

OPEN MEDIA NETWORK PRIVATE LIMITED

Balance Sheet as at 31st March, 2015

(All amounts in Rs ,unless otherwise stated)

Particulars	Notes	As at 31st March,2015	As at 31st March,2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	2	10,756,000	717,066,420
Reserves and Surplus	3	(92,418,186)	(709,084,937)
<b>Non-Current Liabilities</b>			
Long -term provisions	4	2,585,420	2,677,450
<b>Current Liabilities</b>			
Short-term borrowings	5	87,990,676	-
Trade payables	6	8,222,668	9,928,525
Other current liabilities	7	20,449,309	17,256,406
Short-term provisions	8	2,053,357	2,647,513
		<b>39,639,243</b>	<b>40,491,377</b>
<b>ASSESTS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	9	4,667,700	13,202,308
Intangible assets	10	191,012	60,859
Deferred tax Assets (Net)	11	-	477,187
Long- term loans and advances	12	6,259,500	6,252,500
<b>Current assets</b>			
Inventories	13	5,646,948	1,715,135
Trade receivables	14	8,132,938	8,480,979
Cash and cash equivalents	15	10,287,058	6,091,256
Short-term loans and advances	16	4,454,087	4,211,153
		<b>39,639,243</b>	<b>40,491,377</b>
Summary of Significant accounting policies	1	-	-

The accompanying notes are an integral part of the financial statements

For and on behalf of the board of directors of  
Open Media Network Private Limited

As per our report of even date

For VIDYA & CO

Firm Registration No.308022E

Chartered Accountants



*Tijana*

CA. Jitendra Nagar  
Membership No. 055659

Partner

Place :Kolkata

Date : 20th May, 2015

*[Signature]*

Director

*[Signature]*

Director

**OPEN MEDIA NETWORK PRIVATE LIMITED**

**Statement of Profit and Loss for the year ended 31st March, 2015**

(All amounts in Rs ,unless otherwise stated)

Particulars	Notes	For the Year Ended 31st March,2015	For the Year Ended 31st March,2014
Revenue from operations	17	28,965,519	72,923,890
Other Income	18	48,635,536	50,726,173
<b>Total Revenue</b>		<b>77,601,055</b>	<b>123,650,063</b>
<b>Expenses:</b>			
Cost of materials consumed	19	10,969,839	11,944,465
Employee benefit expense	20	68,386,545	65,701,056
Finance Costs	21	5,395,509	-
Depreciation and amortization expense	22	8,705,888	2,325,919
Other expenses	23	73,309,757	82,969,487
<b>Total Expenses</b>		<b>166,767,537</b>	<b>162,940,927</b>
<b>LOSS BEFORE TAX AND EXCEPTIONAL ITEM</b>		<b>(89,166,482)</b>	<b>(39,290,864)</b>
<b>Tax expense:</b>			
Current tax		-	-
Deferred tax charge / ( Credit )		477,187	(957,678)
<b>LOSS AFTER TAX AND EXCEPTIONAL ITEM</b>		<b>(89,643,669)</b>	<b>(38,333,186)</b>
Earning per equity share:			
(1) Basic		(13.80)	(47.44)
(2) Diluted		(13.80)	(47.44)
See Accompanying Notes to the Financial Statements	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **VIDYA & CO**

**Firm Registration No.308022E**

Chartered Accountants



*Jitendra*  
CA. Jitendra Nagar

Membership No. 055659

Partner

Place :Kolkata

Date : 20th May,2015

For and on behalf of the board of directors of  
Open Media Network Private Limited

