

**RELIANCE**

**MediaWorks**

**Annual Report  
2015-16**



**Padma Vibhushan**  
**Shri Dhirubhai H. Ambani**  
(28th December, 1932 - 6th July, 2002)  
Reliance Group - Founder and Visionary

Board of Directors	Contents	Page No.
Shri Gautam Doshi (DIN: 00004612)	Notice of Annual General Meeting.....	4
Shri Prasoon Joshi (DIN: 01260545)		
Ms. Shubhdarshini Ghosh (DIN: 07191985)	Directors' Report.....	7
(w.e.f. June 22, 2015)		
Shri Satish Kadakia (DIN: 07004001)	Independent Auditors' Report on the Financial Statement.....	23
Whole-time Director (w.e.f. June 22, 2015)		
Shri Sushil Kumar Agrawal (DIN: 00400892)	Balance Sheet.....	28
(w.e.f. August 21, 2015)		
Shri Parag Ved (DIN: 00221908)	Statement of Profit and Loss.....	29
(w.e.f. August 21, 2015)		
<b>Company Secretary</b>		
Ms. Neelam Samant (ACS No. : 22694)	Cash flow Statement.....	30
<b>Auditors</b>		
M/s. Chaturvedi & Shah	Notes to the Financial Statement.....	32
<b>Registered office</b>		
Communication Centre	Independent Auditors' Report on the Consolidated Financial Statement.....	64
Film City Complex	Consolidated Balance Sheet.....	68
Goregaon (East)	Consolidated Statement of Profit and Loss.....	69
Mumbai 400 065	Consolidated Cash flow Statement.....	70
Maharashtra, India	Notes to the Consolidated Financial Statement.....	72
CIN : U29299MH1987PLC045446	Statement containing salient features of the financial statement of subsidiaries / associate company / joint ventures.....	107
Tel. : +91 22 3347 3600	Attendance Slip and Proxy Form.....	111
Fax : +91 22 3347 3601		
Email : investor.complaints@relianceada.com		
Website : www.reliancemediaworks.com		
<b>Registrar and Transfer Agent</b>		
Link Intime India Pvt Ltd.		
C-13 Pannalal Silk Mills Compound,		
L. B. S. Marg, Bhandup (W),		
Mumbai 400 078, India		
Website: www.linkintime.co.in		
<b>Investor Helpdesk</b>		
Toll free no. (India) : 1800 220 878		
Telephone : 91- 22 25946970		
Fax No. : 91- 22 25946969		
Email : rnt.helpdesk@linkintime.co.in		

**29<sup>th</sup> Annual General Meeting on Friday, September 30, 2016 at 2:00 P.M.,  
at Film City Complex, Goregaon (East), Mumbai 400 065**

The Annual Report can be accessed at [www.reliancemediaworks.com](http://www.reliancemediaworks.com)

# Reliance MediaWorks Limited

## Notice

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting of the Members of **Reliance MediaWorks Limited** will be held on Friday, September 30, 2016 at 2.00 P.M., at Film City Complex, Goregaon (East), Mumbai 400 065, to transact the following business:

### Ordinary Business:

- To consider and adopt:
  - the audited financial statement of the Company for the financial year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon, and
  - the audited consolidated financial statement of the Company for the financial year ended March 31, 2016 and the report of the Auditors thereon.
- To appoint a Director in place of Ms. Shubdarshini Ghosh (DIN: 07191985), who retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
- To appoint Auditors and to fix their remuneration and in this regard, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration No. 101720W), be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors."

### Special Business:

- Private Placement of Non-Convertible Debentures and/ or other Debt Securities**

To consider and, if though fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (SEBI) (Issue and Listing of Debt Securities) Regulations, 2008, as amended, and other applicable SEBI regulations and guidelines, and subject to such other applicable laws, rules and regulations and guidelines, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this Resolution) for making offer(s) or invitations(s) to subscribe to Secured / Unsecured / Redeemable Non-Convertible (NCDs) including but not limited to subordinate Debentures, bond, and/or other debt securities, etc., on a private placement basis, in one or more tranches, within the overall borrowing limits of the Company, as may be approved by the Members from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board/Committee be and is hereby authorised to determine the terms of issue including the

class of investors to whom NCDs are to be issued, time of issue, securities to be offered, the number of NCDs, tranches, issue prior, tenor, interest rate, premium / discount, listing and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute and deeds / documents / undertaking / agreements / paper / writings, as may be required in this regard."

By Order of the Board of Directors

Neelam Samant  
Company Secretary

Registered Office:  
Communication Centre  
Film City Complex  
Goregaon (East)  
Mumbai 400 065  
CIN : U29299MH1987PLCO45446  
Website: www.reliancemediaworks.com

August 31, 2016

### Notes:

- Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to item of special business to be transacted at the Annual General Meeting (the "Meeting") is annexed hereto.
- A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of herself / himself and the proxy need not be a member of the Company. The instrument appointing the Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before commencement of the Meeting. A Proxy form is sent herewith.**
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
- Corporate Members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of their board resolution authorising their representatives to attend and vote on their behalf at the Meeting.
- Members / Proxies are requested to bring their duly filled attendance slip sent herewith along with their copy of the annual report to the Meeting.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.

