

Annexure 6A

Financial details of Zee Entertainment Enterprises Limited

(Rs. in Crores)

Particulars	Limited review financials for Half year ended 30 th September, 2016*	F.Y. 2015-16	F.Y. 2014-15	F.Y. 2013-14
Equity Paid up Capital	96	96	96	96
Preference share capital		2017	2019	2017
Reserves and surplus	3791	2926	2473	1855
Carry forward losses	-	-	-	-
Net Worth	3887	5039	4588	3968
Miscellaneous Expenditure	-	-	-	-
Secured Loans	1	2	2	3
Preference share capital	1908	-	-	-
Fixed Assets	349	388	381	362
Investment Property	87			
Income from Operations	2454	4207	3426	3076
Total Income	2479	4429	3653	3260
Total Expenditure	1673	3101	2441	2085
Profit before Tax	806	1328	1212	1175
Profit after Tax\$	498	859	832	772
Cash profit	529	924	1189	802
EPS	5.19	7.43	7.15	7.94
Book value	40.47	52.47	47.77	41.31

Note:

- 1) Cash profit is calculated as Profit After Tax (+) Depreciation (+/-) Deferred Taxes
- 2) *Figures are in compliance with Indian Accounting Standard (IND AS) notified by Ministry of Corporate Affairs.
- 3) # Does not include other comprehensive income for September 2016



For Zee Entertainment Enterprises Limited

Lakshminarayanan
M Lakshminarayanan

Chief Compliance officer and Company Secretary

Mumbai, December 21, 2016



॥ VASUDHAIVA KUTUMBAKAM ॥
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ZEE ENTERTAINMENT ENTERPRISES LIMITED

Regd. Office : 18th Floor, A Wing, Marathon Futorex, N.M.Joshi Marg, Lower Parel, Mumbai - 400 013. India.

☎ + 91 22 7106 1234 F + 91 22 2490 0302

www.zeetelevision.com | CIN : L92132MH1982PLC028767

RELIANCE BIG BROADCASTING PRIVATE LIMITED

Registered Office: 502, Plot No 91/94, Prabhat Colony, Santa Cruz (East), Mumbai 400 055
Corporate Identification Number (CIN): U65990MH2006PTC160747

The financial details of Reliance Big Broadcasting Private Limited for the previous 3 financial years as per the Audited statement of Accounts along with latest year statement of Accounts:

(Rs. in crore)

Particulars	Audited for the half year ended September 30, 2016	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2016-17	2015-16	2014-15	2013-14
Equity Paid up Capital	0.01	0.01	0.01	0.01
Preference Share Capital	31.20	31.20	1.50	1.20
Reserves and surplus	(18.62)	(16.69)	19.54	3.07
Carry forward losses (profit and loss account debit balance)	(137.42)	(135.49)	(128.96)	(115.73)
Net Worth	12.59	14.52	21.05	4.28
Miscellaneous Expenditure	-	-	-	-
Secured Loans	-	-	-	-
Unsecured Loans	48.45	48.45	49.08	49.08
Fixed Assets (net)	0.83	0.86	0.49	0.96
Income from Operations	28.03	61.17	32.98	12.18
Total Income	28.07	61.17	32.98	12.24
Total Expenditure	30.00	67.71	45.57	19.88
Profit/ (Loss) before Tax	(1.93)	(6.54)	(12.59)	(7.64)
Profit/ (Loss) after Tax	(1.93)	(6.54)	(12.59)	(7.64)
Cash profit/ (Loss)	(1.90)	(6.47)	(12.27)	(7.29)
EPS (in Rs.)	(1,931)	(6,537)	(12,590.37)	(7,642.50)
Book value per equity share (in Rs.)	(18,613.23)	(16,682.11)	19,554.55	3,076.50

Note 1: Cash profit is Profit after Tax (+) Depreciation

For Reliance Big Broadcasting Private Limited


Tarun Katial

Director

(DIN: 01665221)

Place: Mumbai

Date: 23 November, 2016



BIG MAGIC LIMITED

(CIN: U74900MH2011PLC216414)

Registered Office: - 401, 4th Floor, Infiniti Mall, Link Road, Oshiwara, Andheri (W), Mumbai 400 053
Tel No.: 91 22 3068 9444 Fax No.: 91 22 3988 8927 Website: www.bigmagictv.com

The financial details of BIG Magic Limited for the previous 3 financial years as per the Audited statement of Accounts along with latest year statement of Accounts:

(Rs. in crore)

Particulars	Audited for the period ended September 30, 2016	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2016-17	2015-16	2014-15	2013-14
Equity Paid up Capital	0.05	0.05	0.05	0.05
Reserves and surplus	(626.76)	(602.18)	(286.48)	(121.13)
Carry forward losses (profit and loss account debit balance)	(626.76)	(602.18)	(286.48)	(121.13)
Net Worth	(626.71)	(602.13)	(286.43)	(121.08)
Miscellaneous Expenditure	-	-	-	-
Secured Loans	-	-	-	-
Unsecured Loans	698.11	616.81	326.89	206.81
Fixed Assets (net)	5.14	5.60	2.96	2.77
Income from Operations	39.70	58.94	41.61	24.73
Total Income	45.91	66.94	41.76	24.73
Total Expenditure	70.48	382.64	207.12	74.75
Profit/ (Loss) before Tax	(24.57)	(315.70)	(165.35)	(50.02)
Profit/ (Loss) after Tax	(24.57)	(315.70)	(165.35)	(50.02)
Cash profit/ (Loss)	(24.11)	(314.82)	(164.74)	(48.77)
EPS (in Rs.)	(4914.91)	(63,139.67)	(33,070.95)	(10,004.00)
Book value per equity share (in Rs.)	(125,341.44)	(120,426.53)	(57,286.86)	(24,215.91)

Note 1: Total Expenditure for the period ended September 30, 2016, FY 2016 and FY 2015 includes Exceptional Items

Note 2: Cash profit is Profit after Tax (+) Depreciation

For **BIG MAGIC LIMITED**


Tarun Katial
Director
(DIN: 01665221)

Place: Mumbai
Date: December 17, 2016



Azalia Broadcast Private Limited

(CIN: U45400MH2007PTC243437)

Regd. Off. : 401, 4th Floor, Infiniti Mall, Link Road, Oshiwara, Andheri (W), Mumbai 400 053

Tel No.: 91 22 3068 9444 Fax No.: 91 22 3988 8927 Email ID: communications@reliancebroadcast.com

The financial details of Azalia Broadcast Private Limited for the previous 3 financial years as per the Audited statement of Accounts along with latest year statement of Accounts:

(Rs. in crore)

Particulars	Audited for the half year ended September 30, 2016	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2016-17	2015-16	2014-15	2013-14
Equity Paid up Capital	64.14	64.14	64.14	51.76
Reserves and surplus	(68.61)	(66.84)	(60.51)	(47.07)
Carry forward losses	(105.73)	(103.96)	(97.63)	(83.58)
Net Worth	(4.46)	(2.69)	(3.64)	(4.69)
Miscellaneous Expenditure	-	-	-	-
Secured Loans		-	-	-
Unsecured Loans	10.64	9.55	4.88	1.47
Fixed Assets (net)	0.01	0.02	0.22	0.26
Income from Operations	-	0.05	1.21	2.18
Total Income	0.00	0.06	1.35	2.33
Total Expenditure	1.77	6.39	15.40	32.02
Profit / (Loss) before Tax	(1.77)	(6.33)	(14.05)	(29.68)
Profit / (Loss) after Tax	(1.77)	(6.33)	(14.05)	(29.68)
Cash profit/ (Loss)	(1.77)	(6.35)	(14.09)	(30.47)
EPS (in Rs.)	(0.03)	(0.99)	(2.24)	(7.33)
Book value per share (in Rs.)	(0.70)	(0.42)	0.57	0.91

Note 1: Total Expenditure includes Exceptional Items

Note 2: Cash profit is Profit after Tax (+) Depreciation (+) Deferred Tax

For Azalia Broadcast Private Limited



Asheesh Chatterjee
Director
(DIN: 05135647)



Independent Auditors' Review Report

To
The Board of Directors,
Zee Entertainment Enterprises Limited

Re: Limited Review Report for the quarter and half year ended 30 September 2016

1. We have reviewed the accompanying Statement of unaudited standalone financial results of **Zee Entertainment Enterprises Limited** (the "Company") for the quarter and half year ended 30 September 2016 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Indian Accounting Standards (Ind AS) and other recognised accounting practices and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular number CIR/CFD/FAC/62/2016 dated July 05, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **MGB & Co. LLP**
Chartered Accountants
Firm Registration Number 101169W/W-100035



Hitendra Bhandari
Partner
Membership Number 107832



Mumbai, 25 October 2016



ZEE ENTERTAINMENT ENTERPRISES LIMITED
CIN No : L92132MH1982PLC028767



Regd. Off. 18th Floor, A Wing, Marathon Futurex, N.M.Joshi Marg, Lower Parel, Mumbai - 400013
www.zeetelevision.com

Standalone financial results for the quarter/half year ended 30th September 2016

(₹ in lacs)

Particulars	Three months ended on			Six months ended on	
	30-Sep-16 Unaudited	30-Jun-16 Unaudited	30-Sep-15 Unaudited	30-Sep-16 Unaudited	30-Sep-15 Unaudited
1 Income from Operations					
Net sales /Income from operations	127,508	117,854	102,159	245,362	199,182
Total Income from Operations	127,508	117,854	102,159	245,362	199,182
2 Expenses					
(a) Operating Cost	55,208	48,134	49,026	103,342	90,277
(b) Employee Benefits Expenses	7,815	6,541	7,291	14,356	15,882
(c) Depreciation and Amortisation Expenses	1,864	1,835	1,504	3,699	2,969
(d) Advertisement and Publicity Expenses	8,780	7,666	8,412	16,446	15,762
(e) Other Expenses	13,345	14,881	12,584	28,226	25,999
Total Expenses [2(a) to 2 (e)]	87,012	79,057	78,817	166,069	150,889
3 Profit from Operations before Other Income, Finance Cost [1 - 2]	40,496	38,797	23,342	79,293	48,293
4 (a) Other Income	16,467	5,785	6,462	22,252	12,326
(b) Fair value through profit and loss account	(7,985)	(11,696)	(5,993)	(19,681)	(12,051)
5 Profit from Ordinary activities before Finance Cost [3 + 4(a) + 4(b)]	48,978	32,886	23,811	81,864	48,568
6 Finance Cost	624	629	627	1,253	1,255
7 Profit from Ordinary activities before Tax [5 - 6]	48,354	32,257	23,184	80,611	47,313
8 Tax Expense :					
a) Current Tax	16,136	15,226	9,697	31,362	20,327
b) Deferred Tax	(556)	(5)	512	(561)	243
Total tax expense [8(a) + 8(b)]	15,580	15,221	10,209	30,801	20,570
9 Net Profit for the period [7 - 8]	32,774	17,036	12,975	49,810	26,743
10 Othe comprehensive income	624	282	314	906	320
11 Total comprehensive income [9 + 10]	33,398	17,318	13,289	50,716	27,063
12 Paid up Equity Share Capital of ₹ 1/- each	9,604	9,604	9,604	9,604	9,604
13 Earnings per Share (not annualised) :					
Basic and Diluted (₹)	3.41	1.77	1.35	5.19	2.78

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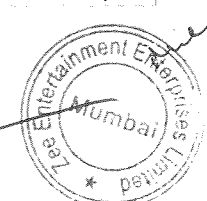
ZEE ENTERTAINMENT ENTERPRISES LIMITED
CIN No : L92132MH1982PLC028767



Regd. Off. 18th Floor, A Wing, Marathon Futurex, N.M.Joshi Marg, Lower Parel, Mumbai - 400013
www.zeetelevision.com

Standalone Balance Sheet

Particulars	(₹ in lacs) As at 30-Sep-2016 (Unaudited)
A) Assets	
Non current Assets	
(a) Property, plant and equipment	26,690
(b) Capital work-in-progress	6,287
(c) Investment property	8,694
(d) Intangible assets	1,960
(e) Financial Assets	
Investments	174,527
Other financial assets	8,594
(f) Deferred tax assets (Net)	3,693
(g) Other non-current assets	3,141
(h) Income- tax assets (Net)	16,715
Total non-current assets	250,301
Current Assets	
(a) Inventories	140,318
(b) Financial assets	
Current investments	60,696
Trade receivables	123,619
Cash and cash equivalents	20,214
Other balances with banks	10,374
Loans	15,000
Other financial assets	16,212
(c) Other current assets	30,902
Total current assets	417,335
Total Assets	667,636
B) Equity and Liabilities	
Equity	
(a) Share capital	9,605
(b) Other equity	379,140
Total equity	388,745
Non current liabilities	
(a) Long-term borrowings	190,893
(b) Long-term provisions	4,254
Total non-current liabilities	195,147
Current liabilities	
(a) Financial liabilities	
Trade payables	40,721
Other financial liabilities	34,401
(b) Other current liabilities	7,142
(c) Short-term Provisions	1,480
Total current liabilities	83,744
Total Equity and Liabilities	667,636



ZEE ENTERTAINMENT ENTERPRISES LIMITED
CIN No : L92132MH1982PLC028767



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Consolidated financial results for the quarter/half year ended 30th September 2016

(₹ in lacs)

Particulars	Three months ended on			Six months ended on	
	30-Sep-16 Unaudited	30-Jun-16 Unaudited	30-Sep-15 Unaudited	30-Sep-16 Unaudited	30-Sep-15 Unaudited
1 Income from Operations					
(a) Advertising Revenue	95,916	91,198	82,898	187,114	159,431
(b) Subscription Revenue	58,334	52,816	47,914	111,150	94,167
(c) Other Sales and Services	15,294	13,148	7,047	28,442	16,929
Total Income from operations [1(a) to 1 (c)]	169,544	157,162	137,859	326,706	270,527
2 Expenses					
(a) Operating Cost	76,881	65,753	60,319	142,634	120,729
(b) Employee Benefits Expenses	15,327	14,993	11,968	30,320	25,108
(c) Depreciation and Amortisation Expenses	3,359	2,511	1,965	5,870	3,635
(d) Advertisement and Publicity Expenses	11,531	11,971	11,703	23,502	21,368
(f) Other Expenses	16,883	19,130	18,010	36,013	36,006
Total Expenses [2(a) to 2 (e)]	123,981	114,358	103,965	238,339	206,846
3 Profit from Operations before Other Income, Finance Cost [1 - 2]	45,563	42,804	33,894	88,367	63,681
4 (a) Other Income	4,323	7,341	5,949	11,664	12,814
(b) Fair value through profit and loss account	(8,290)	(11,323)	(5,429)	(19,613)	(11,457)
5 Profit from Ordinary activities before Finance Cost [3 + 4 (a) + 4(b)]	41,596	38,822	34,414	80,418	65,038
6 Finance Cost	855	750	823	1,605	1,593
7 Profit from Ordinary activities before Tax and Exceptional Item [5 - 6]	40,741	38,072	33,591	78,813	63,445
8 Less: Exceptional Item	-	-	3,306	-	3,306
9 Profit from Ordinary activities before Tax [7 - 8]	40,741	38,072	30,285	78,813	60,139
10 Tax Expense :					
a) Current Tax	17,347	16,585	11,358	33,932	23,666
b) Deferred Tax	(1,003)	(327)	(88)	(1,330)	(502)
Total tax expense [8(a) + 8(b)]	16,344	16,258	11,270	32,602	23,164
11 Net Profit for the period [9 - 10]	24,397	21,814	19,015	46,211	36,975
12 Add:Share of Profit/(Loss) of Associate/ Joint venture	(557)	(110)	(191)	(667)	(341)
13 Less: Minority Interest	2	8	61	10	53
14 Net Profit for the period after Taxes and Minority Interest [11 + 12 - 13]	23,838	21,696	18,763	45,534	36,581
15 Othe comprehensive income	(1,852)	333	5,330	(1,519)	6,886
16 Total comprehensive income [14 + 15]	21,986	22,029	24,093	44,015	43,467
17 Paid up Equity Share Capital of ₹ 1/- each	9,604	9,604	9,604	9,604	9,604
18 Earnings per Share (not annualised) :					
Basic and Diluted (₹)	2.48	2.26	1.95	4.74	3.81

