

**Spectrum Broadcast Holdings Private Limited**  
**Statement of accounts for the year ended**  
**March 31, 2016**

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

To The Members of Spectrum Broadcast Holdings Private Limited (Formerly known as IVF Holdings Private Limited)

### Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **Spectrum Broadcast Holdings Private Limited (formerly known as IVF Holdings Private Limited)** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

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

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
6. 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 1478848)



## INDEPENDENT AUDITORS' REPORT

To the Members of Spectrum Broadcast Holdings Private Limited (Formerly known as IVF Holdings Private Limited)

Report on the Financial Statements

Page 2 of 3

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

### Other Matter

8. The standalone financial statements of the Company for the year ended March 31, 2015, were audited by another firm of chartered accountants under the Companies Act, 1956/ Companies Act, 2013 who, vide their report dated June 10, 2015, expressed an unmodified opinion on those financial statements.

### Emphasis of Matter

9. We draw attention the note no. 19 to the standalone financial statements, which indicates that the accumulated losses of the Company have exceeded the share capital of the Company as at the year-end, the Company has incurred a net loss during the current and previous year(s). This indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the standalone financial statements of the Company have been prepared on a going concern basis which is dependent on the future plans of the Company as explained in the note. Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.



INDEPENDENT AUDITORS' REPORT

To the Members of Spectrum Broadcast Holdings Private Limited (Formerly known as IVF Holdings Private Limited)  
Report on the Financial Statements  
Page 3 of 3

- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company does not have any pending litigations as at March 31, 2016 which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2016.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016  
Chartered Accountants

*Anurag Khandelwal*

Anurag Khandelwal  
Partner

Membership Number: 078571

New Delhi  
May 30, 2016

## Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Spectrum Broadcast Holdings Private Limited (Formerly known as IVF Holdings Private Limited) on the standalone financial statements for the year ended March 31, 2016

Page 1 of 2

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Spectrum Broadcast Holdings Private Limited (Formerly known as IVF Holdings Private Limited) ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Spectrum Broadcast Holdings Private Limited (Formerly known as IVF Holdings Private Limited) on the standalone financial statements for the year ended March 31, 2016

Page 2 of 2

### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

New Delhi  
May 30, 2016

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: (012754N/N500016)  
Chartered Accountants

Anurag Khandelwal  
Partner  
Membership Number 078571

## Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Spectrum Broadcast Holdings Private Limited (Formerly known as IVF Holdings Private Limited) on the standalone financial statements as of and for the year ended March 31, 2016

Page 1 of 2

- i. The nature of the Company's activities during the year does not involve the use of fixed assets. Accordingly, clause (i) of paragraph 3 of the Order is not applicable to the Company.
- ii. The nature of Company's activities during the year does not involve the use of Inventory. Accordingly, clause (ii) of paragraph 3 of the Order is not applicable to the company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.  
  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.



**Annexure B to Independent Auditors' Report**

Referred to in paragraph [9] of the Independent Auditors' Report of even date to the members of Spectrum Broadcast Holdings Private Limited (Formerly known as IVF Holdings Private Limited) on the standalone financial statements for the year ended March 31, 2016  
Page 2 of 2

- xi. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016  
Chartered Accountants

Anurag Khandelwal  
Partner  
Membership Number 078571

New Delhi  
May 30, 2016



**SPECTRUM BROADCAST HOLDINGS PRIVATE LIMITED**  
**(FORMERLY IVF HOLDINGS PRIVATE LIMITED)**  
**BALANCE SHEET AS AT MARCH 31, 2016**