*[Signature]*

Director

*[Signature]*

Director

OPEN MEDIA NETWORK PRIVATE LIMITED

**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2015 :**

**1. Summary Significant Accounting Policies**

<p>(i) Basis of Accounting :- These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 2013 (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.</p> <p>The preparation of financial statements in conformity with the Accounting Standards require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the year.</p>
<p>(ii) Fixed assets :- Fixed Assets are stated at their original cost less depreciation.</p>
<p>(iii) Depreciation and amortization :- Depreciation on original cost and amount added on revaluation of tangible fixed assets is provided on a pro rata basis on the straight line method based on the estimated useful lives of the asset as prescribed under Schedule II to the Companies Act, 2013 which is line with the technical evaluation carried during the year by the Company's expert.</p>
<p>(iv) Inventories :- Inventory items are valued at cost or net realisable value, whichever is lower.</p>
<p>(v) Employee Benefits :- Short-term Employee Benefits (i.e. benefits payable within one year) are recognised in the period in which employee services are rendered.</p> <p>Contribution towards provident fund to Government administered provident fund is recognised as expense. Gratuity Liability is a defined benefit obligations and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year.</p> <p>Accrued liability towards leave encashment benefits , covering eligible employees, evaluated on the basis of year-end actuarial valuation is recognised as charge.</p>
<p>(vi) Revenue Recognition :- a) Advertising Revenues Advertising Revenue from Current Affairs &amp; Features Magazine is recognised in the period in which the magazines are published and are accounted net of commission and discounts</p> <p>b) Subscription Revenues Subscription Revenue recognition from subscription to the Company's print publications recognised as earned, prorata on a per issue basis over the subscription period.</p> <p>c) Circulation Revenues Circulation Revenue includes sales to retail outlets/newsstands , which are subject to returns. The Company records these retail sales upon delivery ,net of estimated / actual returns. These estimated / actual returns are based on historical return rate and are revised as necessary based on actual returns realised.</p>



**OPEN MEDIA NETWORK PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2014 :**

(vii) Recognition of Income & Expenditure :-

Items on income and expenditure are recognised on accrual (except where there are significant uncertainties) and prudent basis.

(viii) Foreign Currency Transactions.

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end exchange rates. Gains / losses arising out of the fluctuations in the exchange rates are recognised in Profit & Loss Account in the period in which they arise.

(ix) Taxes on Income :-

Current tax is determined as the amount of tax payable in respect of taxable income for the period based on applicable tax rate and laws.

Deferred tax is recognised, subject to consideration of prudence in respect of deferred tax asset, on timing differences, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods and is measured using tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets will be periodically reviewed to reassess realisation thereof.

(x) Provisions :

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(xi) Contingent Liabilities :

No provision is made for liabilities which are contingent in nature, unless it is probable that future events will confirm that an asset has been impaired or a liability incurred as at the balance sheet date and a reasonable estimate of the resulting loss can be made.



**OPEN MEDIA NETWORK PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED March 31, 2015 :**

(All amounts in Rs ,unless otherwise stated)

**2. SHARE CAPITAL**

Particulars	As at 31st March,2015 Amount `	As at 31st March,2014 Amount `
<b>Authorised</b>		
7,50,00,000 ( 31st March 2014 : 7,50,00,000) Equity Shares of ` 10/- par value each	750,000,000	750,000,000
<b>Issued, subscribed and fully paid</b>		
Equity Shares of par value Re.10/- each	10,756,000	717,066,420
<b>Total Issued, subscribed and fully paid-up share capital</b>	<b>10,756,000</b>	<b>717,066,420</b>

Note :- There was a reduction of Share Capital to the extent of Rs 9.85/- per shares as per the H,ble High Court of Calcutta Order No. 1098 date 03/03/2015 and subsequently consolidated @ Rs 10/- per Share vide same Order dated 03/03/2015.

I There has been change/movements in number of shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at 31st March,2015		As at 31st March,2014	
	No. of shares held	Amount `	No. of shares held	Amount `
<b>Equity Shares :</b>				
Outstanding at the beginning of the period	71,706,642	717,066,420	10,000	100,000
Add: Issued during the year :				
Issued to Holding Company	-	-	42,032,642	420,326,420
Issued to Promoter Group	-	-	29,664,000	296,640,000
Less: Reduction in Share Capital	70,631,042	706,310,420	-	-
<b>Outstanding at the end of the period</b>	<b>1,075,600</b>	<b>10,756,000</b>	<b>71,706,642</b>	<b>717,066,420</b>

II The Company has only one class of issued shares i.e. Ordinary shares par value of ` 10/- each per share. Each holder of Ordinary shares is entitle one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in ensuing Annual General Meeting , except in case of interm dividend . In the event of liquidation , the ordinary shareholders are eligible to receive remaining assets of the Company after payment of all preferential amounts , in proportion to their shareholding.