Kishor Mehta



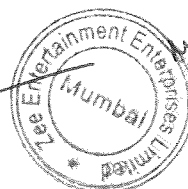
ZEE ENTERTAINMENT ENTERPRISES LIMITED
CIN No : L92132MH1982PLC028767



Regd. Off. 18th Floor, A Wing, Marathon Futurex, N.M.Joshi Marg, Lower Parel, Mumbai - 400013
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Consolidated Balance Sheet

Particulars	(₹ in lacs) As at 30-Sep-2016 (Unaudited)
A) Assets	
Non current Assets	
(a) Property, plant and equipment	37,650
(b) Capital work-in-progress	15,115
(c) Investment property	9,680
(d) Goodwill	85,850
(e) Intangible assets	7,186
(f) Financial Assets	
Investments	18,241
Other financial assets	12,702
(g) Deferred tax assets (Net)	7,450
(h) Other non-current assets	9,348
(i) Income-tax assets (Net)	39,088
Total non-current assets	242,310
Current Assets	
(a) Inventories	144,813
(b) Financial assets	
Current investments	103,625
Trade receivables	170,352
Cash and cash equivalents	40,912
Other balances with banks	10,374
Loans	15,000
Other financial assets	15,344
(c) Other current assets	88,722
Total current assets	589,142
Total Assets	831,452
B) Equity and Liabilities	
Equity	
(a) Share capital	9,605
(b) Other equity	489,093
Total equity	498,698
Minority interest	258
Non current liabilities	
(a) Long-term borrowings	190,883
(b) Long-term provisions	7,250
(c) Other financial liabilities	3,789
Total non-current liabilities	201,922
Current liabilities	
(a) Financial liabilities	
Trade payables	53,126
Other financial liabilities	37,795
(b) Other current liabilities	24,331
(c) Short-term Provisions	676
(d) Income-Tax liabilities (Net)	14,646
Total current liabilities	130,574
Total Equity and Liabilities	831,452



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ZEE ENTERTAINMENT ENTERPRISES LIMITED

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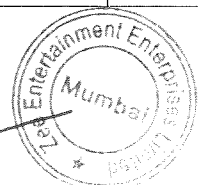


1. Results for the quarter/half year ended 30 September 2016 are in compliance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs. Consequently, results for the quarter ended 30 September 2015 have been restated to comply with Ind AS to make them comparable. The Ind AS compliant financial results pertaining to period ended 30 September 2015 have not been subjected to Limited review or audit. However, the management has exercised due diligence to ensure that the financial results presents a true and fair view of its affairs.
2. The above unaudited financial results have been reviewed by the Audit Committee in their meeting held on 25 October 2016 and approved by the Board of Directors in their meeting held on 25 October 2016.
3. The Statutory Auditors have carried out a Limited Review of the Standalone financial results of the quarter / half year ended 30 September 2016
4. The results do not include IND AS compliant results for the previous year ended 31 March 2016 as it is not mandatory as per SEBI's circular dated 5 July 2016.
5. The Company had approved sale and transfer of its 'Sports Broadcasting Business' held under / through two (2) wholly owned non-material subsidiaries viz. Taj TV Ltd, Mauritius and Taj Television (India) Pvt Ltd to Sony Pictures Networks India Private Ltd and its affiliates at an aggregate all-cash consideration of USD 385 Million post fulfilment of certain conditions precedent.
6. The Company has adopted Ind AS with effect from 1 April 2016 with comparative being restated, Accordingly, the impact of transition has been provided in the opening reserves as at 1 April 2015.

Reconciliation of results between previous Indian GAAP and Ind AS are as under: (Rs in Lacs)

Description	Standalone		Consolidated	
	3 months ended 30 September 2015	6 months ended 30 September 2015	3 months ended 30 September 2015	6 months ended 30 September 2015
Net profit as per previous GAAP (Indian GAAP)	19,504	39,863	24,740	49,116
i) Loss on fair valuation of preference shares (note e)	(6,058)	(12,115)	(6,058)	(12,115)
ii) Taxes on preference dividend considered to be finance cost (note e)	(618)	(1,235)	(618)	(1,235)
iii) Re-measurements of defined benefit obligations (Net of tax) (note c)	83	166	68	155
iv) Profit on fair valuation of financial instruments / investments (note b)	64	64	631	660
Net profit as per Ind AS	12,975	26,743	18,763	36,581

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Notes:

- a. The reconciliation statement has been provided in accordance with circular CIR/CFD/FAC/62/2016 issued by SEBI dated 5 July 2016 on account of implementation of Ind AS by listed companies
- b. Certain financial instruments / investments have been recorded at fair value as at 1 April 2015 with the resultant gain / loss in the opening reserves. For subsequent measurement, these instruments / investments have been valued at amortized cost using effective interest rate / fair value through profit and loss (FVTPL) / fair value through other comprehensive income (FVTOCI) as per accounting policy determined by the Company.
- c. Defined benefit obligations – Under Ind AS actuarial gains or losses on defined benefit obligations are recognized in other comprehensive income, whereas under previous GAAP same was being charged to statement of profit and loss.
- d. The financial statements of certain subsidiaries / joint ventures consolidated on line by line basis / proportionate basis under previous GAAP have now been consolidated using equity accounting in accordance with the applicable Ind AS.
- e. 6% cumulative redeemable preference shares have been classified as debt and have been recorded at fair value as at 1 April 2015 with the resultant gain has been recognised in the opening reserves.

For subsequent measurement, preference shares have been valued based on fair value through profit and loss (FVTPL). Dividend distribution tax thereon has been charged to the finance cost.

7. The Company mainly operates only in one segment namely 'Content and Broadcasting' and hence segment details are not required to be published.
8. Previous period figures have been regrouped wherever necessary

Place: Mumbai
Date : 25 October 2016



For & on behalf of the Board
Zee Entertainment Enterprises Limited

A handwritten signature in black ink, appearing to read 'Punit Goenka'.

Punit Goenka
Managing Director & CEO

Filed

RELIANCE BIG BROADCASTING PRIVATE LIMITED

Registered Office: 502, Plot No 91/94, Prabhat Colony, Santa Cruz (East), Mumbai 400 055
Corporate Identification Number (CIN): U65990MH2006PTC160747

The financial details of Reliance Big Broadcasting Private Limited for the previous 3 financial years as per the Audited statement of Accounts along with latest year statement of Accounts:

(Rs. in crore)

Particulars	Audited for the half year ended September 30, 2016	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2016-17	2015-16	2014-15	2013-14
Equity Paid up Capital	0.01	0.01	0.01	0.01
Preference Share Capital	31.20	31.20	1.50	1.20
Reserves and surplus	(18.62)	(16.69)	19.54	3.07
Carry forward losses (profit and loss account debit balance)	(137.42)	(135.49)	(128.96)	(115.73)
Net Worth	12.59	14.52	21.05	4.28
Miscellaneous Expenditure	-	-	-	-
Secured Loans	-	-	-	-
Unsecured Loans	48.45	48.45	49.08	49.08
Fixed Assets (net)	0.83	0.86	0.49	0.96
Income from Operations	28.03	61.17	32.98	12.18
Total Income	28.07	61.17	32.98	12.24
Total Expenditure	30.00	67.71	45.57	19.88
Profit/ (Loss) before Tax	(1.93)	(6.54)	(12.59)	(7.64)
Profit/ (Loss) after Tax	(1.93)	(6.54)	(12.59)	(7.64)
Cash profit/ (Loss)	(1.90)	(6.47)	(12.27)	(7.29)
EPS (in Rs.)	(1,931)	(6,537)	(12,590.37)	(7,642.50)
Book value per equity share (in Rs.)	(18,613.23)	(16,682.11)	19,554.55	3,076.50

Note 1: Cash profit is Profit after Tax (+) Depreciation

For Reliance Big Broadcasting Private Limited


Tarun Katial

Director

(DIN: 01665221)

Place: Mumbai

Date: 23 November, 2016



BIG MAGIC LIMITED

(CIN: U74900MH2011PLC216414)

Registered Office: - 401, 4th Floor, Infiniti Mall, Link Road, Oshiwara, Andheri (W), Mumbai 400 053
Tel No.: 91 22 3068 9444 Fax No.: 91 22 3988 8927 Website: www.bigmagictv.com

The financial details of BIG Magic Limited for the previous 3 financial years as per the Audited statement of Accounts along with latest year statement of Accounts:

(Rs. in crore)

Particulars	Audited for the period ended September 30, 2016	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2016-17	2015-16	2014-15	2013-14
Equity Paid up Capital	0.05	0.05	0.05	0.05
Reserves and surplus	(626.76)	(602.18)	(286.48)	(121.13)
Carry forward losses (profit and loss account debit balance)	(626.76)	(602.18)	(286.48)	(121.13)
Net Worth	(626.71)	(602.13)	(286.43)	(121.08)
Miscellaneous Expenditure	-	-	-	-
Secured Loans	-	-	-	-
Unsecured Loans	698.11	616.81	326.89	206.81
Fixed Assets (net)	5.14	5.60	2.96	2.77
Income from Operations	39.70	58.94	41.61	24.73
Total Income	45.91	66.94	41.76	24.73
Total Expenditure	70.48	382.64	207.12	74.75
Profit/ (Loss) before Tax	(24.57)	(315.70)	(165.35)	(50.02)
Profit/ (Loss) after Tax	(24.57)	(315.70)	(165.35)	(50.02)
Cash profit/ (Loss)	(24.11)	(314.82)	(164.74)	(48.77)
EPS (in Rs.)	(4914.91)	(63,139.67)	(33,070.95)	(10,004.00)
Book value per equity share (in Rs.)	(125,341.44)	(120,426.53)	(57,286.86)	(24,215.91)

Note 1: Total Expenditure for the period ended September 30, 2016, FY 2016 and FY 2015 includes Exceptional Items

Note 2: Cash profit is Profit after Tax (+) Depreciation

For **BIG MAGIC LIMITED**


Tarun Katial
Director
(DIN: 01665221)



Place: Mumbai
Date: December 17, 2016

Azalia Broadcast Private Limited

(Previously known as BIG RTL Broadcast Private Limited)

(CIN: U45400MH2007PTC243437)

Regd. Off. : 401, 4th Floor, Infiniti Mall, Link Road, Oshiwara, Andheri (W), Mumbai 400 053

Tel No.: 91 22 3068 9444 Fax No.: 91 22 3988 8927 Email ID:

communications@reliancebroadcast.com

The financial details of Azalia Broadcast Private Limited for the previous 3 financial years as per the Audited statement of Accounts along with latest year statement of Accounts:

(Rs. in crore)

Particulars	Audited for the half year ended September 30, 2016	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
		2015-16	2014-15	2013-14
Equity Paid up Capital	64.14	64.14	64.14	51.76
Reserves and surplus	(68.61)	(66.84)	(60.51)	(47.07)
Carry forward losses (profit and loss account – debit balance)	(105.73)	(103.96)	(97.63)	(83.58)
Net Worth	(4.46)	(2.69)	3.64	4.69
Miscellaneous Expenditure	-	-	-	-
Secured Loans		-	-	-
Unsecured Loans	10.64	9.55	4.88	1.47
Fixed Assets (net)	0.01	0.02	0.22	0.26
Income from Operations	-	0.06	1.21	2.18
Total Income	0.00*	0.06	1.35	2.33
Total Expenditure	1.77	6.39	15.40	32.02
Profit / (Loss) before Tax	(1.77)	(6.33)	(14.05)	(29.69)
Profit / (Loss) after Tax	(1.77)	(6.33)	(14.05)	(29.69)
Cash profit/ (Loss)	(1.77)	(6.31)	(14.02)	(28.91)
EPS (in Rs.)	(0.03)	(0.99)	(2.24)	(7.33)
Book value per equity share (in Rs.)	(0.70)	(0.42)	0.57	0.91

Note 1: Cash profit is Profit after Tax (+) Depreciation

For Azalia Broadcast Private Limited



Asheesh Chatterjee

Director

(DIN: 05135647)

Place: Mumbai

Date: 23 November, 2016



M. S. Sethi & Associates
Chartered Accountants

191-R, Cavel Cross Lane No. 9
2nd Floor, Dr. Viegas Street
Kalbadevi, Mumbai - 400 002
Tel. 93245 17501

Manoj Sethi
B.Com., F.C.A.

Independent Auditors' Report

To the Board of Directors
Reliance Big Broadcasting Private Limited

Report on the Interim Financial Statements

We have audited the accompanying interim financial statements of **Reliance Big Broadcasting Private Limited** ('the Company') which comprise the Balance Sheet as at September 30, 2016 and the Statement of Profit and Loss for the period then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the interim Financial Statements

The Company's Board of Directors is responsible for the preparation of these interim financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records 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 interim financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These interim financial statements are the responsibility of the Company's Management.

Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the interim financial statements are free from material misstatement.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid interim financial statements give the information 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 September 30, 2016 and its Loss for the period ended on that date.