(All amounts in Rs. Lakhs, unless otherwise stated)

|  | Note No. | As at March 31, 2016 | As at March 31, 2015 |
|--|----------|----------------------|----------------------|
| <b>I EQUITY AND LIABILITIES</b>  |          |                      |                      |
| <b>Shareholders' Funds</b>   |          |                      |                      |
| Share Capital  | 2        | 200.00               | 200.00               |
| Reserves and Surplus   | 3        | (2,467.83)           | (2,455.49)           |
| <b>Non-Current Liabilities</b>   |          |                      |                      |
| Long-term Borrowings   | 4        | 20,863.00            | 1,791.00             |
| <b>Current Liabilities</b>   |          |                      |                      |
| Short-term Borrowings  | 5        | 540.00               | 2,940.00             |
| Trade Payables   | 6        |                      |                      |
| Total outstanding dues of micro enterprises and small enterprises, and                 |          |                      |                      |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |          | 3.66                 | 1.97                 |
| Other Current Liabilities  | 7        | 18.84                | 16,120.18            |
| <b>Total</b>   |          | <b>19,157.67</b>     | <b>18,597.66</b>     |
| <b>II ASSETS</b>   |          |                      |                      |
| <b>Non-Current Assets</b>  |          |                      |                      |
| Non-current Investments  | 8        | 18,590.94            | 18,591.94            |
| Long-term Loans and Advances   | 9        | 2.36                 | 1.87                 |
| <b>Current Assets</b>  |          |                      |                      |
| Cash and Bank Balances   | 10       | 4.01                 | 3.81                 |
| Short-term Loans and Advances  | 11       | 538.64               | 0.04                 |
| Other Current Assets   | 12       | 21.72                | -                    |
| <b>Total</b>   |          | <b>19,157.67</b>     | <b>18,597.66</b>     |

**Significant Accounting Policies**

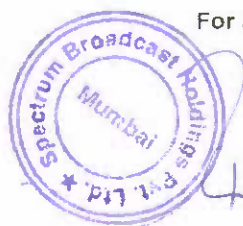
The accompanying notes are an integral part of these financial statements.  
This is the Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number ( 012754N/N500016 )  
Chartered Accountants

*Anurag Khandelwal*

Anurag Khandelwal  
Partner  
Membership Number-078571

For and on Behalf of the Board



*[Signature]*  
Director

*[Signature]*  
Director

Place:  
Date: May 30, 2016

**SPECTRUM BROADCAST HOLDINGS PRIVATE LIMITED**  
**(FORMERLY IVF HOLDINGS PRIVATE LIMITED)**  
**STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2016**

(All amounts in Rs. Lakhs, unless otherwise stated)

|   | Note No. | Year Ended March 31, 2016 | Year Ended March 31, 2015 |
|---|----------|---------------------------|---------------------------|
| Revenue   |          |                           |                           |
| I Other Income                                      | 13       | 25.61                     | 30.84                     |
| II Total Revenue                                    |          | <u>25.61</u>              | <u>30.84</u>              |
| III Expenses:                                       |          |                           |                           |
| Finance Costs                                       | 14       | 34.15                     | 117.39                    |
| Others  | 15       | 5.63                      | 4.73                      |
| Total Expenses:                                     |          | <u>39.78</u>              | <u>122.12</u>             |
| IV (Loss) Before Tax (II - III)                     |          | (14.17)                   | (91.28)                   |
| V Tax Expense                                       |          |                           |                           |
| Current Tax   |          | -                         | 0.17                      |
| Tax provision related to earlier years written back |          | (1.83)                    | -                         |
| VI (Loss) for the Year (IV - V)                     |          | <u>(12.34)</u>            | <u>(91.45)</u>            |
| Earnings/(Loss) per Equity Share (in Rupees)        | 16       |                           |                           |
| Nominal value per share                             |          | 10                        | 10                        |
| Basic   |          | (0.62)                    | (4.57)                    |
| Diluted   |          | (0.62)                    | (4.57)                    |
| Significant Accounting Policies.                    | 1        |                           |                           |

The accompanying notes are an integral part of these financial statements.  
This is the Statement of profit and Loss referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number ( 012754N/N500016 )  
Chartered Accountants