Notice

8. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays between 11.00 A.M. and 1.00 P.M. up to the date of the Meeting.
9. Members are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. The Company or its Registrar and Transfer Agent cannot change bank particulars or bank mandates for shares held in electronic form.
10. Members holding shares in physical form are requested to advise any change of address and bank mandates immediately to the Company / Registrar and Transfer Agent, Link Intime India Private Limited.
11. The corresponding provisions of the Companies Act, 2013 with reference to Section 205A(5) and Section 205C of the Companies Act, 1956 is not yet notified. The Company has transferred the unpaid or unclaimed dividend for the previous financial years which remained unpaid and unclaimed for a period of seven years, to the Investor Education and Protection (IEPF) established by the Central Government.
12. Non-Resident Indian members are requested to inform Link Intime India Private Limited immediately on:
  - a. the change in the residential status on return to India for permanent settlement; and
  - b. the particulars of the bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank, if not furnished earlier.
13. Re-appointment of Director:  
At the ensuing Meeting, Ms. Shubhdarshini Ghosh, Director of the Company who was first appointed as a Director of the Company on June 22, 2015 and who retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offer herself for re-appointment.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Transfer Agent.
15. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 duly filled in to Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078, or call on Toll free no. (India) : 1800 220 878, Tel.: +91 22 25946970; Fax: +91 22 25946969 or E-mail: rnt.helpdesk@linkintime.co.in. The prescribed form in this regard may also be obtained from Link Intime India Private Limited at the address mentioned above. Member holding shares in electronic form are requested to contact their Depository Participants directly for recording their nomination.
16. Members who hold shares in physical form, in multiple folios, in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Transfer Agent for consolidation into a single folio.
17. Members who have not registered their E-mail address so far are requested to register their E-mail address.
18. The route map of the venue of the Meeting is annexed. The prominent landmark of the venue is Film City Complex.
19. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rules made thereunder, the Company is offering e-voting facility to all Members of the Company through Notice dated August 31, 2016 (remote e-voting). A person, whose name is recorded in the register of members or in the register of beneficial owner (in case of electronic shareholding) maintained by the depository as on the cut-off date i.e. September 23, 2016 only shall be entitled to avail the facility of remote e-voting/voting. Karvy Computershare Private Limited will be facilitating remote e-voting to enable the Members to cast their votes electronically. The Members can cast their vote online from 10.00 A.M. on September 27, 2016 to 5.00 P.M. on September 29, 2016. The Members shall refer to the detailed procedure on remote e-voting given in the e-voting instruction slip.  
The facility for voting shall also be available at the Meeting. The members who have cast their votes by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their votes again at the Meeting.  
The Board of Directors have appointed Shri Anil Lohia, Partner or in his absence Shri Rinkit Kiran Uchat, Partner, M/s. Dayal and Lohia, Chartered Accountants as Scrutiniser to scrutinise the voting process in a fair and transparent manner. The Scrutiniser will submit his report to the Chairman after completion of the scrutiny and the results of voting will be announced after the Meeting of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting. The result of the voting will be posted on the website of the Company at [www.reliancemediaworks.com](http://www.reliancemediaworks.com) and posted on the website of Karvy Computershare Private Limited.

**Statement pursuant to Section 102(1) of the Companies Act, 2013 to the accompanying Notice dated August 31, 2016.**

**Item No. 4 - Private Placement of Non-Convertible Debentures and/or other Debt Securities.**

As per the provisions of Section 42 of the Companies Act, 2013 (the "Act") and its Rules thereunder, a company offering or making an invitation to subscribe to redeemable secured / unsecured non-convertible debentures (NCD's) on a private placement basis is required to obtain the prior approval of the Members by way of a Special Resolution. Such approval by a Special Resolution can be obtained once a year for all the offers and invitations for such NCD's to be made during the year.

NCD's including subordinate debentures, bonds, and/or other debt securities, etc., issued on a private placement basis constitute a significant source of borrowings for the Company.

# Reliance MediaWorks Limited

---

## Statement pursuant to Section 102(1) of the Companies Act, 2013 to the accompanying Notice dated August 31, 2016.

It is proposed to offer or invite subscriptions for NCD's including subordinate debentures, bonds, an/or other debt securities, etc., on private placement basis, in one or more tranches, within the overall borrowing limits of the Company, as may be approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price of the NCD's, interest, repayment, security or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the Resolution. Accordingly, the approval of the members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any, of the Act and its rules thereunder as set out in the Item No. 4 appended to this Notice.

None of the Directors, Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board accordingly recommends the Special Resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members.

By Order of the Board of Directors

Neelam Samant  
Company Secretary

Registered Office:  
Communication Centre  
Film City Complex  
Goregaon (East)  
Mumbai 400 065  
CIN : U29299MH1987PLC045446  
Website: [www.reliancemediaworks.com](http://www.reliancemediaworks.com)

August 31, 2016

**Directors' Report**

Dear Shareowners,

Your Directors have pleasure in presenting the 29<sup>th</sup> Annual Report and the audited financial statement for the financial year ended March 31, 2016.

