

Independent Auditor's Report

To the Members of PVP Media Ventures Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of PVP Media Ventures Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including other comprehensive income) and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, 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 the Ind AS financial statements are free from material misstatement.

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



that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2018 and its Loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Ind AS financial statements.

Note No. 10.5 in the Ind AS financial statements which indicates that the Company has accumulated losses and its net worth is fully eroded, the Company has incurred loss during the current and previous year(s) and the Company's current liabilities exceeded its current asset as at the balance sheet date. These conditions indicate the existence of a uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Our opinion is not qualified in this regard.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7



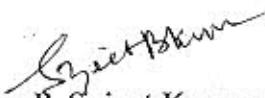
of the Companies (Accounts) Rules, 2014;

- (e) On the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which has an impact on its financial position in its financial statements.
 - ii. The Company did not have long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for B.Sujeet & Co.

Chartered Accountants

Firm's registration number: 0093085



B. Sujeet Kumar

Proprietor

Membership number: 209547



Hyderabad

24th May, 2018

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2018, we report that:

- (i) The Company does not have any fixed assets. Hence paragraph 3(i) of the Order is not applicable to the Company.
- (ii) The Company is an Investment company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted loans to any body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Hence paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of duty or taxes which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.



- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for the managerial remuneration during the year. Hence paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For B. Sujeet & Co.
Chartered Accountants

Firm's registration number: 0093085


B. Sujeet Kumar
Proprietor

Membership number: 209547



Hyderabad

24th May, 2018

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of PVP Media Ventures Private Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment,



including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

We invite attention to the following:

- a) The Company does not have any employees and all the operations are being carried out by the employees of the holding company. Hence there is no internal control framework in place in the Company.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.



According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide the basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2018.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the financial statements of the Company.

For B. Sujeet & Co.

Chartered Accountants

Firm's Registration Number: 009308S


B. Sujeet Kumar

Proprietor

Membership Number: 209547



Hyderabad

24th May, 2018

PVP MEDIA VENTURES PRIVATE LIMITED
Corporate Identification Number: U92120TN2013PTC091100
Balance Sheet as at March 31, 2018

	Particulars	Note No.	As at Mar 31, 2018	As at Mar 31, 2017
	ASSETS			
(1)	Non Current Assets			
	(a) Property, Plant and Equipment		-	-
	(b) Capital work-in-progress		-	-
	(c) Financial Assets			
	(i) Investments	2	5,33,80,481	6,97,39,015
	(ii) Trade receivables		-	-
	Total Financial Asset		5,33,80,481	6,97,39,015
	(d) Other non current assets		-	-
	Total Non Current Assets		5,33,80,481	6,97,39,015
(2)	Current assets			
	(a) Inventories		-	-
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Cash and cash equivalents	3	78,932	62,336
	Total Financial Asset		78,932	62,336
	(c) Other current assets		-	-
	Total Current Assets		78,932	62,336
(3)	Non current assets classified as held for sale			-
	Total Assets		5,34,59,413	6,98,01,351
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	4	1,90,000	1,90,000
	(b) Other Equity		4,05,53,014	5,85,08,352
	Total Equity		4,07,43,014	5,86,98,352
	LIABILITIES			
(1)	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	5	1,26,86,600	1,10,80,000
	(ii) Trade payables		-	-
	Total Financial Liabilities		1,26,86,600	1,10,80,000
	(b) Other non current liabilities		-	-
	Total Non Current Liabilities		1,26,86,600	1,10,80,000
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	(ii) Trade payables	6	29,800	23,000
	Total Financial Liabilities		29,800	23,000
	(b) Other current liabilities		-	-
	Total Current Liabilities		29,800	23,000
(3)	Liabilities associated with non current assets held for sale			-
	Total Equity and Liabilities		5,34,59,413	6,98,01,351
<p>Significant Accounting Policies 1</p> <p>The accompanying notes form an integral part of the financial statements</p> <p>As per our report of even date attached.</p> <p>For M/s. B. SUJEET & CO., CHARTERED ACCOUNTANTS Firm Registration No. 0093085</p> <p><i>B. Sujeet Kumar</i> B. SUJEET KUMAR Proprietor Membership No. 209547</p> <p><i>R. Ramaswamy</i> R. RAMASWAMY Director DIN - 07737350</p> <p><i>C.S.N. Prasad</i> C.S.N. PRASAD Director DIN - 07882618</p> <p>Place: Hyderabad Date: 24th May 2018</p>				