*Anurag Khandelwal*

Anurag Khandelwal  
Partner  
Membership Number-078571

For and on Behalf of the Board



Director

Director

Place:  
Date: May 30, 2016

**SPECTRUM BROADCAST HOLDINGS PRIVATE LIMITED**  
**(FORMERLY IVF HOLDINGS PRIVATE LIMITED)**  
**STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2016**

(All amounts in Rs. Lakhs, unless otherwise stated)

| Particulars   | Year Ended<br>March 31, 2016 | Year Ended<br>March 31, 2015 |
|---|------------------------------|------------------------------|
| <b>A. Cash Flow From Operating Activities:</b>                |                              |                              |
| Net (Loss) Before Tax   | (14.17)                      | (91.28)                      |
| Adjustments for:  |                              |                              |
| Finance Costs   | 34.15                        | 117.39                       |
| Liabilities no more required written back                     | (1.43)                       |                              |
| Interest Received   | (24.18)                      | (30.84)                      |
| <b>Operating (Loss) Before Working Capital changes</b>        | <b>(5.63)</b>                | <b>(4.73)</b>                |
| Adjustments for changes in Working Capital :                  |                              |                              |
| - Increase/(Decrease) in Trade Payables                       | 3.12                         | (0.75)                       |
| - Increase/(Decrease) in Other Current Liabilities            | (14,077.51)                  | -                            |
| - (Increase)/Decrease in Short Term Loan and Advances         | 0.04                         | 0.01                         |
| <b>Cash used in Operations</b>                                | <b>(14,079.98)</b>           | <b>(5.47)</b>                |
| - Direct Taxes Paid / (Refund received)                       | 1.33                         | (3.08)                       |
| <b>Net Cash used in Operating Activities</b>                  | <b>(14,078.65)</b>           | <b>(8.55)</b>                |
| <b>B. Cash Flow From Investing Activities:</b>                |                              |                              |
| Redemption of Investments                                     | 1.00                         | -                            |
| Purchase of Investments                                       | -                            | (0.50)                       |
| Inter-corporate Deposits Given                                | (538.64)                     | (972.08)                     |
| Repayment of Inter-corporate Deposits Given                   | -                            | 1,287.08                     |
| Interest Received   | 2.46                         | 35.15                        |
| <b>Net Cash from Investing Activities</b>                     | <b>(535.18)</b>              | <b>349.65</b>                |
| <b>C. Cash Flow From Financing Activities:</b>                |                              |                              |
| Debentures issued during the period                           | 20,863.00                    | -                            |
| Repayment of loan / Inter-corporate deposits taken            | (6,684.33)                   | (1,731.08)                   |
| Proceeds from loan / Inter-corporate deposits taken           | 540.00                       | 1,438.58                     |
| Finance Cost Paid   | (104.64)                     | (51.48)                      |
| <b>Net Cash Used In Financing Activities</b>                  | <b>14,614.03</b>             | <b>(343.98)</b>              |
| <b>Net Increase/(Decrease) In Cash and Cash Equivalents</b>   | <b>0.20</b>                  | <b>(2.88)</b>                |
| <b>Cash and Cash Equivalents at the Beginning of the Year</b> | <b>3.81</b>                  | <b>6.69</b>                  |
| <b>Cash and Cash Equivalents at the End of the Year</b>       | <b>4.01</b>                  | <b>3.81</b>                  |
| <b>Cash and Cash Equivalents Comprise</b>                     |                              |                              |
| Bank Balances   |                              |                              |
| - in Current Accounts   | 4.01                         | 3.81                         |

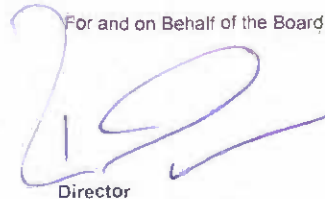
**Notes :**

- Figures in brackets indicate cash outflow.
- The above Cash Flow Statement has been prepared under the indirect method set out in AS 3 - Cash Flow Statement as notified under Section 211(3C) of the Companies Act 1956 and relevant provision under Companies Act, 2013

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

For Price Waterhouse Chartered Accountants LLP  
 Firm Registration Number ( 012754N/N500016 )  
 Chartered Accountants

Anurag Khandelwal  
 Partner  
 Membership Number-078571

For and on Behalf of the Board  
  
 Director



Place:  
 Date: May 30, 2016.