**Financial Results**

The standalone performance of the Company for the financial year ended March 31, 2016 is summarised below:

(₹ in million)		
Particulars	<b>Financial year ended March 31, 2016</b>	Financial year ended March 31, 2015
Total Income	<b>2,133.32</b>	4,172.09
Loss before tax and exceptional items	<b>(4,265.65)</b>	(4,343.71)
Exceptional items	<b>2,294.40</b>	(2,591.36)
Loss before Tax	<b>(1,971.25)</b>	(6,935.07)
Tax expenses	-	-
Loss after Tax	<b>(1,971.25)</b>	(6,935.07)
Add: Balance brought forward from previous year	<b>(28,762.28)</b>	(21,827.21)
Balance carried to balance sheet	<b>(30,733.53)</b>	(28,762.28)

**Financial performance**

During the financial year under review, your Company has earned income of ₹ 2,133.32 mn against ₹ 4,172.09 mn in the previous financial year. The overall net loss of the Company before exceptional items is ₹ 4,265.65 mn compared to ₹ 4,343.71 mn in the previous financial year. The loss after exceptional items during the current financial year is ₹ 1,971.25 mn as against ₹ 6,935.07 mn in the previous financial year. The exceptional items accounted during the current financial year is ₹ 2,294.40 mn primarily consisted of loss on transfer of film and media services business to Prime Focus Limited of ₹ 1,334.52 mn, profit on sale of Exhibition Business to Carnival Films Private Limited of ₹ 4,138.75 mn and loss of ₹ 295.58 for properties not transferred, loss on sale of discarded asset of ₹ 236.68 mn and profit on sale of investment of ₹ 22.44 mn. The loss during the current financial year is primarily on account of expenses related to exceptional items, interest and finance charges and depreciation.

Further during the financial year under review, the Company has made payment of interest and repayment of its 11% Secured Redeemable Non-Convertible Debentures. Hence the said Debentures are redeemed on March 1, 2016.

**Dividend**

During the year under review, the Board of Directors has not recommended any dividend on the equity shares of the Company.

**Overview and state of the Company's affairs**

**Transfer of the film & media services business of the Company**

During the financial year 2015-16, post receipt of requisite approvals the Company has transferred its film & media services business to Prime Focus Limited ("PFL"), on a slump sale basis pursuant to Business Transfer Agreement entered into by the Company with PFL with effect from April 7, 2015. In accordance

with the said Agreement, the transfer of BOT Agreement pertaining to the Studio and transfer of debt facilities of ₹ 2,000 mn will be effected post receipt of the necessary additional approvals. Pursuant to the Business Transfer Agreement, the Company received shares worth ₹ 3,500 mn. Currently the Company holds 104,939,361 equity shares of PFL representing 35.11% of paid up capital of PFL.

**Transfer of exhibition business of the Company**

The Company operated 93 properties with 255 screens in India. During the financial year 2015-16, the Company transferred its exhibition business on a going concern basis to Cinema Ventures Private Limited ("CVPL") (formerly known as Reliance MediaVentures Private Limited), an erstwhile subsidiary of the Company for eventual transfer to Carnival Films Private Limited for a consideration of ₹ 6,445 mn (net of ₹ 255 mn whose cinemas are not transferred to CVPL). The transfer was completed effective July 31, 2015.

Post transfer of exhibition business the Company continues to own real estate interest in two Cinema properties located at Wadala and Mulund in Mumbai. During the year, the Company has given these Cinemas to CVPL to operate on a rental basis.

During the financial year 2015-16, Big Synergy successfully produced further seasons of 'Who Wants to be a Millionaire' in regional languages like Malayalam and Telugu. A new game format called 'Sell Me the Answer' was produced in Malayalam language. Also, 'Adi Mone Buzzer-Fastest Family First' successfully completed first season in Malayalam language. 'Connexion' a format developed and owned by Big Synergy is running successfully in Tamil language. In June 2016, Big Synergy has forged a strategic alliance with Phantom Films Private Limited to foray into the scripted segment of the TV and Digital Media.

For the financial year 2016-17, Big Synergy has been getting ready for an increased diversified demand for quality TV and digital content. Some of the committed projects for the year are Vikta Ka Uttar and Kon Hoel Marathi Crorepati season 3 in Marathi language, Sell Me the Answer season 2 and Ningalkkum Akam Kodeeswaran season 4 in Malayalam language, Neengalum Vellalaam Oru Kodi season 3 in Tamil language, Sell Me the Answer in Telugu language, 'Connexions' in Kannada language and News Wiz in English language.

**Deposits**

The Company has neither accepted nor renewed any fixed deposits during the year. There are no unclaimed deposits, unclaimed / unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on March 31, 2016.

**Particulars of Loans, Guarantees or Investments**

Particulars of loans given, investments made, guarantees given and securities provided are provided in the standalone financial statement (Please refer to Note 12, 20 and 51 to the standalone financial statement).