PVP MEDIA VENTURES PRIVATE LIMITED
Corporate Identification Number: U92120TN2013PTC091100
Statement of Profit and Loss for the Year ended March 31, 2018

	Particulars	Note	Year ended March 31, 2018	Year ended March 31, 2017
I	Revenue from Operations			-
II	Other Income	7	16,596	-
III	Total Income (I + II)		16,596	-
IV	Expenses			
	Employee Benefit Expense and Payment to Contractors			
	Finance Costs	8	16,06,600	14,03,144
	Depreciation and Amortisation			
	Other Operating and General Expenses	9	31,900	31,400
	Total expenses (IV)		16,38,500	14,34,544
V	Profit Before Tax and Exception items (III - IV)		(16,21,904)	(14,34,544)
VI	Exceptional Items			-
VII	Profit/(Loss) Before Tax (V - VI)		(16,21,904)	(14,34,544)
VIII	Tax Expenses			
	Current Tax			-
	Deferred Tax			-
	Minimum Alternative Tax Credit			-
	Tax relating to earlier years			-
	Total		-	-
IX	Profit for the year after tax (VII - VIII)		(16,21,904)	(14,34,544)
X	Other Comprehensive income, net of tax			
	(A) Items that will not be reclassified subsequently to profit and loss			
	change in measurement of loan			
	Change in fair value of equity instruments designated irrevocably as FVTOCI		(1,63,58,534)	(4,98,13,583)
	Less :-income tax expense		(1,63,58,534)	(4,98,13,583)
	(B) Items that will be reclassified subsequently to profit and loss			
	Currency translation difference (net)			-
	Other Comprehensive income for the year, net of tax		(1,63,58,534)	(4,98,13,583)
XI	Total Comprehensive Income for the year (IX - X)		(1,79,80,438)	(5,12,48,127)
XII	Earnings Per Share	10		
	Basic and Diluted		(85.36)	(75.50)
	Face Value per Ordinary share		10.00	10.00


The accompanying notes form an integral part of the Financial Statements
As per our report of even date attached.

For M/s. B. SUJEET & CO.,
CHARTERED ACCOUNTANTS
Firm Registration No. 009308S

For and on behalf of the Board of Directors


B. SUJEET KUMAR
Proprietor
Membership No. 209547




R. RAMASWAMY
Director
DIN - 07737350


C.S.N. PRASAD
Director
DIN - 07882618

Place: Hyderabad
Date: 24th May 2018

PVP MEDIA VENTURES PRIVATE LIMITED
Corporate Identification Number: U92120TN2013PTC091100
Cash Flow Statement for the year ended March 31, 2018

Particulars	31-03-2018 Rs.	31-03-2017 Rs.
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Net/(Loss) Profit before extraordinary items & taxation	(16,21,904)	(14,34,544)
Adjustments for operating activities :		
Add: Provision for Dimunition in value of Investments	-	-
Add: Goodwill on Merger written off	-	-
Interest Expenses	16,06,600	14,03,144
	-	-
Operating Profit before Working Capital Changes	(15,304)	(31,400)
Adjustments for :		
Increase/(Decrease) in Trade Payables	6,800	11,550
Cash generated from operations	(8,504)	(19,850)
Income Tax paid	-	-
Income Tax paid for earlier years	-	-
Net Cash from/ (used in) Operating Activities after extraordinary items (A)	(8,504)	(19,850)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Goodwill	-	-
(Purchase)of Long Term Investments	-	-
Net cash from / (used in) investing activities (B)	-	-
B. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issue of Share Capital	-	19,850
Inter Corporate Loans received	-	-
Proceeds from Long Term Borrowings	25,100	-
Net cash from/(used in) financing activities (C)	25,100	19,850
Net Increase in Cash and Cash Equivalents (A+B+C)	16,596	-
Cash and cash equivalents at the beginning of the year	62,336	-
Cash and cash equivalents of the merged company	-	62,336
Cash and cash equivalents at the end of the year	78,932	62,336
Components of Cash and Cash Equivalents		
Cash and cheques on Hand	5,000	5,000
Balances with Banks		
-On Current Accounts	73,932	57,336
-On Deposit Accounts	-	-
Cash and cash Equivalent (as per Note 3)	78,932	62,336