**SPECTRUM BROADCAST HOLDINGS PRIVATE LIMITED  
(FORMERLY IVF HOLDINGS PRIVATE LIMITED)  
Notes to the financial statements**

**Note 1 (a): General Information**

Spectrum Broadcast Holdings Private Limited (the Company), was incorporated as a private limited company on September 9, 2005 under the provisions of the Companies Act, 1956. The principal activity of the Company is to act as an investment holding company in India.

**Note 1 (b) : Significant accounting policies**

**i. Basis of preparation**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, till the Standards of Accounting or any addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Finance Reporting Authority, the existing Accounting Standards notified under Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material respects with accounting standards notified under section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules 2006 as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has considered its operating cycle as 12 months for the purpose of current and non-current of classification of assets and liabilities.

The Ministry of Corporate Affairs( MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated 30 March 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1 April 2016

**ii. Use of estimates**

The preparation of financial statements, in conformity with Indian GAAP, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported year. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

**iii. Other Income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**iv. Investments**

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

Long term investments are stated at cost of acquisition inclusive of expenditure incidental to acquisition. A provision for diminution is made to recognise a decline, other than temporary, in the value of long term investments, such reduction being determined and made for each investment individually.

Current investments are stated at lower of cost and fair value determined on an individual basis



**v. Income taxes**

i. Tax expense comprises current tax and deferred tax.

ii. Current tax comprises Company's tax liability for the current financial year as well as additional tax paid/adjusted, if any, during the year in respect of earlier years on receipt of demand from the authorities. For computation of taxable income under the Income Tax Act, 1961, cash basis of accounting has been adopted and consistently followed by the Company.

iii. Deferred tax assets and liabilities are computed on the timing differences at the Balance Sheet date using the tax rate and tax laws that have been enacted or substantively enacted by the Balance sheet date. Deferred tax assets are recognised subject to consideration of prudence based on management estimates of reasonable certainty that sufficient taxable income will be available in the future periods against which such deferred tax assets can be realised. In situations, where the Company has unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

iv. Current tax assets and current tax liabilities are offset when there is legal enforceable right to set-off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set-off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

v. Minimum Alternative tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the Guidance Note Issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

**vi. Provisions and contingencies**

The Company creates a provision when there is a present obligation arising as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of 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 are disclosed when there is 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.

**vii. Earnings Per Share**

Earnings per Share ("EPS") are computed on the basis of net profit after tax for the year. The number of shares used in computing basic EPS is weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, since there are no dilutive equity shares.

**viii. Cash and Cash equivalent**

In the cash flow statement, 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.

**ix. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature. The cash flows from operating, investing and financing activities of the Company are segregated.



**SPECTRUM BROADCAST HOLDINGS PRIVATE LIMITED**  
**(FORMERLY IVF HOLDINGS PRIVATE LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in Rs. Lakhs, unless otherwise stated)

**2. SHARE CAPITAL**

**AUTHORISED**

2,000,000 (Previous Year 2,000,000) Equity Shares of Rs. 10/- each

|  | As at<br>March 31, 2016 | As at<br>March 31, 2015 |
|--|-------------------------|-------------------------|
|  | 200.00                  | 200.00                  |

**ISSUED**

2,000,000 (Previous Year 2,000,000) Equity Shares of Rs. 10/- each fully paid up

|  |        |        |
|--|--------|--------|
|  | 200.00 | 200.00 |
|--|--------|--------|