Report

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 have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account

For M. S. Sethi & Associates
Chartered Accountants
Regn.No.109407W


Manoj Sethi
Proprietor
Membership No. 39784
Place: Mumbai
Date: November 23, 2016



Certified True Copy

For Reliance Big Broadcasting Private Limited


Director/Authorised Signatory

Reliance Big Broadcasting Private Limited
Balance Sheet as at September 30, 2016
Currency in Indian Rupees

	Note	As at September 30, 2016	As at March 31, 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	312,100,000	312,100,000
Reserves and surplus	3	(186,232,343)	(166,921,066)
		<u>125,867,657</u>	<u>145,178,934</u>
Non-current liabilities			
Other Long-term Liabilities	4	20,000	-
Long-term provisions	5	5,211	715
Current Liabilities			
Short-term borrowings	6	484,528,661	484,528,661
Trade payables			
Dues to Micro and Small enterprises	21	-	-
Others	7	201,821,068	271,016,432
Other current liabilities			
Short-term Provisions	8	193,484,212	93,568,578
		4,437	637
Total		<u><u>1,005,731,246</u></u>	<u><u>994,293,957</u></u>
ASSETS			
Non-current Assets			
Fixed Assets	9	8,323,654	8,613,949
Tangible assets			
Intangible assets	10	-	100,000
Non-current investments	11	11,190,506	13,292,687
Long-term loans and advances			
Current Assets			
Cash and Cash Equivalents	12	909,767	703,478
Short-term loans and advances	13	985,307,319	971,583,843
Total		<u><u>1,005,731,246</u></u>	<u><u>994,293,957</u></u>

Significant Accounting Policies 1

The accompanying notes are an integral part of the Financial Statements 1 - 29

As per our Report of even date

For M. S. Sethi & Associates
Chartered Accountants
Firm Registration Number: 109407W



Manoj Sethi
Proprietor
Membership Number: 39784

Place: Mumbai
Date : November 23, 2016

For and on behalf of the Board



Tarun Katial
Director
DIN:01665221

Place: Mumbai
Date : November 23, 2016



Venkatarao Ponnada
Director
DIN:01503467



Certified True Copy
For Reliance Big Broadcasting Private Limited


Director/Authorised Signatory



Reliance Big Broadcasting Private Limited
 Statement of Profit and Loss for the period ended September 30, 2016
 Currency in Indian Rupees

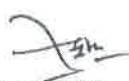
	Note	Period ended September 30, 2016	Period ended September 30, 2015
Revenue			
Revenue from operations	14	280,292,457	296,922,436
Other Income	15	412,360	-
Total Revenue		280,704,817	296,922,436
Expenses			
Direct operating expenses	16	290,315,343	311,686,110
Employee benefits expense	17	374,856	295,209
Depreciation and amortization	9	290,295	404,079
Other expenses	18	9,035,600	9,174,037
Total Expenses		300,016,094	321,559,435
Profit / (Loss) before tax		(19,311,277)	(24,636,999)
Tax expense		-	-
Profit / (Loss) for the period		(19,311,277)	(24,636,999)
Earnings per equity share of face value Rs. 10 each fully paid-up Basic and Diluted	25	(1,931)	(2,464)

Significant Accounting Policies

1


As per our Report of even date

For M. S. Sethi & Associates
 Chartered Accountants
 Firm Registration Number: 109407W


 Manoj Sethi
 Proprietor
 Membership Number: 39784

Place: Mumbai
 Date : November 23, 2016

For and on behalf of the Board



Tarun Katial
 Director
 DIN:01665221



Venkatarao Ponnada
 Director
 DIN:01503467

Place: Mumbai
 Date : November 23, 2016



Certified True Copy

For Reliance Big Broadcasting Private Limited


 Director/Authorised Signatory

Reliance Big Broadcasting Private Limited
Cash Flow Statement for the period ended September 30, 2016
Currency in Indian Rupees

	Period ended September 30, 2016	Period ended September 30, 2015
A. Cash Flow from Operating Activities :		
Profit / (Loss) before Taxation	(19,311,277)	(24,636,999)
Adjustments for :		
Depreciation and amortization expense	290,295	404,079
Interest on Income tax refund	(409,929)	-
Operating Profit / (Loss) before Working Capital Changes	(19,430,911)	(24,232,920)
Adjustments for changes in Working Capital:		
Trade and other receivables	(13,723,476)	(244,207,250)
Trade payables	30,748,566	274,219,644
Cash generated from Operations	(2,405,821)	5,779,474
Taxes Paid (Refund)	(2,512,110)	-
Net Cash Generated from / (Used In) Operating Activities	106,289	5,779,474
B. Cash Flow from Investing Activities:		
Sale of Investments	100,000	-
Net Cash Generated from / (Used in) Investing Activities	100,000	-
C. Cash Flow from Financing Activities:		
Repayment of Borrowings	-	(6,306,150)
Net Cash Generated from / (Used in) Financing Activities	-	(6,306,150)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	206,289	(526,876)
Cash and Cash Equivalents as at the commencement of the period	703,478	719,055
Cash and Cash Equivalents as at the end of period		
Cash on hand	-	3,961
Bank Balance	909,767	188,416
Net Increase / (Decrease) as disclosed above	206,289	(526,877)

As per our Report of even date

For M. S. Sethi & Associates
Chartered Accountants
Firm Registration Number: 109407W

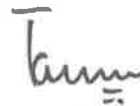


Manoj Sethi
Proprietor
Membership Number: 39784

Place: Mumbai
Date : November 23, 2016



For and on behalf of the Board



Tarun Katial
Director
DIN:01665221



Venkatarao Ponnada
Director
DIN:01503467

Place: Mumbai
Date : November 23, 2016



Reliance Big Broadcasting Private Limited

Notes to the Financial Statements for the period ended September 30, 2016

1. Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements are prepared under historical cost convention on accrual basis of accounting in accordance with the Accounting Standards prescribed under the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ('the Act') to the extent applicable.

b) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c) Fixed Assets:

Fixed Assets are stated at cost inclusive of all taxes as applicable, less accumulated depreciation and impairment loss, if any.

Movie Rights are stated at lower of net cost (Cost minus accumulated amortization / impairment) or net realizable value.

The cost of improvements to Leased properties taken on operating lease have been capitalized and disclosed appropriately.

d) Depreciation/Amortisation:

Depreciation on fixed assets except movie rights, leasehold improvements and license fees is provided on the straight line method over the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Expenditure incurred on Improvements of assets acquired on operating lease is written off evenly over the balance period of lease.

License fees are amortized equally over the balance period of licenses.

Uplinking	: 10 Years
Downlinking	: 5 Years

e) Impairment

In accordance with AS 28 – 'Impairment of Assets', where there is an indication of impairment of the Company's assets, the carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the asset (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. Impairment loss is recognised in the profit and loss account.

Value in use is present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

f) Inventories

TV Serials, Film Broadcasting Rights are stated at lower of net cost (cost minus accumulated amortization) or realizable value.

Amortisation Policy of TV Serials, Film Broadcasting Rights:

(i) In case the Rights life is more than 5 years - 90% of the value of such rights over 5 years on straight line method, and balance 10% , to be maintained as unamortised right of the inventory till the life of the right.

(ii) In case the Rights life is equal or less than 5 years - 100% of the value of such rights over 5 years, or life of the asset whichever is less on straight line method.

Or

at such higher rate of amortization based on the management revenue forecast.

g) Investments

Long term investments are stated at cost. For long term investments, provision/ write down is made for permanent diminution in value. Current investments are valued at lower of cost and fair value.



Reliance Big Broadcasting Private Limited

Notes to the Financial Statements for the period ended September 30, 2016

h) Employee Benefits

- (i) Short-term employee benefits are recognized as an expense in the Statement of Profit and Loss for the period in which the related service is rendered.
- (ii) Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the Period in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

i) Revenue Recognition

Revenue from services provided are recognized when persuasive evidence of an arrangement exists, the consideration is fixed or determinable and it is reasonable to expect ultimate collection. Such revenues are recognized as the services are provided.

Advertising Service Fees accounted on rendering of services.

Sales are recognized when the risk and rewards of ownership are passed onto the customers, which is generally on dispatch of goods.

Channel distribution and advertising rights are recognized as per the terms of the agreement.

j) Foreign Currency Transactions

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transactions. Exchange differences arising on foreign exchange transactions settled during the Period are recognized in the Statement of Profit and Loss for the period .

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognized in the Statement of Profit and Loss. In respect of integral foreign operations of the Company, fixed assets are translated at the rates on the date of acquisition, monetary assets and monetary

Liabilities are translated at the rate on the date of the balance sheet and income and expenditure are translated at the average of weekly average rates during the Period.

k) Taxation

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws enacted or substantially enacted as on the balance sheet date. The Deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty of its realization in future. However, in respect of unabsorbed depreciation and carry forward loss, the deferred tax asset is recognized and carried forward only to the extent that there is virtual certainty of its realization.

l) Provisions, Contingent Liabilities and Contingent Assets

Provisions comprise liabilities of uncertain timing of amount. Provisions are recognized when the Company recognizes it has a present obligation as a result of past events, it is more likely that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

A disclosure for contingent liability is made when there is a possible obligation or a present obligation arising out of the past events, but is not probable than an outflow of resources embodying economic benefits will be required to settle the obligation. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Contingent assets are neither recognized nor disclosed in the accounts.

m) Borrowing Cost

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.



Reliance Big Broadcasting Private Limited
Notes to the financial statements for the period ended September 30, 2016
Currency in Indian Rupees

	As at September 30, 2016	As at March 31, 2016
2 Share capital		
Authorised		
500,000 (previous year: 500,000) equity shares of Rs 10 each	5,000,000	5,000,000
400,000,000 (previous year: 400,000,000) preference Shares of Re.1 each	400,000,000	400,000,000
	405,000,000	405,000,000
Issued, Subscribed and Paid up		
10,000 (previous year: 10,000) Equity Shares of Rs 10 each fully paid up	100,000	100,000
312,000,000 (previous year: 312,000,000) 8% Cumulative Redeemable Preference Shares of Re.1 each fully paid up	312,000,000	312,000,000
	312,100,000	312,100,000
(a) Reconciliation of number of equity shares at the beginning and at the end of the year		
Balance as at the beginning of the year	10,000	10,000
Shares issued	-	-
Shares bought back	-	-
Balance as at the end of the year	10,000	10,000
(b) Reconciliation of number of preference shares		
Balance as at the beginning of the year	312,000,000	15,000,000
Shares issued: Nil (Previous year 300,000,000 shares of Face Value Rs.1 each)	-	300,000,000
Shares redeemed: Nil (Previous year 3,000,000 shares of Face Value Rs.1 each)	-	3,000,000
Balance as at the end of the year	312,000,000	312,000,000
(c) Rights, preferences and restrictions attached to shares		
Equity Shares :		
The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
Preference Shares :		
The Company has one class of 8% cumulative redeemable preference shares having a par value of Re.1 per share.		
(d) Shares held by Holding company and Intermediate holding company		
Equity Shares:		
9,990 (previous year: 9,990) equity shares held by Reliance Big Entertainment Private Limited	99,900	99,900
10 (previous year: 10) equity shares held by Reliance Interactive Advisors Private Limited (Formally known as AAA Entertainment Private Limited.)	100	100
	100,000	100,000
Preference Shares :		
12,000,000 (previous year: 12,000,000) 8% Cumulative Redeemable Preference Shares held by Reliance Big Entertainment Private Limited	12,000,000	12,000,000
	12,000,000	12,000,000

(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at September 30, 2016		As at Mar 31, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares:				
Reliance Big Entertainment Private Limited	9,990	99.9%	9,990	99.9%
Preference Shares :				
Reliance Big Entertainment Private Limited	12,000,000	4%	12,000,000	4%
Big Magic Limited	300,000,000	96%	300,000,000	96%



Reliance Big Broadcasting Private Limited
Notes to the financial statements for the period ended September 30, 2016
Currency in Indian Rupees

	As at September 30, 2016	As at March 31, 2016
3 Reserves and surplus		
Securities premium account		
Balance as at the beginning of the year	1,188,000,000	1,485,000,000
Add / (Less): Premium on issue / (redemption) of shares	-	(297,000,000)
Balance as at the end of the year / Period (A)	<u>1,188,000,000</u>	<u>1,188,000,000</u>
Surplus / (Deficit) in Statement of Profit and Loss		
Balance as at the beginning of the year	(1,354,921,066)	(1,289,554,479)
Add:- Profit / (Loss) for the period/year	(19,311,277)	(65,366,586)
Balance as at the end of the year / Period (B)	<u>(1,374,232,343)</u>	<u>(1,354,921,066)</u>
Total Reserves and Surplus (A+B)	<u><u>(186,232,343)</u></u>	<u><u>(166,921,066)</u></u>
4 Other Long-term Unsecured Liabilities		
Security Deposit	20,000	-
	<u>20,000</u>	<u>-</u>
5 Long-term Provisions		
Provision for compensated absences (Refer Note - 22)	5,211	715
	<u>5,211</u>	<u>715</u>
6 Short Term Borrowings		
Unsecured :		
Loan from Related party * (Refer Note - 24)	484,528,661	484,528,661
* Interest free loan repayable on demand	<u>484,528,661</u>	<u>484,528,661</u>
7 Other current liabilities		
Advance from customers	184,499,575	82,699,425
Statutory dues payable	8,984,637	10,869,153
	<u>193,484,212</u>	<u>93,568,578</u>
8 Short-term Provisions		
Provision for compensated absences (Refer Note -22)	4,437	637
	<u>4,437</u>	<u>637</u>



Reliance Big Broadcasting Private Limited
Notes to the financial statements for the period ended September 30, 2016

9 Fixed Assets and Depreciation

Particulars	Currency in Indian Rupees											
	Gross Block					Depreciation / Amortisation					Net Block	
	As at April 1, 2016	Additions	Deletion/ Adjustments	As at September 30, 2016	As at April 1, 2016	For the period	Deletion/ Adjustments	As at September 30, 2016	As at September 30, 2016	As at March 31, 2016		
Tangible Assets Plant and Machinery	9,146,974	-	-	9,146,974	533,025	290,295	-	823,320	8,323,654	8,613,949		
Intangible Assets (Other than internally generated) Broadcasting license fees	20,000,000	-	-	20,000,000	20,000,000	-	-	20,000,000	-	-		
Total	29,146,974	-	-	29,146,974	20,533,025	290,295	-	20,823,320	8,323,654	8,613,949		
Previous year	24,868,224	4,278,750	-	29,146,974	19,909,567	623,458	-	20,533,025	8,613,949	8,613,949		



Reliance Big Broadcasting Private Limited
Notes to the financial statements for the period ended September 30, 2016
Currency in Indian Rupees

	As at September 30, 2016	As at March 31, 2016
10 Non-current investments		
Investment in equity instruments (Unquoted, At cost, Non Trade)		
In Subsidiary Company		
Vrushvik Advertising Private Limited	-	100,000
Nil (Previous Year:10,000) equity shares of Rs. 10 each, fully paid up	-	-
	<u>-</u>	<u>100,000</u>
11 Long-term Loans and Advances		
(Unsecured, considered good)		
Tax deducted at source (net of provision for tax)	9,785,267	11,887,448
Other Receivables	1,405,239	1,405,239
	<u>11,190,506</u>	<u>13,292,687</u>
12 Cash and cash equivalents		
Balances with banks		
- Current accounts	909,676	699,517
Cash on Hand	91	3,961
	<u>909,767</u>	<u>703,478</u>
13 Short-term Loans and Advances		
(Unsecured, considered good)		
Inter-corporate deposits	749,350,000	749,350,000
Balance with government authorities	63,192,800	53,577,795
Loans and advances to related parties(Refer note 24)	13,237,383	14,410,666
Security deposits	9,000	9,000
Prepaid expenses	46,957,324	87,081,733
Advance to vendors	112,560,812	67,154,649
	<u>986,307,319</u>	<u>971,583,843</u>



Reliance Big Broadcasting Private Limited
Notes to the financial statements for the period ended September 30, 2016
Currency in Indian Rupees

	Period Ended September 30, 2016	Period Ended September 30, 2015
14 Revenue from operations		
Channel distribution and advertising rights	280,292,457	296,922,436
	<u>280,292,457</u>	<u>296,922,436</u>
15 Other Income		
Interest Income	412,360	-
	<u>412,360</u>	<u>-</u>
16 Cost of Operations		
Bandwidth and infrastructure cost	56,771,066	54,950,018
Placement fees	232,026,677	256,736,092
Marketing cost	1,517,600	-
	<u>290,315,343</u>	<u>311,686,110</u>
17 Employee benefits expense		
Salaries, wages and bonus	354,686	284,370
Contribution to provident and other funds	11,874	10,839
Gratuity & Leave encashment	8,296	-
	<u>374,856</u>	<u>295,209</u>
18 Other expenses		
Rates and taxes	1,178,875	1,462,080
Professional fees	6,004,587	6,930,778
Membership and subscription	1,076,247	539,998
Payment to auditors		
- Statutory audit fees	50,000	50,000
- Tax audit fees	12,500	12,500
Interest - Others	264,149	172,004
Insurance Charges	87,333	-
Office expenses	67,502	6,675
Repairs and maintenance	294,407	-
	<u>9,035,600</u>	<u>9,174,035</u>



Reliance Big Broadcasting Private Limited
Notes to the financial statements for the period ended September 30, 2016
Currency in Indian Rupees

	Period ended September 30, 2016	Year ended March 31, 2016
19 Contingent Liabilities		
Dividend / Yield on Cumulative Redeemable Preference Shares	841,643,836	733,643,836

20 In the opinion of the management, the Current assets, Loans and Advances and Current Liabilities are approximately of the value stated, if realized/paid in the ordinary course of business. The provision for all known liabilities is adequate and is not in excess of amounts considered reasonably necessary.