Reconciliation between the opening and closing balances in the balance sheet for liabilities and financial assets arising from financing activities:

Particulars	As at April 01, 2017	Cash Flows	Non - Cash Changes Fair Value Changes	As at March 31, 2018
Long Term Borrowings	1,10,80,000		16,06,600	1,26,86,600
Short term Borrowings				-
Total Liabilities from Financing Activities	1,10,80,000	-	16,06,600	1,26,86,600

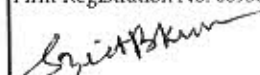
The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For M/s. B. SUJEET & CO.,

CHARTERED ACCOUNTANTS

Firm Registration No. 009308S


B. SUJEET KUMAR

Proprietor

Membership No. 209547



For and on behalf of the Board of Directors


R. RAMASWAMY

Director

DIN - 07737350


C.S.N PRASAD

Director

DIN - 07882618

Place: Hyderabad

Date: 24th May 2018

PVP MEDIA VENTURES PRIVATE LIMITED
Corporate Identification Number: U92120IN2013PTC091100
Statement of Changes in Equity for the Period ended March 31, 2018

Statement of changes in equity

Particulars	Equity Share Capital	Reserves & Surplus				Other Comprehensive Income		Equity component of Parent Company	Total Equity attributable to equity holders of the company	
		Security Premium Reserve	Retained Earnings	Capital Reserve	General Reserve	Business Transfer Adjustment Reserve	Equity Instruments through other comprehensive Income			Other Items of Other Comprehensive Income
Balance as on 31st March 2016	1,90,000	-	(15,41,580)	-	-	-	(28,06,13,122)	1,11,22,597	38,07,68,734	10,99,26,629
Transferred to General Reserve	-	-	-	-	-	-	-	-	-	-
Re-measurement of the loan	-	-	-	-	-	-	-	-	19,850	19,850
Profit for the period	-	-	(14,34,544)	-	-	-	(4,98,13,583)	-	-	(5,12,48,127)
Balance as on 31st March 2017	1,90,000	-	(29,76,124)	-	-	-	(33,04,26,705)	1,11,22,597	38,07,88,584	5,86,98,351
Transferred to General Reserve	-	-	-	-	-	-	-	-	-	-
Re-measurement of the loan	-	-	-	-	-	-	-	-	25,100	25,100
Profit for the period	-	-	(16,21,904)	-	-	-	(1,63,38,534)	-	-	(1,79,80,438)
Balance as on 31st March 2018	1,90,000	-	(45,98,028)	-	-	-	(34,67,65,239)	1,11,22,597	38,08,13,684	4,07,43,013

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For M/s. B. SUJNET & CO.,

CHARTERED ACCOUNTANTS

Firm Registration No. 0093088


R. Ramaswamy

R. RAMASWAMY
Director
DIN - 07737550

For and on behalf of the Board of Directors

C.S.N. Prasad

C.S.N. PRASAD
Director
DIN - 07882618



Place: Hyderabad
Date: 24th May 2018

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For M/s. B. SUJET & CO.,

CHARTERED ACCOUNTANTS

Firm Registration No. 0093085

B. Sujet Kumar

B. SUJET KUMAR

Proprietor

Membership No. 209547

Place: Hyderabad

Date: 20th May 2018

For and on behalf of the Board of Directors

R. Ramaswamy

R. RAMASWAMY

Director

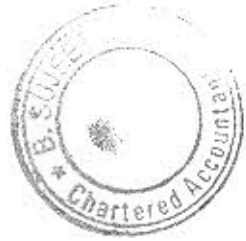
DIN - 07737350

C.S.N. Prasad

C.S.N. PRASAD

Director

DIN - 07882618



NOTE 1: COMPANY'S OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

A. Background: The Company is incorporated in the state of Tamilnadu in 2013. The Company is into media and entertainment business and has made strategic investments in a media and entertainment company.

B. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

(A) The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("Act") (to the extent notified). The Ind AS are prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101. - First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in Note No. 11.

Accounting Policies have been consistently applied except where a newly accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(B) The classification of assets and liabilities of the Company is done into current and non current based on the operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date.

