- D. **Auditors Remuneration:2016-17**

<b><u>SL. NO.</u></b>	<b><u>PARTICULARS</u></b>	<b><u>F/Y 2016-17</u></b>	<b><u>F/Y 2015-16</u></b>
<b>1.</b>	<b>AUDIT FEES</b>	<b>Rs. 75,000/-</b>	<b>Rs. 75,000/-</b>

**E. RELATED PARTY DISCLOSURES:-**

**Names of related parties:**

Siti Networks Limited (formerly Siti Cable Network Limited)	Holding Company
Wire And Wireless Tisai Satellite Limited, Mumbai	Fellow Subsidiary
Indian Cable Net Company Limited, Kolkata	Fellow Subsidiary
Central Bombay Cable Network Limited, Delhi	Fellow Subsidiary
Siti Faction Digital Private Limited, Delhi	Fellow Subsidiary
Master Channel Community Network Pvt. Ltd., Vijayawada	Fellow Subsidiary
Siti Vision Digital Media Private Limited, Delhi	Fellow Subsidiary
SitiJind Digital Media Communications Private Limited, Delhi	Fellow Subsidiary
Siti Jai MaaDurge Communications Private Limited, Delhi	Fellow Subsidiary
Siti Bhatia Network Entertainment Private Limited, Chhattisgarh	Fellow Subsidiary
Siti Krishna Digital Media Private Limited	Fellow Subsidiary
SitiJony Digital Cable Network Private Limited	Fellow Subsidiary
Siti Guntur Digital Network Private Limited	Fellow Subsidiary
Siti Global Private Limited	Fellow Subsidiary
SitiChhatisgarh Media Network Private Limited	Fellow Subsidiary
SitiKarnal Digital Media Private Limited	Fellow Subsidiary
Siti Broadband Services Private Limited	Fellow Subsidiary
SitiMaurya Cable Net Private Limited	Fellow Subsidiary
Indinet Service Private Limited	Fellow Subsidiary

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Axom Communications & Cable Private Limited	Fellow Subsidiary
Siti Siri Digital Network Pvt. Ltd.	Fellow Subsidiary
Bargachh Digital Communication Network Private Limited	Fellow Subsidiary
Siti Prime Uttaranchal Communication Private Limited	Fellow Subsidiary
SitiSaistar Digital Media Pvt. Ltd. (formerly known as SaistarDigitalmedia Private Limited)	Fellow Subsidiary
Voice Snap Services Private Limited	Associates Company

**Other Related Parties:**

Mr. Suresh Kumar - Director  
Mr. Anil Kumar Jain - Director

**F.** Transactions entered into by the Company with its holding company during the relevant Financial Year are as under:

**- Sale/ purchase of goods and services**

	Year ended	Amount Received	Amount Paid	Amount owed by related parties	Amount owed to related parties
<b>Holding Company</b>					
Siti Network Limited (formerly Siti Cable Network Limited)	March 31, 2017	61,97,58,998/-	38,12,71,000/-		23,84,87,998/-
	March 31, 2016	35,28,25,769/-			35,28,25,769/-

**G.** The basic earnings per share (“EPS”) is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year.

Particulars	31-March-2017	31-March-2016
Profit/(Loss) after Tax	(3,73,272.77)	(34,99,334.77)
Number of Equity Shares	10,000	10,000
Nominal Value of Equity Shares	10	10
<b>Basics Earnings per Share</b>	<b>(37.33)</b>	<b>(349.93)</b>

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**H. Other disclosures are made as under :**

i. Value of Import on CIF Basis	-	NIL
ii. Expenses in Foreign Currency	-	NIL
iii. Amount remitted in Foreign Currency	-	NIL
iv. Earnings in Foreign Currency	-	NIL

**I.** As required by the MCA notification G.S.R. 308(E) dated 30.03.2017, the details of **Specified Bank Notes (SBN)** held and transacted during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016, the denomination wise SBNs and other notes is given below:

Particulars	SBNs*	Other Denomination Notes	Total
Closing Cash in Hand as on 8 <sup>th</sup> November 2016	0.00	93.00	<b>93.00</b>
(+) Permitted Receipts	0.00	0.00	<b>0.00</b>
(-) Permitted Payments	0.00	0.00	<b>0.00</b>
(-) Amount deposited in Bank	0.00	0.00	<b>0.00</b>
Closing Cash in Hand as on 30 <sup>th</sup> December 2016	0.00	93.00	<b>93.00</b>

*\*For the purposes of this clause, the term Specified Bank Notes shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8<sup>th</sup> November 2016.*