21 Micro, Small and Medium Enterprises

There are no Micro, Small and Medium Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at September 30, 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

22 Disclosure under Accounting Standard - 15 (revised 2005) "Employee Benefits"

The Company has classified various employee benefits as under .

A Defined contribution plans

The Company has debited the following balances to the Statement of Profit and Loss:

	Period ended September 30, 2016	Period ended September 30, 2015
Contribution to provident and other funds	11,874	10,839
	<u>11,874</u>	<u>10,839</u>

B Defined benefit plans

Gratuity :

Gratuity is payable to eligible employees of the Company on superannuation, death, retirement and resignation as per the Company's scheme. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit and measures each unit separately to build up the final obligation.

	Period ended September 30, 2016	Year ended March 31, 2016
I Reconciliation in Present Value of Obligations (PVO) - defined benefit obligation:		
PVO at the beginning of the year	34,277	13,722
Interest Cost	1,302	1,452
Current Service Cost	4,285	4,574
Actuarial (gain)/loss on obligations	6,669	14,529
PVO at the end of the year	46,433	34,277
II Net cost for the year ended 30th September, 2016		
Current Service Cost	4,285	4,574
Interest on defined benefit obligation	1,302	1,452
Expected return on plan assets	(82,777)	(155,878)
Net actuarial losses/(gains) recognised in year	(84,628)	45,737
Effects of the limit on Para 59(b)	55,002	35,389
Total Included in "Employee benefit expenses"	(106,816)	(68,726)
Actual return on plan assets	173,974	124,670
III Balance with Reliance Life Insurance Company Ltd.:	2,186,110	2,014,136
IV Assumptions used in accounting for Gratuity Plan:		
Discount Rate Current	6.80%	7.35%
Salary Escalation Current	7.00%	7.00%



Reliance Big Broadcasting Private Limited
Notes to the financial statements for the period ended September 30, 2016
Currency In Indian Rupees

Other disclosures:	Year ended September 30, 2016	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
obligation	46,433	34,277	13,722	4,821	1,359
Fair value of plan assets	2,188,110	2,014,138	1,889,466	1,603,698	1,562,388
(Deficit) / Surplus of the plan	2,141,677	1,979,859	1,875,744	1,598,877	1,561,029
Experience adjustments on defined benefit obligation [loss / (gain)]	5,980	14,061	5,565	2,082	457
Experience adjustments on fair value of plan assets [(loss) / gain]	91,197	(31,208)	153,465	(87,586)	41,217

C Other Long Term Benefits

The liability towards compensated absences for the period ended 30 September, 2016 based on actuarial valuation carried out using the Projected Accrued Benefit Method amounting to Rs. 8296/- (Previous period Rs. Nil/-) has been recognized in the Statement of Profit and Loss.

23 Segment reporting

In accordance with Accounting Standard 17 "Segment Reporting", the Company has determined its business segment as Television Broadcasting and related services. Since, there are no other business segments in which the Company operates and the content owned by the Company is within India, there are no other primary reportable segments.

24 As per Accounting Standard 18 (AS-18) 'Related Party Disclosures', the disclosures of transactions with the related parties as defined in AS-18 are given below:

a. List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Ultimate Holding Company : Reliance Innoventures Private Limited
Intermediate Holding Company : Reliance Interactive Advisors Private Limited (Formally known as AAA Entertainment Pvt.Ltd)
Holding Company : Reliance Big Entertainment Private Limited
Fellow Subsidiary : Big Flicks Private Limited
Wholly Owned Subsidiary : Vrushvik Broadcast Network Private Limited (Formally known as Vrushvik Advertising Private Limited) upto 30th June, 2016

b Transactions with related party during the year / Period ;

	Period ended September 30, 2016	Year ended March 31, 2016
<u>Reliance Big Entertainment Private Limited</u>		
Transactions during the year / period		
Loan Repaid	-	6,306,150
Reimbursement Received	-	95,306
Closing Balance		
Preference Shares	12,000,000	12,000,000
Security Premium	1,188,000,000	1,188,000,000
Loan Taken	484,528,661	484,528,661
Amount Receivable	6,347,432	6,347,432
<u>Big Flicks Private Limited</u>		
Transactions during the year / period		
-		
Closing Balance		
Amount Receivable	6,889,951	6,889,951



Reliance Big Broadcasting Private Limited
Notes to the financial statements for the period ended September 30, 2016
Currency in Indian Rupees

Vrushvik Broadcast Network Private Limited (Formerly Known as Vrushvik Advertising Private Limited)

Transactions during the year / period	2016	2015
Interest on Loan	2431	2,618
Reimbursement of expenses	-	-
Loan Given	-	75,000
Repayment of Loan Inclusive Interest	1,175,714	-
Sale of Investment	100,000	-
Closing Balance		
Investment in Equity	-	100,000
Loan Given	-	1,163,425
Interest Receivable	-	9,858

Period ended September 30, 2016 Period ended September 30, 2015

25 Earnings per share

Profit/(Loss) after tax	(19,311,277)	(24,636,989)
Weighted average number of equity shares outstanding	10,000	10,000
Loss per share - Basic and Diluted (Rupees)	(1,931)	(2,464)
Nominal value of an equity share (Rupees)	10	10
Since EPS is anti dilutive, Basic and diluted EPS are same		

26 Deferred Tax Assets mainly consist of carried forward losses and depreciation, have not been recognized as a matter of prudence.

Period ended September 30, 2016 Period ended September 30, 2015

27 Expenditure in foreign currency

Transponder Fees	41,343,575	33,848,322
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28 The financial statements include numbers for the six month period from 1 April, 2015 to 30 September, 2015 as comparative numbers to the current period numbers as per the requirements of AS 25 on Interim Financial Statements. The numbers for the six month period from 1 April, 2015 to 30 September, 2015 have not been subjected to audit / review by the auditors.

29 Previous year's/Period figures have been regrouped/reclassified/reworked/rearranged where necessary, to make them comparable to those for the current period.

As per our Report of even date

For M. S. Sethi & Associates
Chartered Accountants
Firm Registration Number: 109407W



Manoj Sethi
Proprietor
Membership Number: 39784

Place: Mumbai
Date: November 23, 2016

For and on behalf of the Board



Tarun Katial
Director
DIN:01685221

Place: Mumbai
Date: November 23, 2016



Venkatarao Ponnada
Director
DIN:01503467



Certified True Copy

For Reliance Big Broadcasting Private Limited



Director/Authorised Signatory

Independent Auditors' Report

To the Board of Directors of
Big Magic Limited

Report on the Condensed Financial Statements

We have audited the accompanying condensed financial statements of Big Magic Limited ("the Company"), which comprise the Condensed Balance Sheet as at 30th September, 2016, the condensed Statement of Profit and Loss and the condensed Cash Flow Statement of the Company for the six months period ended on that date and a summary of the significant accounting policies and other explanatory information (collectively referred to as the 'condensed financial statements'), annexed herewith. The audit was conducted in accordance with the terms of engagement letter dated 01st December, 2016 as specified by the Board of Directors of the Company.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these condensed 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 Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 which continue to apply as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, and other accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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. These condensed financial statements have been approved by the Board of Directors of the Company in their meeting held on 17th December, 2016.

Auditors' Responsibility

Our responsibility is to express an opinion on these condensed financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the condensed financial statements give the information required by AS 25 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 30th September, 2016, and its loss and its cash flows for the six months ended on that date.

Emphasis of Matter

We draw attention to note no. 37 which described that the Company's net worth is eroded, indicating the existence of uncertainty that may cast doubt about the Company's ability to continue as a going concern. Considering the matters set out in the said note, this financial statement is prepared on a going concern basis.

Our opinion is not qualified in respect of these matters.

Other Matters

We draw attention to note no. 38 to the condensed financial statements regarding prior period comparatives. The corresponding figures to the Condensed Statement of profit and loss, the Condensed cash flow statement and the notes to the accounts for the period 1st April, 2015 to 30th September, 2015 included in the condensed financial statements as required by the reporting requirements of AS 25 have not been audited. These condensed financial statements do not include adjustments, if any, that would be required had the abovementioned corresponding figures been audited.

This report is furnished solely for the purpose of filing draft scheme of arrangement between the Company and Zee Entertainment Enterprises Limited with the requisite authorities and is not to be use for any other purpose or referred to in any document or distributed to any one without our written consent.

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No:101720W



Parag D. Mehta
Partner
Membership No.: 113904

Place: Mumbai
Date: 17th December, 2016

BIG MAGIC LIMITED

Condensed Balance Sheet as at 30 September 2016

Currency in Indian Rupees

Particulars	Notes	As at	As at
		30 September 2016	31 March 2016
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	2	500,000	500,000
Reserves and surplus	3	(6,267,572,125)	(6,021,826,403)
		<u>(6,267,072,125)</u>	<u>(6,021,326,403)</u>
Non-current liabilities			
Long-term borrowings	4	6,981,122,284	6,168,107,637
Deferred tax liabilities (Net)	5	-	-
Other long-term liabilities	6	1,499,465,725	1,076,557,794
Long-term provisions	7	2,294,994	2,063,375
		<u>8,482,883,003</u>	<u>7,246,728,806</u>
Current liabilities			
Trade payables	8	-	-
Total Outstanding dues of micro enterprises and small enterprises		216,934,433	362,647,364
Total Outstanding dues of creditors other than micro enterprises and small enterprises		221,073,175	165,740,674
Other current liabilities	9	1,406,379	1,178,160
Short-term provisions	10	-	-
		<u>439,413,987</u>	<u>529,566,198</u>
	Total	<u><u>2,655,224,865</u></u>	<u><u>1,754,968,601</u></u>
ASSETS			
Non-current assets			
Fixed assets	11		
Tangible assets		50,530,547	54,818,890
Intangible assets		902,547	1,186,383
		<u>51,433,094</u>	<u>56,005,273</u>
Non-current investments	12	30,000,000	300,000,000
Long-term loans and advances	13	1,159,138,024	522,956,281
Other non-current assets	14	142,314,861	-
		<u>1,382,885,979</u>	<u>878,961,554</u>
Current assets			
Inventories	15	317,204,247	192,817,508
Trade receivables	16	146,793,597	104,678,283
Cash and cash equivalents	17	82,242,111	15,604,509
Short-term loans and advances	18	726,098,931	562,906,747
		<u>1,272,338,886</u>	<u>876,007,047</u>
	Total	<u><u>2,655,224,865</u></u>	<u><u>1,754,968,601</u></u>

Significant Accounting Policies and the accompanying notes form an integral part of the condensed financial statements

1-39

As per our Report of even date.

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No.: 101720W

Parag D. Mehta
Partner
Membership No.: 113904



For and on behalf of the Board of Directors

Tarun Katiyal
Director

Gaurang Mehta
Director

Heeral Gondalia
Company Secretary

Place: Mumbai
Date: 17th December 2016

Place: Mumbai
Date: 17th December 2016



BIG MAGIC LIMITED

Condensed Statement of Profit and Loss for the period ended 30 September 2016

Particulars	Notes	Currency in Indian Rupees	
		For the period ended 30 September 2016	For the period ended 30 September 2015
Income			
I. Revenue from operations	19	396,974,474	237,220,450
II. Other income	20	62,133,008	21,833,324
III. Total Revenue (I + II)		459,107,482	259,053,774
IV. Expenses			
Direct operating expenses	21	159,757,737	343,390,906
Employee benefits expense	22	52,261,479	61,835,293
Finance costs	23	423,643,886	262,028,505
Depreciation and amortization expense	24	4,572,182	2,874,773
Other expenses	25	508,938,448	525,367,002
		1,149,173,732	1,195,496,479
V. (Loss) before Exceptional items and tax (III-IV)		(690,066,250)	(936,442,705)
VI. Exceptional Item	26	(444,320,528)	-
VII. (Loss)/Profit before tax		(245,745,722)	(936,442,705)
VIII. Tax expense			
Current tax/ Deffered Tax		-	-
IX. (Loss)/Profit after tax		(245,745,722)	(936,442,705)
X. Earnings per equity share of face value Rs. 10 each fully paid-up Basic and diluted	31	(4,914.91)	(63,139.67)

Significant Accounting Policies and the accompanying notes form an integral part of the condensed financial statements

1-39

As per our Report of even date.

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No.: 101720W

Parag D. Mehta
Partner
Membership No.: 113904



For and on behalf of the Board of Directors


Tarun Katial
Director


Gaurang Mehta
Director


Heeral Gondalia
Company Secretary

Place: Mumbai
Date: 17th December 2016

Place: Mumbai
Date: 17th December 2016



BIG MAGIC LIMITED

Condensed Cash Flow Statement for the period ended 30 September 2016

Currency in Indian Rupees

Particulars	For the period Ended 30 September 2016	For the period Ended 30 September 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss before taxes	(245,745,722)	(936,442,705)
Adjustments for:		
Interest Income	(62,100,002)	(21,759,475)
Sundry Balances written back	(2,084,844)	(12,182)
Sundry Provisions written back	(16,170,390)	-
Finance Cost	423,643,886	262,028,505
Depreciation/Amortisation Expense	4,572,182	2,874,773
Provision for Doubtful Debts	1,866,050	-
Reversal of Provision for doubtful Loans and Interest thereon	(714,320,528)	-
Provision for Diminution in the value of Non Current Investments	270,000,000	-
Bad debts written off	-	4,514,795
Advances written off	4,065,845	-
Operating Loss before working capital changes	(336,273,523)	(688,796,289)
Adjustments for changes in working capital:		
Increase in Inventories	(124,386,739)	(80,161,951)
Increase in trade receivables	(43,981,364)	(56,757,840)
Increase in Loans and Advances	(167,258,032)	(201,827,823)
Increase in Liabilities and Provisions	(71,671,877)	81,305,822
Cash generated from operations	(743,571,535)	(946,238,081)
Taxes Paid (Net of Refunds)	(1,702,612)	1,826,069
Net cash (used in) operating activities (A)	(745,274,147)	(944,412,012)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase / acquisition of fixed assets	-	(3,951,736)
Interest Received	52,538	235,011
Loans and Advances to Related Parties	(426,000)	(846,854,552)
Net cash (used in) investing activities (B)	(373,462)	(850,571,277)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	1,058,471,647	2,348,384,803
Repayment of long term borrowings	(245,457,000)	(539,690,448)
Interest Paid	(729,436)	(1,866,694)
Net cash generated from financing activities (C)	812,285,211	1,806,827,661
Net increase in cash and cash equivalents (A + B + C)	66,637,602	11,844,372
Cash and cash equivalents at the beginning of the period	15,604,509	3,707,561
Cash and cash equivalents at end of the period	82,242,111	15,551,933

As per our report of even date

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No.: 101720W

Parag D. Mehta
Partner
Membership No.: 113904



For and on behalf of the Board of Directors

Tarun Kattal
Director

Gaurang Mehta
Director

Heeral Gondalia
Company Secretary



Place: Mumbai
Date: 17th December 2016

Place: Mumbai
Date: 17th December 2016

BIG MAGIC LIMITED

Notes to Condensed financial statements for the period ended 30 September 2016

1. Significant Accounting Policies:

a) Basis of Preparation

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) Fixed Assets and Depreciation / Amortization

i) Tangible Assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment. Cost includes freight, duties, taxes (other than those recoverable from tax authorities) and other expenses related directly/indirectly to the acquisition / construction and installation of the fixed assets for bringing the asset to its working condition for its intended use.