**SUBSCRIBED AND FULLY PAID-UP**

2,000,000 (Previous Year 2,000,000) Equity Shares of Rs. 10/- each fully paid up

|  |        |        |
|--|--------|--------|
|  | 200.00 | 200.00 |
|--|--------|--------|

**TOTAL**

|  |        |        |
|--|--------|--------|
|  | 200.00 | 200.00 |
|--|--------|--------|

**(a) Reconciliation of Number of Shares**

| Equity Shares                                   | As at<br>March 31, 2016 |        | As at<br>March 31, 2015 |        |
|---|-------------------------|--------|-------------------------|--------|
|   | Number of<br>Shares     | Amount | Number of Shares        | Amount |
| Shares outstanding at the beginning of the year | 2,000,000               | 200.00 | 2,000,000               | 200.00 |
| Shares outstanding at the end of the year       | 2,000,000               | 200.00 | 2,000,000               | 200.00 |

**(b) 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. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

**(c) Shares held by Holding Company**

|   | As at<br>March 31, 2016 | As at<br>March 31, 2015 |
|---|-------------------------|-------------------------|
| 2,000,000 (March 31, 2015: Nil) Equity Shares held by Jagran Prakashan Limited, the holding company | 200.00                  | -                       |
| Nil (March 31, 2015: 2,000,000) Equity Shares held by India Value Fund 2, the then holding company  | -                       | 200.00                  |
| <b>Total</b>  | <b>200.00</b>           | <b>200.00</b>           |

**(d) Details of Shares Held by Shareholders Holding More than 5% of the Aggregate Shares in the Company**

|                          | As at<br>March 31, 2016 |         | As at<br>March 31, 2015 |         |
|--------------------------|-------------------------|---------|-------------------------|---------|
|                          | Number of<br>Shares     | %age    | Number of Shares        | %age    |
| Jagran Prakashan Limited | 2,000,000               | 100.00% | 2,000,000               | 100.00% |
| India Value Fund 2       | -                       | -       | -                       | -       |

**(e) Terms of securities convertible into equity shares - Refer Note 4**

**3. RESERVES AND SURPLUS**

**Deficit in Statement of Profit and Loss**

|                          | As at<br>March 31, 2016 | As at<br>March 31, 2015 |
|--------------------------|-------------------------|-------------------------|
| Opening Balance          | (2,455.49)              | (2,364.04)              |
| Add: (Loss) for the Year | (12.34)                 | (91.45)                 |
| Closing Balance          | (2,467.83)              | (2,455.49)              |
| <b>TOTAL</b>             | <b>(2,467.83)</b>       | <b>(2,455.49)</b>       |





**SPECTRUM BROADCAST HOLDINGS PRIVATE LIMITED**  
**(FORMERLY IVF HOLDINGS PRIVATE LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in Rs. Lakhs, unless otherwise stated)

**As at** March 31, 2016 **As at** March 31, 2015

**8. NON-CURRENT INVESTMENTS**

(At cost & fully paid-up unless otherwise stated)

**Unquoted**

**In Equity Shares of subsidiary companies:**

|   |                  |                  |
|---|------------------|------------------|
| (i) Music Broadcast Limited (Formerly Music Broadcast Private Limited)<br>29,906,520 Equity Shares of Rs. 10/- each fully paid-up | 11,927.94        | 11,927.94        |
| (ii) Vibrant Sound and Music Private Limited<br>9,999 Equity Shares of Rs. 10/- each fully paid-up                                | -                | 1.00             |
| (iii) Crystal Sound and Music Private Limited<br>73,707 Equity Shares of Rs. 10/- each fully paid-up                              | 6,663.00         | 6,663.00         |
|   | <u>18,590.94</u> | <u>18,591.94</u> |
| Aggregate amount of unquoted investments  | 18,590.94        | 18,591.94        |
| Aggregate provision for diminution in value of unquoted investments   | -                | -                |