**J. TAX EXPENSE**

<b>Tax Expense</b>			
The major components of income tax for the year are as under:			<b>Rs in million</b>
		<b>March 31, 2017</b>	<b>April 01, 2016</b>
<b>Income tax related to items recognised directly in the statement of profit and loss</b>			
Current tax - current year		-	0.71
Deferred tax charge / (benefit)		-2.0	1.1
<b>Total</b>		<b>-2.0</b>	<b>1.8</b>
Effective tax rate		-1843.0%	-104.4%
<b>A reconciliation of the income tax expense applicable to the profit before income tax at statutory rate to the income tax expense at the Company's effective income tax rate for the year ended 31 March, 2017 and 31 March, 2016 is as follows:</b>			
Loss before tax		0.1	-1.7
Effective tax rate		30.9%	30.9%
Tax at statutory income tax rate		0.0	0
Tax effect on non-deductible expenses			
Additional allowances for tax purposes			
Effect of tax on group companies incurring losses			
Effect of tax rate difference of subsidiaries			
Other permanent difference		-2.1	1.8
<b>Tax expense recognised in the statement of profit and loss</b>		<b>-2.0</b>	<b>1.8</b>

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**K FAIR VALUE MEASUREMENT**

<b>Fair value measurements</b>				
				<b>Rs in million</b>
<b>A. Financial instruments by category</b>				
		<b>NOTES</b>	<b>March 31, 2017</b>	
			<b>FVTPL</b>	<b>Amortised cost</b>
<b>Financial assets</b>				
Bank deposits				
		-		
Amount recoverable		8	-	0.61
Interest accrued and not due on fixed deposits				
			-	
Security deposits				
			-	
Unbilled revenues				
			-	
Trade receivables		6	-	212.11
Investments (Current, financial assets)				
			-	
Cash and cash equivalents		7	-	3.51
<b>Total financial assets</b>			<b>-</b>	<b>216.23</b>
<b>Financial liabilities</b>				
Borrowings (Non-current, financial liabilities)				
		12	-	234.00
Borrowings (Current, financial liabilities)				
			-	
Payables for purchase of property, plant and equipment				
			-	
Security deposits received from customer				
			-	
Trade payables		15	-	5.15
Other financial liabilities (current)		16	-	36.13
<b>Total financial liabilities</b>			<b>-</b>	<b>275.28</b>
				<b>Rs in million</b>
				<b>March 31, 2016</b>
			<b>FVTPL</b>	<b>Amortised cost</b>
<b>Financial assets</b>				
Bank deposits				
			-	

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Amount recoverable		8	-	13.92
Interest accrued and not due on fixed deposits			-	
Security deposits			-	
Unbilled revenues			-	
Trade receivables		6	-	212.33
Investment (Current, financial assets)			-	
Cash and cash equivalents		7	-	0.74
Other bank balances			-	
<b>Total financial assets</b>			-	<b>226.99</b>
<b>Financial liabilities</b>				
Borrowings (non-current, financial liabilities)		12	-	234.00
Borrowings (Current, financial liabilities)			-	
Payables for purchase of property, plant and equipment			-	
Security deposits			-	
Trade payables		15	-	358.41
Other financial liabilities (current)			-	
<b>Total financial liabilities</b>			-	<b>592.41</b>
				<b>Rs in million</b>
				<b>April 01, 2015</b>
			<b>FVTPL</b>	<b>Amortised Cost</b>
<b>Financial assets</b>				
Bank deposits			-	
Amount recoverable			-	
Interest accrued and not due on fixed deposits			-	
Security deposits			-	
Investment (Non- current, financial assets)			-	

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Unbilled revenues			-	
Trade receivables			-	
Investment (Current, financial assets)			-	
Cash and cash equivalents			-	
Other bank balances			-	
<b>Total financial assets</b>			-	-
<b>Financial liabilities</b>				
Borrowings (non-current, financial liabilities)			-	
Borrowings (current, financial liabilities)			-	
Payables for purchase of property, plant and equipment			-	
Security deposits			-	
Trade payables			-	
Other financial liabilities (current)			-	
<b>Total financial liabilities</b>			-	-
<b>B. Fair value of financial assets and liabilities measured at amortised cost</b>				<b>Rs in million</b>
	<b>March 31, 2017</b>		<b>March 31, 2016</b>	
	<b>Carrying amount</b>	<b>Fair value</b>	<b>Carrying amount</b>	<b>Fair value</b>
<b>Financial assets</b>				
Bank deposits	-	-	-	-
Amount recoverable	0.61	0.61	13.92	13.92
Interest accrued and not due on fixed deposits	-	-	-	-
Security deposits	-	-	-	-
Unbilled revenue	-	-	-	-
Trade receivables	212.11	212.11	212.33	212.33
Cash and cash equivalents	3.51	3.51	0.74	0.74
Other bank balances			-	-
<b>Total financial assets</b>	<b>216.23</b>	<b>216.23</b>	<b>226.99</b>	<b>226.99</b>