Depreciation on fixed assets is provided on the straight line method over the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.

Leasehold improvements are depreciated over the lower of the useful life of the asset and the lease term, on a straight line basis.

Individual assets costing up to Rs. 5,000 are depreciated fully in the year of acquisition.

ii) Intangible Assets

Application software purchased which is not an integral part of the related software, is shown as Intangible assets and amortized on straight line basis over its useful life, not exceeding four years, as determined by management.

d) Impairment

In accordance with AS 28 – 'Impairment of Assets' where there is an indication of impairment of the Company's assets, the carrying amount of the Company's assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the asset (or where applicable, that of the cash generating unit to which the asset belongs) is estimated at the higher of the new selling price and its value in use. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. Impairment loss is recognised in the statement of profit and loss.

Value in use is present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

e) Investments

Investments are classified as long term or current based on intention of the management at the time of purchase. Current investments are valued, scrip wise, at cost or fair value, whichever is lower.

Long-term investments are carried at carrying cost less diminution in value which is other than temporary, determined separately for each individual investment.



BIG MAGIC LIMITED

Notes to Condensed financial statements for the period ended 30 September 2016

f) Inventories

Inventories include television programs, music, movies and merchandise and are carried at lower of unamortized cost or net realizable value. Where the realizable value on the basis of its estimated useful economic life is less than its carrying amount, the difference is charged to statement of profit and loss. Television programs under production are stated at cost. Cost comprises of material cost, cost of services and other expenses incurred up to the date of balance sheet.

- i. Cost of television programs, music and movies are amortised over the licensed period where the number of runs are unlimited. Where the runs are limited, the cost is amortised over the licensed period or on run basis whichever is maximum on the value of content burnt.
- ii. Cost of Programs acquired or produced for multiple channels are allocated based on management estimate of the revenue potential of the said program on respective channels.

Cost of television Programs acquired or produced in house, content being with the Company for perpetuity are amortized over three financial years from the date of telecast as per management estimates of future revenue potential. Program amortization commences from the date of telecast of the said program on the respective channel or within twelve months from the date of acquisition or production whichever is earlier.

The Company evaluates the realisable value and/ or revenue potential of inventory on an annual basis and appropriate written down is made in cases where accelerated written down is warranted.

- iii. Cost of news, events and current affairs programs are amortized in the year of telecast.
- iv. Merchandise is charged off to the statement of profit and loss as and when the gifts are distributed to the winners.

g) Employee Benefits

Short-term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

The Company's contribution to provident fund, which is a defined contribution scheme, is charged to the statement of profit and loss as incurred.

Post employment and other long term employee benefits are recognised as an expense in the statement of profit and loss for the year in which the employee has rendered services.

The expense is recognised at the present value of the amount payable determined using actuarial valuation carried out by an independent actuary at the balance sheet date using Projected Unit Credit Method.

h) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The amount recognized as revenue is net of agency commission, trade discounts and service tax.

Advertisement revenue from television media operations

Advertisement revenue from broadcasting is recognised, when the related advertisement appears before the public, i.e., on telecast.



BIG MAGIC LIMITED

Notes to Condensed financial statements for the period ended 30 September 2016

Graphics and Editing Revenue

Revenue from graphics and editing is recognized in accordance with the terms of the agreements with the parties.

Syndication Revenue

Revenues are recognized when the rights to use are passed on to the customers, which is generally on dispatch of goods.

Subscription Revenue

Subscription revenues are recognized on an accrual basis in accordance with the terms of the contract on rendering of services.

Interest Income

Interest income is recognized on a time proportion basis.

Revenue from Television Programme Production

Revenue from Television Programme Production is recognized as and when the relevant episodes of the programmes are delivered to the channel.

i) Foreign Currency Transactions

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the profit and loss account of the period.

Monetary items are restated at the period ended rates. The exchange differences between the rate prevailing on the date of transaction and on settlement/restatement (other than those relating to acquisition of fixed assets) are recognised as income or expense, as the case may be. Non-monetary items which are carried at historical costs denominated in foreign currency are reported using the exchange rate at the date of the transaction.

j) Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

k) Leases

The Company has various operating leases, principally for office space with various renewal options. Substantially all operating leases are cancelable as well as renewable on expiry of lease term. Rental expense in agreements with scheduled rent increases is recorded on a straight-line basis as applicable over the lease term.

l) Earning per Share

In determining earning per share, the company considers the net result after tax and includes the post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earning per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of shares that could have been issued on the conversion of all dilutive potential equity shares unless the results would be anti-dilutive. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.



BIG MAGIC LIMITED

Notes to Condensed financial statements for the period ended 30 September 2016

m) Taxation

Tax expense comprises current tax expense computed in accordance with the relevant provisions of the Income Tax Act, 1961 and deferred tax charge or credit.

Current tax provision is made based on the tax liability computed after considering tax allowances and exemptions, in accordance with the Income Tax Act, 1961. Deferred tax charge or credit and the corresponding deferred tax liability or asset is recognized for timing differences between the profits/ losses offered for income taxes and profits/ losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down/up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

n) Provisions and Contingencies

Provisions comprise liabilities of uncertain timing or amount. Provisions are recognized when the Company recognizes it has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

o) Preliminary Expenses

Preliminary Expenses are written off in the statement of profit and loss in the year in which such expenses are incurred.



BIG MAGIC LIMITED

Notes to Condensed financial statements as at 30 September 2016 (Continued)
Currency in Indian Rupees

	As at 30 September 2016	As at 31 March 2016
2 Share capital		
Authorised		
500,000 (Previous Year: 500,000) Equity Shares of Rs.10/- each	5,000,000	5,000,000
	<u>5,000,000</u>	<u>5,000,000</u>
Issued, subscribed and paid up share capital		
50,000 (Previous Year: 50,000) Equity Shares of Rs.10/- each, fully paid up	500,000	500,000
	<u>500,000</u>	<u>500,000</u>

a Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at 30 September 2016		As at 31 March 2016	
	No. of shares	Rs.	No. of shares	Rs.
Equity Shares				
At the beginning of the period/year	50,000	500,000	50,000	500,000
Add: Shares issued during the period/year	-	-	-	-
At the end of the period/year	<u>50,000</u>	<u>500,000</u>	<u>50,000</u>	<u>500,000</u>

b Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividends if any, in Indian rupees. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c Details of shareholders holding more than 5% shares of the company and shares held by the holding Company

	As at 30 September 2016		As at 31 March 2016	
	No. of shares	Percentage of holding	No. of shares	Percentage of holding
Equity shares of Rs. 10 each fully paid				
Reliance Broadcast Network Limited and its nominees (Holding Company)	50,000	100	50,000	100
	<u>50,000</u>	<u>100</u>	<u>50,000</u>	<u>100</u>

3 Reserves and surplus

	As at September 30, 2016	As at March 31, 2016
Deficit in Statement of Profit and Loss		
At the commencement of the period/year	(6,021,826,403)	(2,864,843,079)
Add : Loss for the period/year	(245,745,722)	(3,156,983,324)
	<u>(6,267,572,125)</u>	<u>(6,021,826,403)</u>

4 Long-term borrowings

	As at 30 September 2016		As at 31 March 2016	
	Non-current	Current	Non-current	Current
Unsecured				
Loan from related party (Refer note below note 30)	6,981,122,284	-	6,168,107,637	-
	<u>6,981,122,284</u>	<u>-</u>	<u>6,168,107,637</u>	<u>-</u>

Salient terms:

Loan from related party is the loan from the Holding Company. Interest is charged @ 13% p.a (Previous year 13% p.a). The loan shall be repayable after the end of the term of 4 years from the date of last disbursement of loan as sanctioned vide term sheet dated 1st March 2016 and 1st April 2016.



Notes to Condensed financial statements as at 30 September 2016 (Continued)

	As at 30 September 2016	As at 31 March 2016
5 Deferred tax liabilities (Net)		
Deferred Tax Liabilities		
Related to fixed assets	1,880,813	3,216,220
	1,880,813	3,216,220
Deferred Tax Assets		
Other Disallowances under Income Tax Act, 1961 (Refer Note below)	1,143,724	1,001,634
Unabsorbed Depreciation / Business Loss (Refer note below)	737,089	2,214,586
	1,880,813	3,216,220
Net Deferred Tax Liabilities at the end of the year	-	-

Note: In the absence of virtual certainty, Deferred Tax Asset has been recognized only to the extent it can be realized against reversal of deferred tax liability on account of unabsorbed depreciation and business loss.

	As at 30 September 2016	As at 31 March 2016
6 Other long-term liabilities		
Lease Rent Liability	504,109	510,628
Interest Accrued but not due on borrowings	1,498,961,616	1,076,047,166
	1,499,465,725	1,076,557,794

	As at 30 September 2016	As at 31 March 2016
7 Long-term provisions		
Provision for employee benefits (Refer Note 28)		
Gratuity	1,564,765	1,901,542
Leave Benefits	730,229	161,833
	2,294,994	2,063,375



Notes to Condensed financial statements as at 30 September 2016 (Continued)

	As at 30 September 2016	As at 31 March 2016
8 Total Outstanding dues of creditors other than micro enterprises and small enterprises		
Micro, Small and Medium Enterprises*	-	-
Others	216,934,433	362,647,364
	<u>216,934,433</u>	<u>362,647,364</u>
<p>*Disclosures relating to amounts payable as at the year end together with interest paid / payable to Micro, Small and Medium Enterprises have been made in the accounts, as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent of information available with the Company determined on the basis of intimation received from suppliers regarding their status and the required disclosure are given below:</p>		
Particulars		
Principal amount remaining unpaid	-	-
Interest due thereon	-	-
Interest paid by the company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the suppliers beyond the appointed day during the period/year.	-	-
Interest due and payable for the period/year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Interest accrued and remaining unpaid	-	-
Further interest remaining due and payable even in the succeeding period until such date when the interest dues as above are actually paid to the small enterprise.	-	-
	<u>-</u>	<u>-</u>
	As at 30 September 2016	As at 31 March 2016
9 Other current liabilities		
Advance from customers	7,268,723	9,188,272
Security deposits from others	610,000	610,000
Employee benefits payable	7,944,893	22,832,164
Statutory dues payable	7,068,432	16,500,885
Provision for expenses	198,181,127	116,609,353
	<u>221,073,175</u>	<u>165,740,674</u>
	As at 30 September 2016	As at 31 March 2016
10 Short-term provisions		
Provision for employee benefits (Refer Note 28)		
Gratuity	787,069	1,037,787
Leave Benefits	619,310	140,373
	<u>1,406,379</u>	<u>1,178,160</u>



BIG MAGIC LIMITED

Notes to the Financial Statements for the period ended 30 September 2016 (Continued)

Currency in Indian Rupees

11 Fixed Assets

Particulars	Gross Block			Depreciation/Amortisation			Net Block			
	1 April 2016	Additions	Deletions	30 September 2016	1 April 2016	For the period/year	Deletions	30 September 2016	30 September 2016	31 March 2016
Tangible Asset										
Plant & Machinery	52,030,003	-	-	52,030,003	22,527,813	1,253,632	-	23,781,445	28,248,558	29,502,190
Office Equipments	490,433	-	-	490,433	412,089	29,290	-	441,379	49,054	78,344
Furniture & Fixtures	203,067	-	-	203,067	94,756	7,120	-	101,876	101,191	108,311
Data Processing Machines	31,704,252	-	-	31,704,252	7,720,848	2,479,774	-	10,200,622	21,503,630	23,983,404
Leasehold Improvements	6,825,180	-	-	6,825,180	5,678,539	518,527	-	6,197,066	628,114	1,146,641
Total	91,252,935	-	-	91,252,935	36,434,045	4,288,343	-	40,722,388	50,530,547	54,818,890
Previous Period/Year	57,028,690	34,224,245	-	91,252,935	28,617,591	7,816,454	-	36,434,045	54,818,890	-
Intangible Assets (other than internally generated)										
Particulars										
Intangible Asset										
Computer Software	12,074,220	-	-	12,074,220	10,887,837	283,836	-	11,171,673	902,547	1,186,383
Total	12,074,220	-	-	12,074,220	10,887,837	283,836	-	11,171,673	902,547	1,186,383
Previous Period/Year	11,150,602	923,618	-	12,074,220	9,918,899	968,938	-	10,887,837	1,186,383	-



Notes to Condensed financial statements as at 30 September 2016 (Continued)

	As at 30 September 2016	As at 31 March 2016
12 Non-current investments		
Non Trade investments (Unquoted and at cost)		
Investments in Equity instruments		
In Associate Company		
Azalia Broadcast Private Limited	41,517,000	41,517,000
32,071,427 (Previous year: 32,071,427) Equity shares of Rs 10 each, fully paid up		
Less: Provision for Diminution in the value of Investments (Refer Note a)	(41,517,000)	(41,517,000)
	<u>-</u>	<u>-</u>
Investments in Preference shares		
Reliance Big Broadcasting Private Limited	300,000,000	300,000,000
300,000,000 (Previous year: Nil) 8% Cumulative Redeemable Preference shares of Re. 1 each, fully paid up		
Less: Provision for Diminution in the value of Investments (Refer Note 26 (c))	(270,000,000)	-
	<u>30,000,000</u>	<u>300,000,000</u>
	341,517,000	341,517,000
Aggregate amount of unquoted investment	311,517,000	41,517,000
Aggregate provision for diminution in the value of investments		
	<u>As at 30 September 2016</u>	<u>As at 31 March 2016</u>
13 Long-term loans and advances		
Unsecured, considered good, unless otherwise stated		
Security Deposits	190,700,000	190,700,000
	952,479,131	952,053,131
Loans and Advances to related party (Refer Note 30)	-	(634,053,131)
Less: Provision for Loans and Advances to related party	952,479,131	318,000,000
	15,958,893	14,256,281
Advance tax and tax deducted at sources	<u>1,159,138,024</u>	<u>522,956,281</u>
	<u>As at 30 September 2016</u>	<u>As at 31 March 2016</u>
14 Other non-current assets		
Interest accrued but not due on loans and advances	142,314,861	80,267,397
Less: Provision for Interest accrued on loans and advances	-	(80,267,397)
	<u>142,314,861</u>	<u>-</u>
	<u>As at 30 September 2016</u>	<u>As at 31 March 2016</u>
15 Inventories		
Unamortised cost of television programs, movie and other rights	317,204,247	192,817,508
Merchandise	3,894,390	3,894,390
Less: Provision for obsolence	(3,894,390)	(3,894,390)
	<u>317,204,247</u>	<u>192,817,508</u>
	<u>As at 30 September 2016</u>	<u>As at 31 March 2016</u>
16 Trade receivables		
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	855,124	8,412,006
Other Debts	145,938,473	96,266,277
	146,793,597	104,678,283
Unsecured, considered doubtful		
Outstanding for a period exceeding six months from the date they are due for payment	9,427,646	7,561,596
Other Debts	-	-
	9,427,646	7,561,596
	156,221,243	112,239,879
Less: Provision for Doubtful Debts	(9,427,646)	(7,561,596)
	<u>146,793,597</u>	<u>104,678,283</u>

Note: Trade Receivables include Rs. 57,360 (Previous Year: Rs. 10,129,506/-) due from Private Companies in which the Company's Director is a Director.