III 8,08,600 ( P.Y. 4,20,42,642 ) Equity shares of Rs. 10 /- Each are held by M/s. Saregama India Limited , being the holding Comapny.

IV Details of the Shareholders holding more than 5 % of the shares in the Company:

Sl. No.	Name of Shareholder	As at 31st March, 2015		As at 31st March, 2014	
		No. of shares held	% holding	No. of shares held	% holding
1	SAREGAMA INDIA LIMITED	808,600	75.18	42,042,642	58.63
2	FAIR LUCK COMMERCIAL COMPANY LIMITED	-	-	12,300,000	17.15
3	SPENCER & CCompany LIMITED	135,000	12.55	9,000,000	12.55

V No Ordinary shares have been reserved for issue under options and contracts / commitments for the sale of shares/disinvestments as at the Blance Sheet date.

VI No Securites have been allotted or has been bought back by the Company during the period of 5 years precedings that date at which the Balance Sheet prepared.

VII No Securites convertible into Equity / Preference sahres issued bu the Company during the year.

VIII No calls are unpaid by any Directors or Officers of the Company during the year.

**3. RESERVES AND SURPLUS**

Particulars	As at 31st March,2015 Amount `	As at 31st March,2014 Amount `
<b>SURPLUS /(DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS</b>		
Opening Balance - (deficit)	(709,084,937)	(670,751,751)
Add : Loss for the Year	(89,643,669)	(38,333,186)
Less :Appropriations		
Reduction in Equity Share Capital	706,310,420	-
Closing Balance - (deficit)	(92,418,186)	(709,084,937)
<b>TOTAL</b>	<b>(92,418,186)</b>	<b>(709,084,937)</b>



**OPEN MEDIA NETWORK PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED March 31, 2015 :**

(All amounts in Rs ,unless otherwise stated)

<b>4. LONG -TERM PROVISIONS</b>		
Particulars	As at 31st March,2015	As at 31st March,2014
	Amount `	Amount `
<b>Provision for Employee Benefits :</b>		
Provision for Gratuity	-	(155,200)
Provision for Leave Encashment	2,585,420	2,832,650
	<b>2,585,420</b>	<b>2,677,450</b>

<b>5. SHORT-TERM BORROWINGS</b>		
Particulars	As at 31st March,2015	As at 31st March,2014
	Amount `	Amount `
<b>Unsecured :</b>		
Due to Holding Company	87,990,676	-
( - Payable on Demand )	<b>87,990,676</b>	-

<b>6. TRADE PAYABLES</b>		
Particulars	As at 31st March,2015	As at 31st March,2014
	Amount `	Amount `
Trade Payables	8,222,668	9,928,525
	<b>8,222,668</b>	<b>9,928,525</b>

6.1 There were no dues payable to Micro , Small and Medium Enterprises as defined under Micro , Small and Medium Enterprises Development Act'2006 as on 31.03.2015. This has been determined on the basis of information available with the Company.

<b>7. OTHER CURRENT LIABILITIES</b>		
Particulars	As at 31st March,2015	As at 31st March,2014
	Amount `	Amount `
<b>Other Liabilities</b>		
Statutory dues including Provident Fund, Tax Deducted at Source etc.	1,612,255	6,872,377
Employee Benefit Payable	127,151	205,913
Liabilities for Expenses	3,556,990	7,497,580
Advance - Subscription	1,863,489	2,335,487
Advance from customers	13,028,924	69,049
Security Deposits Received	260,500	276,000
	<b>20,449,309</b>	<b>17,256,406</b>

<b>8. SHORT -TERM PROVISIONS</b>		
Particulars	As at 31st March,2015	As at 31st March,2014
	Amount `	Amount `
<b>Provision for Employee Benefits :</b>		
Provision for Leave Encashment	413,570	466,870
<b>Other Provisions :</b>		
Provision for Returns of Magazines	1,639,787	2,180,643
	<b>2,053,357</b>	<b>2,647,513</b>