**Subsidiaries, Joint Ventures and Associate Companies**

During the year under the review, Reliance MediaWork Entertainment Services Limited (currently known as Gener8 India Media Services Limited), Reliance MediaWorks (Mauritius) Limited, Cinema Venture Private Limited, Reliance MediaWorks (Netherlands) B.V. and Reliance Media Consultant Private

# Reliance MediaWorks Limited

## Directors' Report

Limited ceased to be subsidiaries of the Company. Further an application for striking off the name of Reliance MediaWorks Creative Services Limited has been filed under the Fast Track Exit (FTE) Mode.

A report on the performance and financial position of each of the subsidiary companies, associate companies and joint venture companies as per the Companies Act, 2013 ("the Act") is provided in the consolidated financial statement.

### Consolidated Financial Statement

The Audited Consolidated Financial Statement for the financial year ended March 31, 2016, based on the financial statement received from subsidiary companies, joint venture companies and associate companies, as approved by their respective Board of Directors have been prepared in accordance with Accounting Standard (AS) - 21 on 'Consolidated Financial Statements' read with (AS) - 23 on 'Accounting for Investments in Associates' and (AS) - 27 on 'Financial Reporting of Interest in Joint Ventures', notified under the Act, read with the Accounting Standards Rules as applicable. The audited consolidated financial statement is provided in the Annual Report.

### Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under the Act.

In terms of the provisions of the Act, Ms. Shubdarshini Ghosh (DIN: 07191985), Non-Executive Director of the Company, retires by rotation and being eligible, offers herself for re-appointment at the ensuing Annual General Meeting ("AGM"). Directors recommend her re-appointment as Non-Executive Director of the Company.

### Key Managerial Personnel

During the year, there was no change in the Key Managerial Personnel.

### Evaluation of Directors, Board and Committees

The Company has devised a policy for performance evaluation of the individual directors, Board and its Committee, which includes criteria for performance evaluation.

Pursuant to the provisions of the Act, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Committees of the Board. The Board performance was evaluated based on inputs received from all the Directors after considering criteria such as Board composition and structure, effectiveness of Board / Committee process, and information provided to the Board, etc. A separate meeting of the Independent Directors was also held during the year for the evaluation of the performance of non-independent Directors, performance of the Board as a whole.

The Nomination and Remuneration Committee has also reviewed the performance of the individual directors based on their knowledge, level of preparation and effective participation in Meetings, understanding of their roles as directors, etc.

### Policy on appointment and remuneration for Directors, Key Managerial Personnel and Senior Management Employees

The Nomination and Remuneration Committee of the Board has devised a policy for selection and appointment of Directors,

Key Managerial Personnel and Senior Management Employees and their Remuneration. The Committee has formulated the criteria for determining qualifications, positive attributes and independence of a Director. The policy on the above is attached as Annexure - A.

### Directors' Responsibility Statement

Pursuant to the requirements under Section 134(5) of the Act with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i. In the preparation of the annual financial statement for the financial year ended March 31, 2016, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the loss of the Company for the year ended on that date;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual financial statement for the financial year ended March 31, 2016 on a 'going concern' basis;
- v. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### Contracts and Arrangements with Related Parties

All contracts/ arrangements/ transactions entered into/ by the Company during the financial year under review with related parties were on an arm's length basis and in the ordinary course of business. Further as approved by the shareholders, the Company had entered into transaction with Cinema Ventures Private Limited (formerly known as Reliance MediaVentures Private Limited), an erstwhile subsidiary of the Company for transfer of Company's undertaking pertaining to Exhibition Business, which was not in the ordinary course of business. The details pertaining to the said transaction in Form AOC-2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are attached as Annexure - B.

### Material Changes and Commitments, if any, affecting the financial position of the Company

There are no major changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report.

### Meetings of the Board

During the year, six Board Meetings were held on May 15, 2015, June 22, 2015, August 21, 2015, August 28, 2015, November 9, 2015 and March 2, 2016. The attendance of Board Members during these meetings are have been provided below:



**Directors' Report**

Name of the Director	Number of Board meetings attended
Shri Gautam Doshi	6
Shri Prason Joshi	2
Mr. Anil Sekhri*	2
Shri Sushil Kumar Agrawal#	3
Shri Parag Ved#	2
Ms. Shubhdarshini Ghosh^	3
Shri Satish Kadakia^	4

\*Ceased to be a director with effect from July 6, 2015

# Appointed as a director with effect from August 21, 2015

^Appointed as a director with effect from June 22, 2015

**Committees of Directors**

The Company has constituted various committees of the Board, namely Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

Composition of Board Level Committees:

**a. Audit Committee**

Audit Committee was reconstituted on August 28, 2015 and comprise of Shri Sushil Kumar Agrawal, Chairman, Shri Gautam Doshi, Shri Parag Ved and Shri Prason Joshi as members. The terms of reference of the Audit Committee are in accordance with the provisions of the Act, as amended from time to time. During the year, all recommendations made by the Audit Committee were accepted by the Board.