Notes to Condensed financial statements as at 30 September 2016 (Continued)

	As at 30 September 2016	As at 31 March 2016
17 Cash and cash equivalents		
Balances with banks - in current accounts	82,240,091	15,602,489
Cash on hand	2,020	2,020
	<u>82,242,111</u>	<u>15,604,509</u>
	As at 30 September 2016	As at 31 March 2016
18 Short-term loans and advances		
Unsecured, considered good unless otherwise stated		
Advance to vendors	234,731,730	23,324,095
Security deposits	949,510	2,125,000
Loans and advances to employees	2,274,803	306,360
Prepaid expenses	978,253	83,325,690
CENVAT credit receivable	487,011,446	453,672,413
	<u>725,945,742</u>	<u>562,753,558</u>
Unsecured, considered Doubtful		
Other advances	831,134	831,134
Less: Provision for Doubtful Advances	<u>(677,945)</u>	<u>(677,945)</u>
	153,189	153,189
	<u>726,098,931</u>	<u>562,906,747</u>
	For the period ended 30 September 2016	For the period ended 30 September 2015
19 Revenue from operations		
Revenue from Operations	377,392,072	231,267,705
Income from media operations	<u>377,392,072</u>	<u>231,267,705</u>
Barter Sales	724,000	1,989,250
Less: Barter Expenses	<u>(368,750)</u>	<u>-</u>
	355,250	1,989,250
	<u>377,747,322</u>	<u>233,256,953</u>
Other Operating Revenue	814,759	-
Syndication Revenue	148,350	3,951,313
Subscription Revenue	8,809	-
Royalty Income	2,084,844	12,182
Sundry Balances written back	16,170,390	-
Sundry Provisions written back	<u>19,227,152</u>	<u>3,963,495</u>
	<u>396,974,474</u>	<u>237,220,450</u>
Total revenue from operations	For the period ended 30 September 2016	For the period ended 30 September 2015
20 Other income		
Interest income on:		
Income tax refund	-	235,011
Loans and advances to related parties	62,100,002	21,524,464
Foreign Exchange Gain (Net)	33,006	73,849
	<u>62,133,008</u>	<u>21,833,324</u>
	For the period ended 30 September 2016	For the period ended 30 September 2015
21 Direct operating expenses		
Television Programme, Content and Other Production Expenses:		
Opening - Inventory	192,817,508	543,560,771
Add: Commissioned / acquisition	283,291,549	261,020,632
Production Expenses	-	78,560
- Equipment Hire Charges	491,000	272,000
- Professional Fees	361,927	433,665
- Other Production Expenses	<u>(317,204,247)</u>	<u>(623,722,722)</u>
Less: Closing - Inventory	159,757,737	181,642,906
Placement Fees	-	161,748,000
	<u>159,757,737</u>	<u>343,390,906</u>



Notes to Condensed financial statements as at 30 September 2016 (Continued)

	For the period ended 30 September 2016	For the period ended 30 September 2015
22 Employee benefits expense		
Salaries, wages and bonus	49,529,633	58,844,716
Contribution to Provident and other funds	1,836,436	2,515,186
Gratuity Expense	(587,495)	-
Leave Encashment	1,108,487	-
Staff Welfare Expenses	374,418	475,391
	<u>52,261,479</u>	<u>61,835,293</u>
	For the period ended 30 September 2016	For the period ended 30 September 2015
23 Finance costs		
Interest Expense	423,643,886	262,028,505
	<u>423,643,886</u>	<u>262,028,505</u>
	For the period ended 30 September 2016	For the period ended 30 September 2015
24 Depreciation and amortization expense		
Depreciation of tangible assets	4,288,346	2,141,117
Amortisation of intangible assets	283,836	733,656
	<u>4,572,182</u>	<u>2,874,773</u>
	For the period ended 30 September 2016	For the period ended 30 September 2015
25 Other expenses		
Advertisements and publicity expenses	119,444,970	143,573,125
Bank Charges	1,567,097	3,877,373
Bad Debts	-	4,514,795
Advance written off	4,065,845	-
Business Promotion	761,184	2,488,700
Communication Expenses	490,305	548,346
Computer / Internet / Intranet	2,339,366	2,147,082
Conference Expense	-	86,251
Distribution and advertisements rights expenses	280,291,258	304,869,196
Duties and Taxes	4,255,294	2,393,238
Electricity Charges	343,512	263,011
Employee Recruitment Fees	-	1,010,737
Housekeeping Charges	111,855	99,311
Insurance	111,448	-
Legal and Professional Fees	19,248,956	16,020,930
Management and Distribution service fees	55,975,837	39,390,000
Payment to Auditor (Refer note below)	400,000	-
Printing and Stationery	29,106	20,994
Rent, Rates and Taxes	3,997,128	1,347,200
Repairs and Maintenance		
- Repairs to Machinery	201,813	165,188
- Repairs to Others	775,187	163,144
Sales Incentive	11,551,756	-
Security Charges	152,225	96,410
Travelling and Conveyance	729,320	2,059,858
Provision for Doubtful Debts	1,866,050	-
Other Miscellaneous Expenses	228,936	232,113
	<u>508,938,448</u>	<u>525,367,002</u>
Payment to auditor [excluding service tax]		
As auditor:		
Audit fee	400,000	-
	<u>400,000</u>	<u>-</u>



Notes to Condensed financial statements as at 30 September 2016 (Continued)

	For the period ended <u>30 September 2016</u>	For the period ended <u>30 September 2015</u>
26 Exceptional Item		
Reversal of Provision for doubtful Loans and Interest thereon (refer note (a) and (b) below)	(714,320,528)	-
Provision for diminution in the value of Non- Current investments (refer note (c) below)	270,000,000	-
	<u>(444,320,528)</u>	<u>-</u>

Note:

a) The Company had advanced loan to its fellow subsidiary namely Reliance Television Private Limited (RTPL) of which outstanding loan amount as at 31st March 2016 was Rs 358,727,083 and Interest Accrued thereon was Rs 33,781,571. The Company on a prudent basis, had made a provision of the said loans and interest accrued thereon of Rs 74,508,654 during the year ended 31st March 2016. Since the entire loan and interest amount has been recovered after the Balance sheet Date, hence provision for Doubtful Loans and Interest is written back.

b) The Company had advanced loan to its fellow subsidiary namely Cinestar Advertising Private Limited (CAPL) of which outstanding loan amount as at 31st March 2016 is Rs 593,326,048 and Interest Accrued thereon is Rs 46,485,826. During FY 2014-15, ABPL had scaled down its operations significantly. Hence, on a prudent basis, the Company had made a provision of the said loan and interest accrued thereon of Rs 639,811,874 during the year ended 31st March 2016. Since the entire loan and interest amount has been recovered after the Balance sheet Date, hence provision for Doubtful Loans and Interest is written back.

c) The Company had made Investment in 300,000,000 8% Cumulative Redemable Preference Shares of Rs 1 each in Reliance Big Broadcasting Private Limited. On 8th November 2016, Company has sold entire shares for Rs 30,000,000 after incurring loss of Rs 270,000,000. Hence Company has made provision for diminution in the value of Investments of Rs 270,000,000.



BIG MAGIC LIMITED

Notes to financial statements for the period ended 30 September 2016
Currency in Indian Rupees

27 Contingent Liabilities

Particulars	As at	As at
	30 September 2016	31 March 2016
Income tax demand (Tax deducted at source)	671,720	960,710

28 Employee Benefits

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised as expense for the period are as under :

Particulars	For the period ended	For the period ended
	30 September 2016	30 September 2015
Employers contribution to Provident fund and other funds	1,836,436	2,515,186

Other long term employee benefits comprises encashment of leave. The obligation for leave encashment is recognised based on actuarial valuation carried out using the Projected Unit Credit Method. Expense recognised in the Statement of Profit and Loss during the current period is Rs. 1,108,487 /-

Defined Benefit Plan

Gratuity

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

I. Reconciliation of opening and closing balances of Defined Benefit obligation

Particulars	As at	As at
	30 September 2016	31 March 2016
Gratuity (Unfunded)		
Defined Benefit obligation at beginning of the year	2,939,329	2,434,526
Current Service Cost	368,358	614,602
Interest Cost	116,026	208,732
Actuarial (gain)/loss	(1,071,879)	206,082
Liabilities assumed on Acquisition / (Settled on Divestiture)	-	-
Benefits Paid	-	(524,613)
Defined Benefit obligation at the end of the year	2,351,834	2,939,329

II. Reconciliation of fair value of assets and obligations

Particulars	As at	As at
	30 September 2016	31 March 2016
Gratuity (Unfunded)		
Fair value of plan assets at the end of the year/period	-	-
Present value of obligation at the end of the year/period	2,351,834	2,939,329
Liability recognised in the Balance Sheet	2,351,834	2,939,329

III. Expense/(Income) recognised during the year/period

Particulars	For the period ended	For the period ended
	30 September 2016	30 September 2015
Gratuity		
Current Service Cost	368,358	@
Interest Cost	116,026	@
Expected return on plan assets	-	@
Actuarial (gain) / loss	(1,071,879)	@
Past Service Cost	-	@
Losses/ (Gains) on "Acquisition / Divestiture"	-	@
Expense/(Income) recognised during the year/period	(587,495)	@

@ Company has not made the actuarial valuation for calculation of Gratuity Liability for the period ended 30th September 2015.



BIG MAGIC LIMITED

Notes to financial statements for the period ended 30 September 2016

Currency in Indian Rupees

Nil

Nil

IV. Investment details

V. Experience Adjustments

Particulars	As at 30 September 2016	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Defined Benefit Obligation	2,351,834	2,939,329	2,434,526	1,454,052	1,511,297	845,200
Plan Assets	-	-	-	-	-	-
Surplus / (Deficit)	(2,351,834)	(2,939,329)	(2,434,526)	(1,454,052)	(1,511,297)	(845,200)
Experience Adjustments on Plan Liabilities	(1,106,440)	158,879	406,999	229,780	349,034	35,653
Experience Adjustments on Plan Assets	-	-	-	-	-	-

VI. Actuarial assumptions

Particulars	As at 30 September 2016		As at 31 March 2016	
	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount rate (per annum)	6.80%	6.80%	7.35%	7.35%
Expected rate of return on plan assets (per annum)	-	-	-	-
Rate of escalation in salary (per annum)	7.00%	7.00%	7.00%	7.00%

The estimates for rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors. The above information is certified by the actuary.

29 Disclosure of Segment Reporting under AS 17

Particulars	Content Broadcasting		Post Production Services		Total	
	30 September 2016	30 September 2015	30 September 2016	30 September 2015	30 September 2016	30 September 2015
Segment Revenue	396,974,474	237,220,450	6,507,180	6,778,398	403,481,654	243,998,848
Inter Segment Revenue	-	-	6,507,180	6,778,398	6,507,180	6,778,398
Total Revenue	396,974,474	237,220,450	-	-	396,974,474	237,220,450
Result	(324,435,121)	(690,291,980)	309,866	322,781	(324,125,255)	(689,969,199)
Segment Result (Loss)/ Profit	-	-	-	-	-	-
Unallocated Corporate Expenses (Net of Unallocated Income)	-	-	-	-	(502,023,418)	(15,554,999)
Finance Costs	-	-	-	-	423,643,886	262,028,505
Income Taxes	-	-	-	-	-	-
Net Loss After Tax	-	-	-	-	(245,745,722)	(936,442,705)
Other Information	1,422,878,007	1,320,597,360	9,168,162	17,209,901	1,432,046,169	1,337,807,261
Segment Assets	-	-	-	-	1,223,178,696	1,186,106,487
Unallocated Corporate Assets	-	-	-	-	-	-
Segment Liabilities	429,924,817	528,574,049	1,695,500	1,695,500	431,620,317	530,269,549
Unallocated Corporate Liabilities	-	-	-	-	8,490,676,673	5,794,429,983
Capital Expenditure	-	3,951,736	-	-	-	3,951,736
Depreciation and amortisation	3,873,192	1,628,580	698,990	1,246,193	4,572,182	2,874,773

The Company has disclosed the Business Segment as primary segment. The business of the Company is divided into two segments - Content Broadcasting and Post Production. The Segments have been identified taking into account the nature of the business, differing risk and returns, the organization structure and internal reporting system.

Content broadcasting, which principally consists of developing, producing and procuring television programming and film content and delivering via satellites, thereby earning revenues by way of advertisement, subscription and syndication.

Post Production Services consists of Graphics and editing of television programs.

Segment Revenues, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each segment as also the amounts allocable on a reasonable basis. Income and Expenses which are not directly attributable to any Business Segment are shown as unallocated corporate income / expenses. Assets and Liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. The Company's operations are mainly confined within India. The Company does not have material earnings outside India. As such there are no reportable geographical segments.