(C) Use of Estimates

The preparation of financial statements in conformity with the Ind AS requires that the management to make estimates, judgements and assumptions. These estimates, judgements, and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made, if material, their effects are disclosed in the notes to the financial statements.



1.2 Revenue Recognition

As a consistent practice, the Company recognizes revenue on an accrual basis. Interest Income is recognized on time proportion basis on the outstanding amount.

1.3 Financial Instruments

Initial Recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that 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 accounted for at trade date.

Subsequent Measurement

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it held within a business model which 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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective 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. Further in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized costs using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date,



the carrying amounts approximate the fair value due to the short maturity of these instruments.

Fair Value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

1.4 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of nature or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.5 Borrowing Cost

Expenditure on borrowing cost on the loans obtained specifically for acquisition, construction or production of qualifying assets is capitalized as part of the cost of that asset. Other borrowing costs are charged to revenue over the tenure of the loan.

1.6 Taxes on Income

Income tax expense comprises current and deferred income tax. Income Tax is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date and are expected



to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

1.7 Earnings per Share

The earnings considered for ascertaining the Company's Earnings per Share comprises the net profit / (loss) after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted EPS comprises the weighted average shares considered for deriving basic EPS, and also the weighted average number of equity shares that would be issued on the conversion of all dilutive potential equity shares.

1.8 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has an obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.



PVP MEDIA VENTURES PRIVATE LIMITED
Corporate Identification Number: U92120TN2013PTC091100
Notes to Balance Sheet as at March 31, 2018

	Particulars	As at 31st March 2018	As at 31st March 2017
Note- 2	INVESTMENTS		
	Equity Instruments in Associates		
	Long term, Trade- Quoted (At Cost)		
	Picturehouse Media Limited	40,01,65,720	40,01,65,720
	Less: Provision for Diminution in value of Investments	(34,67,85,239)	(33,04,26,705)
		<u>5,33,80,481</u>	<u>6,97,39,015</u>
Note- 3	CASH AND CASH EQUIVALENTS		
	Cash in hand	5,000	5,000
	(as certified by management)		
	Balance with banks in current accounts	73,932	57,336
		<u>78,932</u>	<u>62,336</u>
Note: 4	(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share		
	Authorised Share Capital		
	1,00,000 Equity Shares of ₹. 10/- each	10,00,000	10,00,000
	Issued, Subscribed and Paid Up		
	19,000 Equity Shares of ₹. 10/- each	1,90,000	1,90,000
		<u>1,90,000</u>	<u>1,90,000</u>
	(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:		
	Number of equity shares outstanding as at the beginning of the year	19,000	19,000
	Add: Number of Shares allotted during the year	-	-
	Less: Number of Shares bought back	-	-
	Number of equity shares outstanding as at the end of the year	<u>19,000</u>	<u>19,000</u>
	(C) Shareholding in the company of the holding company and ultimate holding company and their subsidiaries / associates		
	PVP Ventures Limited and it's nominees	19,000	19,000
	(D) Shares in the company held by each shareholder holding more than 5%:	No of shares at year end	
	Name of shareholder		
	PVP Ventures Limited and it's nominees	19,000	19,000
		<u>19,000</u>	<u>19,000</u>
	Name of shareholder	% as at year end	
	PVP Ventures Limited and it's nominees	100	100
		<u>100</u>	<u>100</u>
	(E) Rights, preferences and restrictions attaching to various classes of shares	NIL	NIL
	(F) Shares reserved for issue under options and contracts:	NIL	NIL
	(G) Commitments for sale of shares/ disinvestment	NIL	NIL
	(H) Details of allotment of shares for consideration other than cash, allotments of bonus shares and shares bought back	7,000	7,000
	(I) The Company has only one class of shares issued and paid-up capital referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.		
	(J) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.		
	(K) Pursuant to scheme of amalgamation with Southfield Energy Pvt Ltd, 7,000 shares have been allotted to the shareholders of Southfield Energy Pvt Ltd in earlier years		
Note- 5	Borrowings		
	Unsecured Intercompany Loans	1,26,86,600	1,10,80,000
		<u>1,26,86,600</u>	<u>1,10,80,000</u>
Note- 6	TRADE PAYABLE		
	Sundry Creditors for services	29,800	23,000
		<u>29,800</u>	<u>23,000</u>