The Audit Committee met four times during the financial year i.e. May 15, 2015, August 28, 2015, November 9, 2015 and March 2, 2016. The details of the attendance of members during such meetings are as follows:

Name of the Member	Number of meetings attended
Shri Sushil Kumar Agrawal#	3
Shri Gautam Doshi	4
Shri Parag Ved#	2
Shri Prason Joshi	1
Mr. Anil Sekhri*	1

# Appointed as director with effect from August 21, 2015

\*Ceased to be a director with effect from July 6, 2015

**b. Nomination and Remuneration Committee**

Nomination and Remuneration Committee was reconstituted on August 21, 2015 consists of Shri Parg Ved as Chairman, Shri Sushil Kumar Agrawal, Ms. Shubhdarshini Ghosh as members. The term of reference of Nomination and Remuneration Committee are in accordance with the provisions of the Act, as amended from time to time.

The Nomination and Remuneration Committee met two times during the financial year i.e. June 22, 2015 and August 21, 2015. The details of the attendance of members during such meetings are as follows:

Name of the Member	Number of meetings attended
Shri Parag Ved#	0
Shri Sushil Kumar Agrawal#	0
Ms. Shubhdarshini Ghosh#	0
Mr. Prason Joshi@	1
Mr. Gautam Doshi@	2
Mr. Anil Sekhri*	1

# Appointed as a member of the Committee with effect from August 21, 2015

@Ceased to be a member of the Committee with effect from August 21, 2015

\*Ceased to be a director with effect from July 6, 2015

**c. Stakeholders Relationship Committee**

Stakeholders Relationship Committee was reconstituted on March 2, 2016 and comprises of Ms. Shubhdarshini Ghosh as Chairman, Shri Sushil Kumar Agrawal and Shri Parg Ved as members.

The Stakeholders Relationship Committee met one time during the financial year i.e. March 2, 2016. The details of the attendance of members during such meeting is as follows:

Name of the Member	Number of meetings attended
Ms. Shubhdarshini Ghosh	1
Shri Parag Ved	1
Shri Sushil Kumar Agrawal	1

**Auditors and Auditor's Report**

M/s. Chaturvedi & Shah, Chartered Accountants the Auditors of the Company, hold office until the conclusion of the ensuing AGM and are eligible for re-appointment.

The Company has received letter from M/s. Chaturvedi & Shah, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3) of the Act and that they are not disqualified for appointment as statutory auditors of the Company.

Your Directors have therefore proposed to appoint M/s. Chaturvedi & Shah, Chartered Accountants, as Statutory Auditors of the Company, subject to the approval of the members at the ensuing AGM.

The observations and comments given by the Auditors in their report read together with notes on financial statements are self explanatory and hence do not call for any further comments under Section 134 of the Act.

**Secretarial Audit**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Malay Shah & Associates, Practising Company Secretaries, to undertake the Secretarial Audit of the Company. There is no qualification, reservation or adverse remark made in their Secretarial Audit Report. The Audit Report of the Secretarial Auditor is annexed herewith as Annexure - C.

## Directors' Report

### Extract of Annual Return

The Extract of the Annual Return of the Company in form MGT-9 is attached as Annexure - D.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

As the Company is a media entertainment Company and does not involve in any manufacturing activity, most of the information of the Company as required under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 are not applicable. However, the information as applicable has been given in the Annexure - E forming part of this Report.

### Vigil mechanism

In accordance with Section 177 of the Act and Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014, the Company has a vigil mechanism policy named Whistle Blower Policy.

It is affirmed that no personnel has been denied access to the Audit Committee.

### Risk Management Policy

Your company has a Risk Management Policy with regard to management of Risk Assets. The Board reviews periodically the Risk Assetment and minimisation procedures in the area of business.

### Compliance with provisions of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to uphold and maintain the dignity of woman employees and it has in place a policy which provides for protection against sexual harassment of woman at work place and for prevention and redressal of such complaints. During the year no such complaints were received.

### Corporate Social Responsibility

The provisions of Section 135 of the Act relating to Corporate Social Responsibility are not applicable on the Company. Hence no disclosure or reporting is required under this Section.

### Orders, if any, passed by Regulator or Courts or Tribunals

No orders have been passed by the regulator or courts or tribunals impacting the going concern status and the Company's operations.

### Internal Financial Controls and their adequacy

The Company has in place adequate internal financial controls across the organization. The same is subject to periodic review. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

### Acknowledgement

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from shareholders, debenture holders, debenture trustee, bankers, financial institutions, regulatory bodies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance of the Company during the year.

**For and on behalf of the Board of Directors**

**Shubhdarshini Ghosh**  
**Director**

**Satish Kadakia**  
**Whole-time Director**

Mumbai  
August 31, 2016

**Policy on appointment and remuneration for Directors, Key Managerial Personnel and Senior Management Employees**

**1. Introduction**

- 1.1 Reliance MediaWorks Limited considers human resources as its invaluable assets. This policy aims to harmonise the aspirations of the directors/ employees with the goals of the Company.
- 1.2 Human capital is a strategic source of value creation. As part of our progressive HR philosophy, it is necessary to have in place a comprehensive Compensation Policy, which is in line with the industry trend and is employee friendly.