30 Disclosure of Related Party under AS 18

Ultimate Holding Company
Reliance Land Private Limited



BIG MAGIC LIMITED

Notes to financial statements for the period ended 30 September 2016

Currency in Indian Rupees

Holding Company

Reliance Broadcast Network Limited

Fellow Subsidiary Companies

Cinestar Advertising Private Limited

Reliance Television Private Limited

RBN US LLC

Vrushvik Broadcast Network Private Limited (Formerly known as Vrushvik Advertising Private Limited) (w.e.f 30 June, 2016)

Subsidiary/Step down Subsidiary Companies of Fellow Subsidiary Companies

Azalia Distribution Private Limited

Reliance TV US LLC

GVTV Devco LLC

Georgeville Television LLC

Associate Company

Azalia Broadcast Private Limited (formerly known as BIG RTL Networks Private Limited)

Transactions with Related Parties

Particulars	As at 30 September 2016	As at 31 March 2016
<u>Holding Company</u>		
Reliance Broadcast Network Limited		
<u>Loan Taken</u>		
Opening Balance	6,168,107,637	3,268,906,064
Add: Taken during the period/year	1,058,471,647	4,119,806,394
Less: Repaid during the period/year	245,457,000	1,220,604,821
Closing Balance	6,981,122,284	6,168,107,637
<u>Rendering of Services</u>		
Income from media operations	3,237,900	6,557,100
<u>Receipt of Services</u>		
Advertisements and publicity expenses	112,384,096	61,431,076
Management, distribution service fees and Facility Sharing Charges	55,213,756	39,390,000
Reimbursement of Expenses paid	3,288,438	3,828,090
Interest Expenses	422,241,299	260,161,811
<u>Closing Balance</u>		
Sundry Creditors	25,778,176	-
Interest Payable	1,498,288,466	1,076,047,166
<u>Fellow Subsidiary</u>		
Reliance Television Private Limited		
<u>Loans Given</u>		
Opening Balance	318,000,000	60,000,000
Add: Reversal of Provision for Doubtful Loans	40,727,083	-
Add: Given during the year	5,901,000	347,020,774
Less: Received back during the year	(18,000,000)	(48,293,691)
	346,628,083	358,727,083
Less: Provision for doubtful loans	-	(40,727,083)
Closing Balance	346,628,083	318,000,000
<u>Receipt of Services</u>		
Reimbursement of Expenses paid	748,092	-
Interest Income	23,021,362	9,172,675



BIG MAGIC LIMITED

Notes to financial statements for the period ended 30 September 2016

Currency in Indian Rupees

Closing Balance	862,404	-
Sundry Creditors	56,786,818	-
Interest Receivable (Previous year: Nil (Net of provision Rs. 33,781,571/-))		
Cinestar Advertising Private Limited		
Loans Given		
Opening Balance	-	-
Add: Reversal of Provision for Doubtful Loans	593,326,048	-
Add: Given during the year	12,175,000	1,118,716,496
Less: Received back during the year	(2,400,000)	(525,390,448)
	603,101,048	593,326,048
Less: Provision for doubtful loans	-	(593,326,048)
Closing Balance	603,101,048	-
Interest Income	38,987,327	12,351,789
Closing Balance	85,445,862	-
Interest Receivable (Previous year: Nil (Net of provision Rs. 46,485,826/-))		
Vrushvik Broadcast Network Private Limited (Formerly known as Vrushvik Advertising Private Limited)		
Loans Taken		
Opening Balance	-	-
Add: Taken during the period/year	105,000,000	-
Less: Repaid during the period/year	(105,000,000)	-
Closing Balance	-	-
Loans Given		
Opening Balance	-	-
Add: Given during the year	2,750,000	-
Less: Received back during the year	-	-
Closing Balance	2,750,000	-
Interest Income	89,887	-
Interest Expense	747,945	-
Closing Balance	80,898	-
Interest Receivable (Previous year: Nil)		
Interest Payable (Previous year: Nil)	673,150	-
Associate Company		
Azalia Broadcast Private Limited		
Loans Given		
Opening Balance	-	-
Add: Given during the year	1,000,000	-
Less: Received back during the year	1,000,000	-
	-	-
Interest Income	1,426	-
Closing Balance	1,283	-
Interest Receivable (Previous year: Nil)		
Investments in Equity Shares (Net of Provision Rs 41,517,000)(Previous Year Rs 41,517,000)		
Subsidiary/Step down Subsidiary Companies of Fellow Subsidiary Companies		
Azalia Distribution Private Limited		
Closing Balance		
Sundry Debtors	-	1,717,500

Note: Balance for the previous year are as at 31st March 2016 and all transactions are for the six months period ended 30th September 2015.



BIG MAGIC LIMITED

Notes to financial statements for the period ended 30 September 2016

Currency in Indian Rupees

31 Earnings Per Share ('EPS')

Particulars	For the period ended 30 September 2016	For the period ended 30 September 2015
Net (loss) available for equity shareholders	(245,745,722)	(936,442,705)
Weighted average number of equity shares outstanding during the year	50,000	50,000
Basic/ Diluted Earnings Per Share	(4,914.91)	(18,728.85)
Nominal value per share	10	10

32 Foreign currency exposures (other than investments) not covered by forward contracts

Particulars	Currency	As at 30 September 2016		As at 31 March 2016	
		Foreign Currency Amount	Amount - Indian Rupees	Foreign Currency Amount	Amount - Indian Rupees
Trade Receivables	USD	19,343	1,289,397	7,043	440,827
Trade Payables	USD	121,835	8,121,473	153,500	9,084,622
	GBP	5,929	512,446	6,796	563,818

33 Expenditure in foreign currency

Particulars	For the period ended 30 September 2016	For the period ended 30 September 2015
Content Cost	2,073,400	5,013,884
	2,073,400	5,013,884

34 Earnings in foreign currency

Particulars	For the period ended 30 September 2016	For the period ended 30 September 2015
Subscription Revenue	-	3,951,313
Syndication Revenue	814,759	-
	814,759	3,951,313

35 Loans and advances in the nature of loans given to fellow Subsidiary

Loans and advances in the nature of loans:

Name of the Company	Relationship	Maximum Balance during the period	30 September 2016	31 March 2016
Reliance Television Private Limited	Fellow Subsidiary	362,242,083	346,628,083	358,727,083
Cinestar Advertising Private Limited	Fellow Subsidiary	603,101,048	603,101,048	593,326,048
Vrushvik Broadcast Network Private Limited (Formerly known as Vrushvik Advertising Private Limited)	Fellow Subsidiary	2,750,000	2,750,000	-
Azalia Broadcast Private Limited	Fellow Subsidiary	1,000,000	-	-

- (a) Loans and advances shown above, to Reliance Television Private Limited fall under the category of unsecured loans and advances, repayable after four years from the date of signing of the term sheet and supplemental term sheets i.e. 13 March, 2015 and 1 May 2015 or the date of disbursement of loan whichever is later.
- (b) Loans and advances shown above, to Cinestar Advertising Private Limited fall under the category of unsecured loans and advances, repayable after four years from the date of signing of the term sheet i.e. 1 April, 2015 or the date of disbursement of loan whichever is later.
- (c) Loans and advances shown above, to Vrushvik Advertising Private Limited (Formerly known as Vrushvik Advertising Private Limited) fall under the category of unsecured loans and advances, repayable after four years from the date of signing of the term sheet i.e. 1 April, 2016 or the date of disbursement of loan whichever is later.
- (d) Loans and advances shown above, to Azalia Broadcast Private Limited fall under the category of unsecured loans and advances, repayable after four years from the date of signing of the term sheet i.e. 1 April, 2016 or the date of disbursement of loan whichever is later.
- (e) The above loans given to Companies are for "General Business Purpose".



BIG MAGIC LIMITED

Notes to financial statements for the period ended 30 September 2016

Currency in Indian Rupees

36 Details of loans given, Investment made and guarantees given covered under section 186(4) of The Companies Act, 2013.

Name of the Company	30 September 2016	31 March 2016	Purpose
Reliance Television Private Limited	346,628,083	358,727,083	Refer below note 36 (a)
Cinestar Advertising Private Limited	603,101,048	593,326,048	Refer below note 36 (a)
Vrushvik Broadcast Network Private Limited (Formerly known as Vrushvik Advertising Private Limited)	2,750,000	-	Refer below note 36 (a)

- a) The above loans given to Companies are for "General Business Purpose".
b) For Investments Refer Note 12

37 The Company's net worth has eroded. However, having regards to the financial support from one of the promoter of its Holding Company, the Financial Statements have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of the Assets and Liabilities.

38 The Financial Statement include numbers for the six months period from 1st April 2015 to 30th September 2015 as comparative numbers to the current period numbers as per the requirements of AS 25 on Interim Financial Statements. The numbers for the six months period from 1st April 2015 to 30th September 2015 have not been subjected to audit/ review by the auditors.

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

As per our report of even date


For Chaturvedi & Shah
Firm Registration No.: 101720W
Chartered Accountants

Parag D. Mehta
Partner
Membership No. 113904



For and on behalf of the Board of Directors


Tarun Kishia
Director


Gaurang Mehta
Director


Heeral Gondatta
Company Secretary

Place: Mumbai
Date: 17th December 2016

Place: Mumbai
Date: 17th December 2016



Shridhar & Associates
Chartered Accountants

To the Board of Directors of Azalia Broadcast Private Limited

Report on the Standalone Interim Financial Statements

We have audited the accompanying standalone interim financial statements of Azalia Broadcast Private Limited ("the Company"), which comprise the balance sheet as at 30 September 2016, the statement of profit and loss for the six months then ended, the statement of cash flows and the statement of changes in equity for the six months then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Interim Financial Statements

The Company's Board of Directors is responsible for the preparation of these standalone interim financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the interim financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone interim 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 there under.

We conducted our audit of the standalone interim financial statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to



Certified True Copy

For AZALIA BROADCAST PRIVATE LIMITED.

Shridhar & Associates, 104, Kanaiya, 250/B, Linking Road, Bandra (W), Mumbai - 400 050. Head Office
B : + 91 (22) 26512906 /07/ F : +91 (22) 26512907, Email: info@shridharandassociates.com

Director

obtain reasonable assurance about whether the standalone interim financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone interim financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone interim financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone interim financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone interim financial statements.

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


Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone interim 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 30th Sep, 2016 and its Profit and Loss & its Cash flows for the six month ended on that date.

Emphasis of Matter

We draw attention to Note 3 in the financial statements regarding accumulated losses exceeding the net worth of the Company and the financial statements being prepared on going concern basis. Our opinion is not qualified in this respect.

For Shridhar & Associates
Chartered Accountants
Firm's Registration Number: 134427W


Jitendra Sawjani
Partner
Membership Number: 050980
Mumbai
15th November, 2016



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For AZALIA BROADCAST PRIVATE LIMITED.



Director

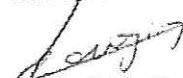
Azalia Broadcast Private Limited
Balance Sheet

	Note	As at September 30, 2016 Rupees	As at March 31, 2016 Rupees
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	4	641,428,540	641,428,540
Reserves and surplus	5	(636,073,937)	(668,373,763)
Interunit Balance			
Non-current liabilities			
Long-term provisions	6	37,587	3,530
Current liabilities			
Short-term borrowings	7	106,398,558	95,548,558
Trade Payables			
Total Outstanding dues of micro enterprises and small enterprises			
Total Outstanding dues of creditors other than micro enterprises and small enterprises	8	14,126,395	14,808,339
Other current liabilities	9	13,798,338	9,110,945
Short-term provisions	10	17,849	950
Total		89,733,320	92,527,099
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	95,654	107,013
Intangible assets	11	27,068	52,068
Long-term loans and advances	12	84,593,997	83,523,712
Current assets			
Inventories	13	997,272	2,526,928
Trade receivables	14	-	-
Cash and bank balances	15	150,837	2,426,386
Short-term loans and advances	16	3,868,492	3,881,992
Total		89,733,320	92,527,099

The notes are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

For Shridhar & Associates
Chartered Accountants
Firm Registration Number: 134427W

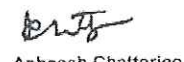

Jitendra Sawjany
Partner
Membership Number: 050980




Place: Mumbai
Date: 15th November, 2016

For and on behalf of the Board of Directors


Tarun Katiyal
Director


Asheesh Chatterjee
Director


Manish Gupta
Company Secretary

Place: Mumbai
Date: 15th November, 2016

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Azalia Broadcast Private Limited
Statement of Profit and Loss

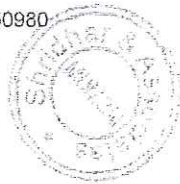
	Note	Period ended September 30, 2016 Rupees	Period ended September 30, 2015 Rupees
Revenue			
Revenue from operations	17	-	585,386
Other income	18	25,042	13,850
Total revenue		25,042	599,236
Expenses			
Employee benefits expense	19	470,560	2,379,405
Depreciation and amortization expense	20	36,359	118,579
Other expenses	21	11,623,582	26,447,891
Interest expense	22	5,594,715	3,070,011
Total expenses		17,725,216	32,015,885
Loss before tax		17,700,174	31,416,649
Tax expense		-	-
Loss for the year		17,700,174	31,416,649
Loss per equity share (Nominal value per share: Rs 10) Basic and Diluted	23	0.03	0.05

The 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 Shridhar & Associates
Chartered Accountants
Firm Registration Number: 134427W

Jitendra Sawjany
Partner
Membership Number: 050980



Place: Mumbai
Date: 15th November, 2016

For and on behalf of the Board of Directors

Tarun Katial
Director

Asheesh Chatterjee
Director

Manish Gupta
Company Secretary

Place: Mumbai
Date: 15th November, 2016

Certified True Copy

For AZALIA BROADCAST PRIVATE LIMITED.

[Signature]

Director



Azalia Broadcast Private Limited
Cash Flow Statement

	Period ended September 30, 2016 Rupees	Period ended September 30, 2015 Rupees
A Cash flow from operating activities		
Loss before taxation	(17,700,174)	(31,416,649)
Adjustments for:		
Depreciation and amortization expense	36,359	118,579
Interest expense	5,594,715	3,070,011
Excess Provision written Back	(2,576)	-
Interest on Income Tax refund	(22,466)	(13,650)
Operating profit / (loss) before working capital changes	(12,094,142)	(28,241,910)
Adjustments for changes in working capital:		
Trade and other receivables	(1,353,558)	(1,283,088)
Inventories	1,529,656	12,386,687
Trade and other payables	(1,535,742)	(11,428,036)
Cash used in operations	(13,453,786)	(28,568,347)
Tax Refund(net of payments)	329,237	267,489
Net cash generated from / (used) in operating activities	(13,124,549)	(28,298,859)
B Cash flow from investing activities		
Purchase of fixed assets	-	-
Proceeds from sale of fixed assets	-	-
Interest on fixed deposits	-	-
Net cash generated from / (used in) investing activities	-	-
C Cash flow from financing activities		
Proceeds from issue of equity shares	10,850,000	28,455,000
Proceeds from unsecured loan (net of repayment)	10,850,000	28,455,000
Net cash generated from financing activities	(2,274,549)	156,141
Net increase in Cash and Cash Equivalents (A+B+C)	2,425,386	46,373
Cash and Cash Equivalents as at the commencement of the period	-	-
Cash and Cash Equivalents as at the end of the period		
Cash on hand	150,837	202,514
Balances with banks	-	-
Net Increase / (decrease) as disclosed above	(2,274,549)	156,141

This is the Cash Flow Statement referred to in our report of even date.

For Shridhar & Associates
Chartered Accountants
Firm Registration Number: 134427W

Jitendra Sawjiyani
Partner
Membership Number: 050980



Place: Mumbai
Date: 15th November, 2016

For and on behalf of the Board of Directors

Tarun Kattal
Director

Manish Gupta
Company Secretary

Place: Mumbai
Date: 15th November, 2016

Asheesh Chatterjee
Director

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For AZALIA BROADCAST PRIVATE LIMITED.

Director

Azalia Broadcast Private Limited

Notes to the financial statements as of and for the period ended September 30, 2016

1. General information

The Company is engaged in developing, operating, marketing, promoting and launching television channels in India.

2. Significant Accounting Policies

2.1 Basis of Accounting

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and in accordance with the Generally Accepted Accounting Principle In India to comply with the Accounting Standards Under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013.

2.2 Use of Estimates

The preparation of condensed financial statements in conformity with generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Revenue Recognition

Advertisement revenue from broadcasting is recognised, net of agency commissions, when the related advertisement appears before the public, i.e., on telecast.

Revenue from services provided is recognised when persuasive evidence of an arrangement exists, the consideration is fixed or determinable and it is reasonable to expect ultimate collection. Such revenues are recognised as the services are provided.

2.4 Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions. Gains and losses arising on account of differences in foreign exchange rates on settlement / translation of monetary items are recognised in the Statement of Profit and Loss. Non-Monetary items denominated in foreign currency are stated at the rate prevailing on the date of the transaction.

2.5 Tangible Assets

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditures related to an item of fixed assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets or the rates prescribed under schedule II to the Companies Act, 2013 which, in management's opinion, reflects the estimated useful lives of those fixed assets.

Assets costing less than Rs. 5,000 are depreciated at 100 percent in the year of purchase. Other assets are depreciated from the month of asset put to use till the month of sale of the asset.

2.6 Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.



Intangible assets are amortised on a straight line basis over their estimated useful lives.

Gains or losses arising from the disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

2.7 Inventories

Inventories comprise of purchased programmes and movies which are stated at the lower of cost or net realizable value. The cost of purchased programs and movies is amortized on a straight-line basis over the license period or at such higher rates based on the management estimates of revenues from each of these rights.