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<b>Financial liabilities</b>				
Borrowings (non-current, financial liabilities)	234.00	234.00	234.00	234.00
Borrowings (current, financial liabilities)	-	-	-	-
Payables for purchase of property, plant and equipment	36.13	36.13	-	-
Security deposits	-	-	-	-
Trade payables	5.15	5.15	358.41	358.41
Other financial liabilities (current)	-	-	-	-
<b>Total financial liabilities</b>	<b>275.28</b>	<b>275.28</b>	<b>592.41</b>	<b>592.41</b>
				<b>Rs in million</b>
			<b>April 01, 2015</b>	
			<b>Carrying amount</b>	<b>Fair value</b>
<b>Financial assets</b>				
Bank deposits			-	-
Amount recoverable			-	-
Interest accrued and not due on fixed deposits			-	-
Security deposits			-	-
Investment (Non- current, financial assets)			-	-
Unbilled revenue			-	-
Trade receivables			-	-
Cash and cash equivalents			-	-
Other bank balances			-	-
<b>Total financial assets</b>			<b>-</b>	<b>-</b>
Financial liabilities				
Borrowings (non-current, financial liabilities)			-	-
Borrowings (current, financial liabilities)			-	-
Payables for purchase of property, plant and equipment			-	-
Security deposits			-	-

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Trade payables			-	-
Other financial liabilities (current)			-	-
<b>Total financial liabilities</b>			-	-

**L.CREDIT RISK**

	Credit rating	Particulars	March 31, 2017	March 31, 2016	April 01, 2015
	A: Low credit risk	Investment, Cash and cash equivalents and other financial assets except security deposits and amount recoverable	261.26	226.99	-
	B: High credit risk	Trade receivables, security deposits and amount recoverable	212.72	226.25	-
<b>As at March 31, 2017</b>					<b>Rs in million</b>
<b>Particular</b>			<b>Estimated gross carrying amount at default</b>	<b>Expected credit losses</b>	<b>Carrying amount net of impairment provision</b>
Trade receivables			213.45	1.33	212.11
Security deposits			-	-	-
Advances recoverable			67.05	-	67.05
<b>As at March 31, 2016</b>					<b>Rs in million</b>
<b>Particular</b>			<b>Estimated gross carrying amount at default</b>	<b>Expected credit losses</b>	<b>Carrying amount net of impairment provision</b>
Trade receivables			213.67	1.33	212.33

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Security deposits					-	-	-
Advances recoverable					366.82	-	366.82
<b>As at April 01, 2015</b>							<b>Rs in million</b>
<b>Particular</b>					<b>Estimate d gross carrying amount at default</b>	<b>Expect ed credit losses</b>	<b>Carrying amount net of impairmen t provision</b>
Trade receivables					-	-	-
Security deposits					-	-	-
Advances recoverable					-	-	-
Reconciliation of loss allowance provision – Trade receivable, security deposit and accounts receivable							
<b>Loss allowance on April 01, 2015</b>							-
Changes in loss allowance							1.33
<b>Loss allowance on March 31, 2016</b>							<b>1.33</b>
Changes in loss allowance							-
<b>Loss allowance on March 31, 2017</b>							<b>1.33</b>

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**M. LIQUIDITY RISK**

**2017**  
**Rs in million**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-5 year</b>	<b>Total</b>
Borrowings	-	-	-
Payable for purchase of Property, plant and equipment	36.13		
Trade payables	5.15	-	5.15

**2016**  
**Rs in million**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-5 year</b>	<b>Total</b>
Borrowings	-	-	-
Trade payables	358.41	-	358.41

**2015**  
**Rs in million**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-5 year</b>	<b>Total</b>
Borrowings	-	-	-
Trade payables	-	-	-

**For Sumit Gupta & Co.**  
**Chartered Accountants**  
**Firm Regn. No. 022622N**

**For Variety Entertainment Private Limited**

SD/-  
**CA Sumit Gupta**  
**(Partner)**  
**Membership No 513086**

SD/-  
**Anil Kumar Jain**  
**Din: 07208514**  
**(Director)**

SD/-  
**Suresh Kumar**  
**Din: 00010948**  
**(Director)**

**Place- Delhi**  
**Date- 24<sup>th</sup> May 2017**

**VARIETY ENTERTAINMENT PRIVATE LIMITED**  
**CIN : U92132TG1998PTC029754**