**2. Objectives**

- 2.1 Ensuring that the quantum and composition of remuneration is reasonable and sufficient to attract, retain and motivate, employees to run the Company successfully.
- 2.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- 2.3 Ensure that annual compensation review considers industry/ business outlook and strategies adopted by industry peers, differentiates employees based on their performance/skill sets and also protects employees, particularly those in junior cadre, against inflationary pressures.
- 2.4 Retention of high performers at all levels and those playing critical roles.

**3. Scope**

The Board has constituted the "Nomination and Remuneration Committee" in line with the requirements under the provisions of the Companies Act, 2013. This Policy sets out the broad guiding principles for the Committee for recommending to the Board the appointment and remuneration of the directors, key managerial personnel, senior managerial personnel of the Company.

**4. Definitions**

- 4.1 "Director" means a director appointed to the Board of the Company.
- 4.2 "Key Managerial Personnel" means
  - (i) the Chief Executive Officer or the Managing Director or the Manager;
  - (ii) the Company Secretary;
  - (iii) the Whole-time Director;
  - (iv) the Chief Financial Officer; and
  - (v) such other officer as may be prescribed under the Companies Act, 2013.
- 4.3 "Senior Management" means personnel of the company who are members of its core management team excluding Board of Directors comprising of all members of management one level below the executive directors, if any.

**5. Policy**

**5.1 Appointment of Directors/ Key Managerial / Senior Management personnel**

The Nomination and Remuneration Committee, inter-alia, considers qualifications, positive attributes, areas of expertise and number of Directorships and Memberships held in various committees of other companies by such persons for selection. The Board considers the recommendation of the Committee's and takes appropriate decisions. The Company also considers the requirement of skills and effectiveness of persons contributing to the Company's business and policy decisions.

**5.2 Remuneration to Directors/ Key Managerial Personnel**

- 5.2.1 The remuneration of the Directors/ Managing Directors/ Whole-time Directors and Managers etc. will be governed as per provisions contained in the Companies Act, 2013 and rules made therein from time to time.
- 5.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof as approved by the Board of Directors from time to time. The Non-Executive Directors shall also be entitled to profit related Commission, if approved by the Board, in addition to the sitting fees.
- 5.2.3 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Directors/ Key Managerial Personnel/ Senior Management Personnel of the Company within the overall limits, if any, approved by the shareholders.
- 5.2.4 The remuneration structure shall include the following components:
  - (i) Basic Pay
  - (ii) Perquisites and Allowances
  - (iii) Stock Options, if any.
  - (iv) Commission (Applicable in case of Executive Directors/ Directors)
  - (v) Retrial Benefits
  - (vi) Performance Linked Incentives
- 5.2.5 The Annual Plan, Objectives, financial results of the Company shall be reviewed by the Nomination and Remuneration Committee and performance incentives, increment, revision in remuneration etc. will be proposed based on the achievements.

**5.3 Remuneration to other employees**

Employees shall be assigned grades/bands according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade/ bands and shall be based on various factors such as job profile, skill sets, seniority, experience, performance and prevailing remuneration levels for equivalent jobs.

**6. Retention Features as part of Compensation Package**

Based on the organizational need for retaining performing employees and those in critical roles, certain retention features may be rolled out as part of the overall compensation package. These may take form of Retention Bonuses (RBs), Special Monetary Programs (SMPs), Long-term Incentives (LTIs), Employee Stock Options, etc.

**7. Modification and Amendment**

The policy is subject to modification, amendment and alterations by the management at any time without assigning any reasons.

### Particulars of contract or arrangements with related parties

#### Form No. AOC-2

Form for disclosure of particulars of contracts/arrangement entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

#### 1. Details of contracts or arrangements or transactions not at arm's length basis:

- a) Name(s) of the related party and nature of relationship : Cinema Ventures Private Limited ("CVPL") (Formerly known as Reliance MediaVentures Private Limited)
- CVPL was a subsidiary of the Company and Key Managerial Personnel of the Company - Shri Mohan Umrotkar was a Director in the subsidiary. The entire share capital of CVPL was held by the Company and Reliance Media Consultant Private limited, a wholly owned subsidiary of the Company.
- b) Nature of the contracts / arrangements / transactions : The Company proposed to transfer its undertaking pertaining to exhibition business to Cinema Ventures Private Limited on a going concern basis.
- c) Duration of the contracts / arrangements / transaction : Not Applicable
- d) Silent terms of the contracts or arrangements or transactions including the value, if any : To transfer assign, deliver identified properties and common infrastructures relating to exhibition business of the Company on going concern basis to Cinema Ventures Private Limited at a consideration not less than tax written down value.
- e) Justification for entering into such contracts or arrangements or transactions : For facilitating transfer of the exhibition business in the most expeditious manner
- f) Date(s) of approval by the Board : November 5, 2014
- g) Amount paid as advance, if any : Nil
- h) Date on which the special resolution was passed in general meeting as required under first provision to section 188 : Through Postal Ballot on December 13, 2014