2.8 Employee Benefits

- (i) Short term employee benefits:
All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are charged off to the Statement of Profit and Loss.
- (ii) Defined contribution plan:
Contribution towards provident fund for all employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Plans as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.
- (iii) Defined benefit plan:
The Company provides for gratuity, a Defined Benefit Plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the period in which they arise.
- (iv) Compensated absences:
Accumulated compensated absences, which are expected to be availed within 12 months from the end of the period end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the period end.

Accumulated compensated absences, which are expected to be availed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

2.9 Accounting for Taxes on Income

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from timing differences between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However in respect of unabsorbed depreciation or carry forward loss, the deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the assets will be realised in future.

2.10 Impairment

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss.



Azalia Broadcast Private Limited

Notes to the financial statements as of and for the period ended September 30, 2016

2.11 Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

2.13 Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares

3. Going Concern Assumption

The Company has accumulated losses as at September 30, 2016, resulting in erosion of the Company's net worth. The management of the Company is confident of its ability to continue operations for a foreseeable future. In view of erosion of net worth of the Company arising from operating losses, Reliance Broadcast Networks Limited (the ultimate holding Company, an entity exercising joint control as of September 30, 2016 and control subsequent to the period-end) have informed the Company of their intentions to meet their obligations as they fall due. Based on the business plan for the upcoming year noted by the Board of Directors and the financial support from Reliance Broadcast Networks Limited to meet the Company's obligations as they fall due, the financial statements have been prepared on going concern basis.



Azalia Broadcast Private Limited
Notes to the financial statements as of and for the period ended September 30, 2016

4 Share capital	As at	As at
	September 30, 2016	March 31, 2016
	<u>Rupees</u>	<u>Rupees</u>
Authorised		
65,000,000 (Previous year: 65,000,000) equity shares of Rs 10 each	650,000,000	650,000,000
Issued,Subscribed and Paid up		
64,142,854 (Previous year: 6,41,42,854) equity shares of Rs 10 each	641,428,540	641,428,540
	<u>641,428,540</u>	<u>641,428,540</u>

Paid up

(a) Reconciliation of number shares

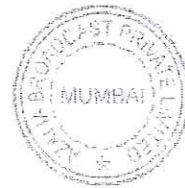
	As at Sep 30, 2016		As at March 31, 2016	
	<u>No. of shares</u>	<u>Amount</u>	<u>No. of shares</u>	<u>Amount</u>
Balance as at the beginning of the year	64,142,854	641,428,540	64,142,854	641,428,540
Shares issued				
Balance as at the end of the year	<u>64,142,854</u>	<u>641,428,540</u>	<u>64,142,854</u>	<u>641,428,540</u>

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at	As at
	September 30, 2016	March 31, 2016
	<u>No. of shares</u>	<u>No. of shares</u>
Cinestar Advertising Private Limited	32,071,427 (50%)	32,071,427 (50%)
Big Magic Limited	32,071,427 (50%)	32,071,427 (50%)



Azalia Broadcast Private Limited

Notes to the financial statements as of and for the period ended September 30, 2016

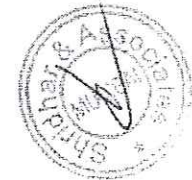
	As at September 30, 2016 Rupees	As at March 31, 2016 Rupees
5 Reserves and Surplus		
Securities Premium Account		
Balance as at the beginning of the year	371,269,632	371,269,632
Add: Premium on issue of shares	-	-
Balance as at the end of the year	<u>371,269,632</u>	<u>371,269,632</u>
Deficit in Statement of Profit and Loss		
Balance as at the beginning of the year	(1,039,643,395)	(976,337,841)
Loss for the year	(17,700,174)	(63,305,554)
Balance as at the end of the year	<u>(1,057,343,569)</u>	<u>(1,039,643,395)</u>
	<u>(686,073,937)</u>	<u>(668,373,763)</u>
6 Long-term provisions		
Provision for employee benefits	28,344	2,449
Provisions for gratuity (Refer note 19)	9,243	1,081
Provision for compensated absences (Refer note 19)	-	-
	<u>37,587</u>	<u>3,530</u>
7 Short-term borrowings		
Unsecured loan from Cinestar Advertising Private Limited	106,398,558	95,548,558
	<u>106,398,558</u>	<u>95,548,558</u>
8 Trade Payables		
Trade payables	14,128,385	14,808,339
	<u>14,128,385</u>	<u>14,808,339</u>
<p>There are no Micro, Small and Medium Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at September 30, 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.</p>		
9 Other current liabilities		
Employee dues Payable	-	1,359
Statutory dues payable	16,531	922,494
Interest Accrued but not due (Payable to CAPL)	13,781,807	8,187,092
	<u>13,798,338</u>	<u>9,110,945</u>
10 Short-term provisions		
Provision for employee benefits	-	12
Provisions for gratuity (Refer note 19)	10,015	938
Provision for compensated absences (Refer note 19)	7,834	-
	<u>17,849</u>	<u>950</u>



Azalia Broadcast Private Limited
Notes to the financial statements as of and for the period ended September 30, 2016

11 Fixed assets

Particulars	Gross Block				Depreciation / Amortisation			Net Block	
	As at April 1, 2016	Addition	Deletion	As at September 30, 2016	As at April 1, 2016	Addition	Deletion	As at September 30, 2016	As at March 31, 2016
Tangible assets									
Plant and Machinery	201,341	-	-	201,341	129,438	3,282	-	89,621	72,803
Computers	274,903	-	-	274,903	268,547	1,891	-	4,375	6,556
Office equipment	60,827	-	-	60,827	33,073	6,095	-	21,869	27,754
Total (a)	537,071	-	-	537,071	430,058	11,358	-	95,655	107,073
	5,038,739	-	4,499,668	537,071	2,917,409	148,220	2,833,568	1,07,013	-
Intangible assets									
Software	249,523	-	-	249,523	197,455	25,001	-	27,057	52,068
Branding	6,151,232	-	-	6,151,232	6,151,232	-	-	-	-
Website	1,537,822	-	-	1,537,822	1,537,822	-	-	-	-
Total (b)	7,938,577	-	-	7,938,577	7,838,509	25,001	-	27,057	52,068
	7,938,577	-	-	7,938,577	7,838,509	49,805	-	52,068	-
Total (a+b)	8,475,648	-	-	8,475,648	8,316,567	36,359	-	122,722	159,081
	12,875,316	-	4,499,668	8,475,648	10,754,050	196,085	2,833,568	8,316,567	159,081



Azalia Broadcast Private Limited

Notes to the financial statements as of and for the Period ended September 30, 2016

	As at September 30, 2016	As at March 31, 2016
	Rupees	Rupees
12 Long-term loans and advances (Unsecured, considered good)		
Security deposits	5,386,879	5,386,879
Advance income tax	712,381	1,019,155
Balance with service tax authorities	78,494,737	77,117,678
	<u>84,593,997</u>	<u>83,523,712</u>
13 Inventories		
Unamortised cost of programme and movie rights	997,272	2,526,928
	<u>997,272</u>	<u>2,526,928</u>
14 Trade receivables (Unsecured, considered doubtful)		
Outstanding for a period exceeding six months from the date they are due for payment	1,252,598	1,255,174
Others	-	-
	<u>1,252,598</u>	<u>1,255,174</u>
Less:- Provision for doubtful receivables	<u>(1,252,598)</u>	<u>(1,255,174)</u>
	<u>-</u>	<u>-</u>
15 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	-	-
Bank balances		
- in current accounts	150,837	-2,425,386
- in fixed deposit	-	-
	<u>150,837</u>	<u>2,425,386</u>
16 Short-term loans and advances (Unsecured, considered good)		
Advance to vendors	3,863,492	3,886,992
Others	5,000	5,000
	<u>3,868,492</u>	<u>3,891,992</u>



B Defined benefit plans

Gratuity (unfunded)

Valuations in respect of Gratuity have been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions.

	Period ended September 30, 2016 Rupees	Year Ended Year ended 31, 2016 Rupees
<u>Assumptions used in accounting for the gratuity plan</u>		
Discount rate (per annum)	7.35%	7.35%
Rate of increase in compensation levels	7.00%	7.00%
Expected Average remaining working lives of employees (Years)	17.77 years	17.77 years
<u>Changes in present value of obligation</u>		
Opening balance of present value of obligation	2,451	51,700
Current service cost	1,231	25,845
Interest cost	181	6,135
Actuarial (gains) / losses	34,456	(81,219)
Closing balance of present value of obligation	33,359	2,461
<u>Amounts recognised in the Balance Sheet</u>		
Present value of obligation as at the year end	33,359	2,461
Liability recognised in the Balance Sheet	33,359	2,461
Recognised as under:		
Non current provisions (Refer note 5)	28,244	2,449
Current provisions (Refer note 10)	10,015	12
<u>Amounts recognised in the Statement of Profit and Loss</u>		
Current service cost		
Interest cost	1,231	25,845
Net actuarial (gain) / loss	181	6,135
Total expense	35,808	(49,259)

Disclosure as required under Para 129 (a) of AS-15

	Period ended September 30, 2016	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Present Value of the defined benefit obligation					
Experience adjustments:					
On Plan liabilities	33,359	2,461	51,700	65,038	14,297
	33,359	(81,292)	(31,562)	33,288	(266,533)

C Other Long Term Benefits

Leave encashment is payable to eligible employees who have earned leaves, during the employment and / or on separation as per the Company's policy. The leave encashment payable is as follows:

	Period ended September 30, 2016	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Liability recognised in the Balance Sheet					
Recognised as under:					
Non current provisions (Refer note 5)				17,377	2,019
Current provisions (Refer note 10)				9,243	1081
				7,934	266



Azalia Broadcast Private Limited
Notes to the financial statements as at and for the period ended September 30, 2015

	Period ended	
	September 30, 2015	September 30, 2014
	Rupees	Rupees
17 Revenue from operations		
Sale of services - Media operations	-	596,385
		<u>596,385</u>
18 Other income		
Excess Provision written Back	2,576	-
Interest on income Tax refund	23,465	13,850
	<u>25,042</u>	<u>13,850</u>
19 Employee benefits expense		
Salaries, wages and bonus	399,881	2,224,859
Contribution to provident and other funds (Refer note 'A' below)	19,743	104,756
Gratuity (Refer note 'B' below)	35,909.00	-
Compensated absence (Refer note 'C' below)	15,055.00	-
Staff welfare expenses	-	49,779
	<u>470,569</u>	<u>2,379,495</u>

Disclosure under Accounting Standard - 15 (revised 2005) "Employee Benefits"

The Company has classified various employee benefits as under

A Defined contribution plans

- (a) Provident fund
- (b) State defined contribution plans
 - Employers' Contribution to Employees' Deposit Linked Insurance
 - Employers' Contribution to Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the regional provident fund commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The Company has debited the following balances to the Statement of Profit and Loss

Contribution to Provident Fund	4,585	77,485
Contribution to Employee's Deposit Insurance Scheme	4,753	10,322
Contribution to Employee's Pension Scheme 1995	10,405	16,951
	<u>19,743</u>	<u>104,766</u>



Azalia Broadcast Private Limited
Notes to the financial statements as of and for the period ended September 30, 2016

	Period ended Sep 30, 2016 Rupees	Period ended Sep 30, 2015 Rupees
20 Depreciation and amortisation Expense		
Depreciation on tangible assets	11,358	93,647
Amortisation on intangible assets	25,001	24,932
	36,359	118,579
21 Other expenses		
Content cost	1,529,656	12,386,687
Placement fee	-	479
Telecast and uplinking fees	9,758,194	12,323,321
Legal, professional and consultancy fees	118,000	249,326
Marketing and distribution expenses	4,000	15,435
Stamp duty and filing fees	-	871,000
Rent, Rates and Taxes	53,236	302,143
Travelling and conveyance expenses	-	149,190
Payment to auditors		-
-audit fees	12,500	12,500
Bank charges	6,741	48,021
Miscellaneous expenses	141,255	89,789
	11,623,582	26,447,891
22 Finance Cost		
Interest expenses	5,594,715	3,070,011
	5,594,715	3,070,011
23 Loss per share		
Loss after tax	(17,700,174)	(31,416,649)
Weighted average number of equity shares outstanding	641,428,540	641,428,540
Loss per share - Basic and Diluted (Rupees)	0.03	0.05
Nominal value of an equity share (Rupees)	10	10
24 Expenditure in foreign currency		
Telecast & uplinking fees	7,564,194	14,797,032
25 Segment reporting		
In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2006, the Company has determined its business segment as television media. Since, there are no other business segments in which the Company operates and the content owned by the Company is published within India, there are no other primary reportable segments. Therefore the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statements.		



25 Related party disclosures

As per Accounting Standard -18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions are disclosed below:

- A Parties where Control exists: Nil
 B Other related parties with whom transactions have taken place during the year:

(i) Associates

Big Magic Limited
 Cinestar Advertising Private Limited

Indirect:

Reliance Broadcast Network Limited
 (Holding Company of Cinestar Advertising Private Limited & Big Magic Limited)

(ii) Enterprises over which entities described in (i) above exercise control:

Reliance Television Private Limited

C Details of transactions with related parties

	Period ended September 30 2016 Rupees	Year ended March 31, 2016 Rupees
Cinestar Advertising Private Limited		
Issue of equity shares (including security premium)	95,548,558	48,801,029
Unsecured loan taken (net of repayment)	10,850,000	46,747,529
Share application money received	-	-
Interest expense	5,594,715	7,279,866
Closing Balance-Interest Accrued	13,781,807	8,187,092
Closing balance - payable	106,368,558	95,548,558
Reliance Broadcast Network Limited		
Expenses Incurred on our behalf	-	1,575
BIG Magic Limited		
Sale of assets	-	190,213
Management fees	-	-
Expenses incurred on our behalf	400	111,675
Expenses incurred on Big Magic behalf	-	2,059,363
Reliance Television Private Limited		
Expenses incurred on our behalf	-	822

The above disclosures do not include transactions with public utility service providers, viz, electricity, telecommunications, in the normal course of business.

Transactions with related parties have been considered from the date on which the relationship came into existence.



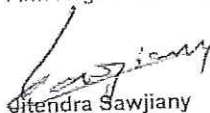
Azalia Broadcast Private Limited
Notes to the financial statements as of and for the period ended September 30, 2016

27 The financial statements include numbers for the Six month period from 1 April, 2015 to 30 September, 2015 as comparative numbers to the current period numbers as per the requirements of AS 25 on Interim Financial Statements. The numbers for the six month period from 1 April, 2015 to 30 September, 2015 have not been subjected to audit / review by the auditors.

28 Previous year/period figures

Previous year/period figures have been reclassified to conform to the current period's classification, wherever considered necessary.

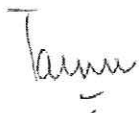
For Shridhar & Associates
Chartered Accountants
Firm Registration Number: 134427W


Nitendra Sawjani
Partner
Membership Number: 050980



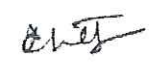
Place: Mumbai
Date: 15th November, 2016

For and on behalf of the Board of Directors


Tarun Katial
Director


Manish Gupta
Company Secretary

Place: Mumbai
Date: 15th November, 2016


Asheesh Chatterjee
Director

Certified True Copy



For AZALIA BROADCAST PRIVATE LIMITED.



Director