**9. LONG-TERM LOANS AND ADVANCES**

**Unsecured, Considered Good (Unless Otherwise Stated)**

|  |                    |                    |
|--|--------------------|--------------------|
| Income Tax Paid (including Tax Deducted at Source) | 2.72               | 4.49               |
| Less: Provision for Income Tax                     | <u>0.36</u>        | <u>2.62</u>        |
| <b>TOTAL</b>                                       | <u><u>2.36</u></u> | <u><u>1.87</u></u> |

**10. CASH AND BANK BALANCES**

**Cash and Cash Equivalents**

|                       |                    |                    |
|-----------------------|--------------------|--------------------|
| Bank Balances         |                    |                    |
| - in Current Accounts | <u>4.01</u>        | <u>3.81</u>        |
| <b>TOTAL</b>          | <u><u>4.01</u></u> | <u><u>3.81</u></u> |

**11. SHORT-TERM LOANS AND ADVANCES**

**Unsecured, Considered Good (Unless Otherwise Stated)**

**Other Loans and Advances**

|                            |                      |                    |
|----------------------------|----------------------|--------------------|
| - Inter-corporate Deposits | 538.64               | -                  |
| - Prepaid Expenses         | -                    | 0.04               |
| <b>TOTAL</b>               | <u><u>538.64</u></u> | <u><u>0.04</u></u> |

**12. Other Current Assets**

|                         |                     |                 |
|-------------------------|---------------------|-----------------|
| Interest accrued on ICD | 21.72               | -               |
|                         | <u><u>21.72</u></u> | <u><u>-</u></u> |





**SPECTRUM BROADCAST HOLDINGS PRIVATE LIMITED**  
**(FORMERLY IVF HOLDINGS PRIVATE LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in Rs. Lakhs, unless otherwise stated)

Year Ended  
 March 31, 2016

Year Ended  
 March 31, 2015

**13. OTHER INCOME**

|  |              |              |
|--|--------------|--------------|
| Interest Income  |              |              |
| - On Loans given                                       | 24.14        | 30.84        |
| - On Income Tax Refund                                 | 0.04         | -            |
| Provisions/Liabilities no Longer Required Written-back | 1.43         | -            |
| <b>TOTAL</b>   | <b>25.61</b> | <b>30.84</b> |

**14. FINANCE COSTS**

|                                    |              |               |
|------------------------------------|--------------|---------------|
| Interest Expense:                  |              |               |
| - on Borrowings                    | 34.15        | 117.36        |
| - on delayed payment of Income tax | -            | 0.03          |
| <b>TOTAL</b>                       | <b>34.15</b> | <b>117.39</b> |

**15. OTHERS**

|                         |             |             |
|-------------------------|-------------|-------------|
| Professional Fees       | 0.65        | 3.10        |
| Rates and Taxes         | 0.73        | 0.12        |
| Payment to the Auditors |             |             |
| - Statutory Audit Fees  | 4.03        | 1.40        |
| Miscellaneous           | 0.22        | 0.11        |
| <b>TOTAL</b>            | <b>5.63</b> | <b>4.73</b> |



**SPECTRUM BROADCAST HOLDINGS PRIVATE LIMITED**  
(FORMERLY IVF HOLDINGS PRIVATE LIMITED)  
NOTES TO THE FINANCIAL STATEMENTS

(All amounts in Rs. Lakhs, unless otherwise stated)

**16. EARNINGS/(LOSS) PER SHARE (EPS)**

| Particulars  | Year Ended     |                |
|--|----------------|----------------|
|  | March 31, 2016 | March 31, 2015 |
| Net (loss) for the period/year attributable to the Equity shareholders | (12.34)        | (91.45)        |
| Weighted Average Number of Equity Shares outstanding for Basic EPS     | 2,000,000      | 2,000,000      |
| Nominal value of each share (in Rs.)                                   | 10.00          | 10.00          |
| Basic EPS  | (0.62)         | (4.57)         |
| Diluted EPS  | (0.62)         | (4.57)         |

Note:

Compulsorily Convertible debentures issued by the Company are anti dilutive in nature and therefore not considered for the purpose of calculation of diluted earning per share.