PVP MEDIA VENTURES PRIVATE LIMITED
Corporate Identification Number: U92120TN2013PTC091100
Notes to the Statement of Profit & Loss Account for the Year Ended March 31, 2018

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Note- 7	Other Income		
	Miscellaneous Income	16,596	-
		<u>16,596</u>	<u>-</u>
Note- 8	Finance Cost		
	Interest on Loans	16,06,600	14,03,144
		<u>16,06,600</u>	<u>14,03,144</u>
Note- 9	Other Expenses		
	Rates and taxes	13,600	8,400
	Payment to statutory auditors as auditors	11,800	11,500
	Legal, professional and consultancy	6,500	11,500
		<u>31,900</u>	<u>31,400</u>



Note 10. Other Items

10.1 Investment in Picturehouse Media Limited has been shown as accounted as Fair Value through Other Comprehensive Income (FVTOCI). Borrowings from holding company and other group companies with no specific repayment period and carrying nil rate of interest has been considered as Other Equity.

10.2 Earnings per Share

Particulars		March 31, 2018	March 31, 2017
Nominal Value of Equity Shares (Rs. per Share)		10	10
No. of Shares outstanding as at the year end	A	19,000	19,000
Net Profit before exceptional items (in Rs.)	B	(16,21,904)	(14,34,544)
Earnings Per Share- Rs. Per Share (Basic & Diluted)	B/A	(85.36)	(75.50)

10.3 Related Party Disclosures

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

Name of related party	Relationship
PVP Ventures Limited (PVPV)	Holding Company
New Cyberabad City Projects Private Limited (NCCPPL)	Fellow Subsidiary Company
PVP Global Ventures Private Limited (PVPGVPL)	Fellow Subsidiary Company

Summary of transactions and outstanding balances with the above related parties:

Nature of transactions	Transactions for the year ended March 31 (Rs.₹)		Balance as at March 31 (Rs.)	
	2018	2017	2018	2017
(i) Loans Aailed				
(a) PVPV	25,100	19,850	8,61,26,692	8,61,26,692
(b) NCCPPL	Nil	Nil	29,46,61,891	29,46,61,891
(c) PVPGVPL	Nil	Nil	Nil	Nil

10.4 The Company has not recognized deferred tax asset on carry forward losses on the grounds of prudence.

10.5 The Company has not been able to generate any dividends out of its investments as of now. Further the Company's liabilities far exceed the assets of the Company. The Company's net worth is fully eroded and the ability of the Company to continue as a going concern depends on support from its Holding Company and other group companies.



- 10.6 The Company has not received any intimation from suppliers, regarding their status, under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure of any amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been given.

10.7 Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed.

Financial assets and liabilities

The carrying value of financial instruments by categories are as follows:

Particulars	As at 31 st March, 2018		
Financial Assets	FVTPL	FVTOCI	Amortized Cost
Investments		5,33,08,481	
Cash and Cash Equivalents			31,304
Total		5,33,08,481	31,304
Financial Liabilities			
Borrowings			1,26,86,600
Other Current Liabilities			29,800
Total			1,27,16,400

Particulars	As at 31 st March, 2017		
Financial Assets	FVTPL	FVTOCI	Amortized Cost
Investments		6,97,39,015	
Cash and Cash Equivalents			62,336
Total		6,97,39,015	62,336
Financial Liabilities			
Borrowings			1,10,80,000
Other Current Liabilities			23,000
Total			1,11,03,000

Assets and liabilities that are not financial assets or liabilities are not included.

The carrying amounts of cash and cash equivalent, certain borrowings, trade payables and other financial liabilities are considered to be the same as their fair values due to their short term in nature.



- 10.8 Previous year's figures have been regrouped/reclassified, wherever necessary, to conform to those of the current year.
- 10.9 Explanatory notes 1 to 10 form an integral part of the Balance Sheet and Statement of Profit and Loss and are duly authenticated.

As per report of our even date
For M/s. B. Sujeet & Co
Chartered Accountants
Firm Reg.No.0093085

For and on behalf of the Board of Directors



B. Sujeet Kumar
(Proprietor)
M. No : 209547



R. Ramaswamy
(Director)
DIN: 07737350



C.S.N Prasad
(Director)
DIN: 07882618

Place: Hyderabad
Date: 24th May, 2018