**17. RELATED PARTY TRANSACTIONS**

A Names of related parties and nature of relationship :

Where Control exists

i Ultimate Holding Company : Jagran Media Network Investment Private Limited

ii Holding Company : Jagran Prakashan Limited (with effect from June 10,2015)  
India Value Fund 2 (upto June 10, 2015)

Other Related Parties with whom transactions have taken place during the year:

iii Subsidiaries/ Firm : Music Broadcast Limited  
Crystal Sound and Music Private Limited  
Vibrant Sound and Music Private Limited (upto June 11, 2015)

IV Key Management Personnel, their Relatives and Hindu Undivided Families of Key Management Personnel and their Relatives :-

|   |                |  |
|---|----------------|--|
| 1 | Sanjay Gupta   | Director (with effect from June 10,2015) |
| 2 | Shailesh Gupta | Director (with effect from June 10,2015) |
| 3 | Rahul Gupta    | Director (with effect from June 10,2015) |
| 4 | Vikas Joshi    | Director (with effect from June 10,2015) |
| 5 | Jigisha Shah   | Director (upto June 16, 2015)            |
| 6 | Rahul Kapani   | Director (upto June 10, 2015)            |

| SL NO. | Nature of Transaction   | PARTIES IN 'I'           |         | PARTIES IN 'II' |         | PARTIES IN 'III'   |         | PARTIES IN 'IV'          |         |
|--------|---|--------------------------|---------|-----------------|---------|--------------------|---------|--------------------------|---------|
|        |   | Ultimate Holding Company |         | Holding Company |         | Subsidiaries       |         | Key Management Personnel |         |
|        |   | 2015-16                  | 2014-15 | 2015-16         | 2014-15 | 2015-16            | 2014-15 | 2015-16                  | 2014-15 |
| B      | Transaction with Related Parties  |                          |         |                 |         |                    |         |                          |         |
| 1      | <u>Debentures issued</u><br>Jagran Prakashan Limited  |                          |         | 20,863.00       |         |                    |         |                          |         |
| 2      | <u>Repayment of Debentures issued</u><br>India Value Fund - 2   |                          |         | 1,791.00        |         |                    |         |                          |         |
| 3      | <u>Loan / inter-corporate deposits taken</u><br>Jagran Media Network Investment Private Limited<br>Music Broadcast Limited                              | 540.00                   |         |                 |         |                    | 90.00   |                          |         |
| 4      | <u>Repayment of loan / inter-corporate deposits given</u><br>India Value Fund - B<br>Music Broadcast Limited<br>Crystal Sound and Music Private Limited |                          |         | 1,953.33        | 46.50   | 590.00<br>2,350.00 |         |                          |         |
| 5      | <u>Sale of investment in equity shares</u><br>Rahul Gupta   |                          |         |                 |         |                    |         | 0.50                     |         |
| 6      | <u>Interest on loan / inter-corporate deposits taken</u><br>Jagran Media Network Investment Private Limited<br>Music Broadcast Limited                  | 19.36                    |         |                 |         | 14.79              | 79.11   |                          |         |
| 7      | <u>Expenses Reimbursement Paid</u><br>Music Broadcast Limited   |                          |         |                 |         | 2.00               |         |                          |         |



**SPECTRUM BROADCAST HOLDINGS PRIVATE LIMITED**  
**(FORMERLY IVF HOLDINGS PRIVATE LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS**

(All amounts in Rs. Lakhs, unless otherwise stated)

| Balances at the year end |  |        |           |          |           |           |
|--------------------------|--|--------|-----------|----------|-----------|-----------|
| 1                        | <b>Loans / Inter-corporate deposits balance payable</b>                    |        |           |          |           |           |
|                          | Jagran Media Network Investment Private Limited                            | 540.00 | -         | -        | -         | -         |
|                          | India Value Fund - 2   | -      | -         | 1,953.33 | -         | 590.00    |
|                          | Music Broadcast Limited<br>Crystal Sound and Music Private Limited         | -      | -         | -        | -         | 2,350.00  |
| 2                        | <b>Debentures issued</b>   |        |           |          |           |           |
|                          | Jagran Prakashan Limited   | -      | 20,863.00 | -        | -         | -         |
|                          | India Value Fund - 2   | -      | -         | 1,791.00 | -         | -         |
| 3                        | <b>Investments in equity shares</b>  |        |           |          |           |           |
|                          | Music Broadcast Limited  | -      | -         | -        | 11,927.94 | 11,927.94 |
|                          | Crystal Sound and Music Private Limited                                    | -      | -         | -        | 6,663.00  | 6,663.00  |
|                          | Vibrant Sound and Music Private Limited                                    | -      | -         | -        | -         | 1.00      |
| 4                        | <b>Interest Payable</b>  |        |           |          |           |           |
|                          | Jagran Media Network Investment Private Limited<br>Music Broadcast Limited | 17.42  | -         | -        | -         | 87.91     |

**Notes :**

- Related parties have been identified by the management.
- The Board of Directors of the Company, in its meeting held on October 9, 2015 and October 29, 2015 approved a Composite Scheme of Arrangement wherein its 100% subsidiaries Spectrum Broadcast Holdings Private Limited (SBHPL) and Crystal Sound and Music Private Limited (CSMPL) (referred as "Transferor Companies") shall be merged into the Company and the radio business (Radio Mantra) of Shri Puran Multimedia Limited (SPML) (referred as "Transferor Companies"), a promoter Company, shall be demerged into Music Broadcast Limited (MBL) (referred as "Transferee Companies"), a subsidiary of the Company, subject to requisite approvals. Upon the scheme becoming effective, certain assets and liabilities of SBHPL and CSMPL shall be merged with the assets and liabilities of the transferee Companies w.e.f. 1st January, 2016 (Appointed date). Also the transferor Companies will carry on business in trust of transferee Company with effect from appointed date for all intent and purposes and shall not be liable or entitled to any loss or profit for the period thereafter.
- As at March 31, 2016, the accumulated losses of the Company amounted to Rs. 2,467.84 lakhs. In view of future plans of the Company and the continued financial and operating support from Jagran Prakashan Limited, the Holding Company, management has considered it appropriate to prepare these financial statements on a 'going concern' basis.
- The Company has not prepared Consolidated Financial Statements, for the year ended March 31, 2016. Since the parent company Jagran Prakashan Limited is preparing the Consolidated Financial Statements which will include the Company and its subsidiaries which is in accordance with Section 129 (3) of the Companies Act, 2013 and also vide notification dated October 14, 2014.

**21. DETAILS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

a) Details of Loans given during the financial year ended March 31, 2016

| S. No. | Name of the party        | Date of Disbursement | Disbursement Amount | Amount As at March 31, 2016 | Purpose of Loan                   |
|--------|--------------------------|----------------------|---------------------|-----------------------------|-----------------------------------|
| 1      | SPFL Commodities Limited | October 20, 2015     | 538.64              | 538.64                      | To improve yield on surplus funds |

Previous year Nil

- The share capital of the Company has been acquired by Jagran Prakashan Limited during the year, thereby making it a subsidiary of Jagran Prakashan Limited.
- Previous year's figures have been regrouped and reclassified, to the extent applicable, to conform to the current period classification wherever necessary.

For Price Waterhouse Chartered Accountants LLP  
 Firm Registration Number ( 012754N/500016 )  
 Chartered Accountants

*Anurag Khandelwal*

Anurag Khandelwal  
 Partner  
 Membership Number-078574

For and on Behalf of the Board

*[Signature]* Director

*[Signature]* Director



Place:  
 Date: May 30, 2016