#### 2. Details of the material contracts or arrangements or transactions at arm's length basis: N.A.

- a) Name(s) of the related party and nature of relationship
- b) Nature of the contracts/arrangements/transactions
- c) Duration of the contracts / arrangements / transactions
- d) Silent terms of the contracts or arrangements or transactions including the value, if any
- e) Date(s) of approval by the Board
- f) Amount paid as advance, if any

For and on behalf of the Board of Directors

**Shubhdarshini Ghosh**  
Director

**Satish Kadakia**  
Whole-time Director

Mumbai  
August 31, 2016

**Form No. MR-3**  
**Secretarial Audit Report**  
**For the financial year ended March 31, 2016**

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To  
**The Members,**  
**Reliance MediaWorks Limited**

Communication Centre,  
Film City Complex,  
Goregaon (East),  
Mumbai 400065

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by Reliance MediaWorks Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed thereunder and also that the Company has followed proper Board processes and have required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016, according to the provisions of:

- i. The Companies Act, 2013 (the "Act") and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 till May 14, 2015 and thereafter The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

I have also examined compliances with applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of the Company Secretaries of India w.e.f July 1, 2015 for General Meetings, Board and Committees Meetings (i.e. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relation Committee); and
- (ii) The Listing Agreements entered by the company with National Stock Exchange of India Limited for the period from April 1, 2015 to November 30, 2015 and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from December 1, 2015 to March 1, 2016 for listed Non-Convertible Debentures. The equity shares of the Company are not listed.

## Directors' Report

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance or on shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions at Board Meetings and Committee Meetings are carried out and recorded in the minutes of the Board of Directors and Committee of the Board accordingly.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

- a. Redemption of Non-Convertible Debentures;
- b. Appointment Independent Directors.

For **Malay Shah & Associates**  
**Company Secretaries**

**Malay Shah**  
**Proprietor**

ACS No. : 28281  
COP No. : 12820

Date: August 31, 2016  
Place: Mumbai

**FORM NO. MGT - 9**  
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended March 31, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

i) CIN	U29299MH1987PLC045446
ii) Registration Date	November 30, 1987
iii) Name of the Company	Reliance MediaWorks Limited
iv) Category / Sub-Categor of the Company	Public Company / Limited by Shares
v) Address of the Registered office and Contact details	Communication Centre Film City Complex Goregaon (East) Mumbai 400 065 Tel. : +91 22 3347 3600 Fax : +91 22 3347 3601 E-mail : investor.complaints@relianceada.com Website: www.reliancemediaworks.com
vi) Whether listed company	No
vii) Name, address and contact details of Registrar and Transfer Agent, if any.	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 Toll free no.: 1800 220 878 Tel. : +91 22 2594 6970 Fax : +91 22 2594 6969 E-mail : rnt.helpdesk@linkintime.co.in Website : www.linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 per cent or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main Products /Services	NIC Code of the Product / Service	% of total turnover of the company
1	Exhibition and Film & Media Services	899.9	100%

**III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
(1)	Reliance Land Private Limited H Block 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710	U45201MH1993PTC218677	Holding	64.21	2(46)
(2)	Reliance MediaWorks Theatres Limited Communication Centre, Film City Complex, Goregaon (East), Mumbai - 400 065	U92110MH2003PLC140467	Subsidiary	100	2(87)
(3)	Big Synergy Media Limited 4, Zamrudpur Community Centre, 3rd Floor, Kailash Colony Extension, New Delhi - 110048	U74899DL1988PLC030732	Subsidiary	51	2(87)
(4)	Reliance MediaWorks Creative Services Limited Communication Centre, Film City Complex, Goregaon (East), Mumbai - 400 065	U74999MH2013PLC244709	Subsidiary	100	2(87)

# Reliance MediaWorks Limited

## Directors' Report

### III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
(5)	Global MediaWorks (UK) Limited (formerly known as Reliance MediaWorks (UK) Limited) 1 Doughty Street, London WCIN2PH	N.A.	Subsidiary	100	2(87)
(6)	Reliance MediaWorks (USA), Inc. C/o Pawar Gilgallon & Rudy, LLC, 6 South Street, Suite 201, Morristown, New Jersey 07960	N.A.	Subsidiary	100	2(87)
(7)	Swanston Multiplex Cinemas Private Limited 9th Floor, Viraj Towers, Next to Andheri Flyover, Western Express Highway, Andheri (East), Mumbai - 400 093	U92132MH2001PTC133639	Joint Venture	50	2(6)
(8)	Divya Shakti Marketing Private Limited 37/39 Kantol Nivas, 3 <sup>rd</sup> Floor, Modi Street, Fort, Mumbai - 400 001.	U51900MH1994PTC082235	Joint Venture	50	2(6)
(9)	Prime Focus Limited Prime Focus House, Opp Citi Bank, Linking Road, Khar (West), Mumbai - 400 052.	L92100MH1997PLC108981	Associate	35.11	2(6)

### IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2015)				No. of Shares held at the end of the year (March 31, 2016)				% change during the year	
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares		
<b>A. Promoter</b>										
<b>(1) Indian</b>										
a) Individual/HUF	-	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	183950522	50	183950572	95.21	125988758	780	125989538	65.21	-30.00	
e) Banks / FI	-	-	-	-	-	-	-	-	-	-
f) Any other....	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1):</b>	<b>183950522</b>	<b>50</b>	<b>183950572</b>	<b>95.21</b>	<b>125988758</b>	<b>780</b>	<b>125989538</b>	<b>65.21</b>	<b>-30.00</b>	
<b>(2) Foreign</b>										
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-	-
e) Any other....	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total Shareholding of Promoter(s) (A) = (A)(1) + (A)(2)</b>	<b>183950522</b>	<b>50</b>	<b>183950572</b>	<b>95.21</b>	<b>125988758</b>	<b>780</b>	<b>125989538</b>	<b>65.21</b>	<b>-30.00</b>	



Directors' Report

IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2015)				No. of Shares held at the end of the year (March 31, 2016)				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks/FI	50	-	50	0.00	50	-	50	0.00	0.00
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
i) Any other....	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1):</b>	<b>50</b>	<b>-</b>	<b>50</b>	<b>0.00</b>	<b>50</b>	<b>-</b>	<b>50</b>	<b>0.00</b>	<b>0.00</b>
<b>(2) Non-Institutions</b>									
<b>a) Body Corporate</b>									
i) Indian	973657	-	973657	0.50	59066790	-	59066790	30.57	30.07
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i. Individual Shareholders holding nominal share capital upto ₹ 1 Lac	7815985	23243	7839228	4.06	7458937	25609	7484546	3.87	-0.18
ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 Lac	177472	-	177472	0.09	40053	-	40053	0.02	-0.07
<b>c. Others (specify)</b>									
i) Clearing Members	75258	-	75258	0.04	54036	-	54036	0.03	-0.01
ii) Non Resident Indians (Repat)	165841	50	165891	0.09	163706	50	163756	0.08	0.00
iii) Non Resident Indians (Non Repat)	25799	-	25799	0.01	31955	-	31955	0.02	0.00
iv) Hindu Undivided Family	-	900	900	0.00	367698	900	368598	0.19	0.19
v) Trust	4	-	4	0.00	9509	-	9509	0.00	0.00
<b>Sub-Total (B)(2):</b>	<b>9234016</b>	<b>24193</b>	<b>9258209</b>	<b>4.79</b>	<b>67192684</b>	<b>26559</b>	<b>67219243</b>	<b>34.79</b>	<b>30.00</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>9234066</b>	<b>24193</b>	<b>9258259</b>	<b>4.79</b>	<b>67192734</b>	<b>26559</b>	<b>67219293</b>	<b>34.79</b>	<b>30.00</b>
<b>TOTAL (A) + (B)</b>	<b>193184588</b>	<b>24243</b>	<b>193208831</b>	<b>100</b>	<b>193181492</b>	<b>27339</b>	<b>193208831</b>	<b>100</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs</b>									
<b>Grand Total (A+B+C)</b>	<b>193184588</b>	<b>24243</b>	<b>193208831</b>	<b>100</b>	<b>193181492</b>	<b>27339</b>	<b>193208831</b>	<b>100</b>	<b>-</b>

# Reliance MediaWorks Limited

## Directors' Report

### ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year (April 1, 2015)			Shareholding at the end of the year (March 31, 2016)			% change in shareholding during the year
		No of shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No of shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Reliance Capital Limited	1932089	1.00	-	1932089	1.00	-	-
2	Reliance Land Private Limited	182018483	94.21	-	124057449	64.21	-	-30.00
	<b>Total</b>	<b>183950572</b>	<b>95.21</b>	<b>-</b>	<b>125989538</b>	<b>65.21</b>	<b>-</b>	<b>-30.00</b>

### iii) Change in Promoters' shareholding (Please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year (April 1, 2015)		Cumulative shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	At the beginning of the year	183950572	95.21	-	-
2	Date wise Increase / Decrease in Promoters Sahres holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.	#	#	#	#
3	A the End of the year	125989538	65.21	-	-

# Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity ect):

Sl. No.	Shareholders' Name	Shareholding at the beginning of the year (April 1, 2015)		Date	Increase / (Decrease) in shareholding	Reason	Cumulative shareholding during the year	
		No of shares	% of total shares of the Company				No of shares	% of total shares of the Company
1	Reliance Land Private Limited	182018483		10.07.2015	730	Transfer	182019213	94.21
				31.03.2016	(57961764)	Sell	124057449	64.21

### iv) Shareholding pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (April 1, 2015)		Date	Increase / (Decrease) in shareholding	Reason	Cumulative shareholding during the year	
		No of shares	% of total shares of the Company				No of shares	% of total shares of the Company
1	EDICO Ventures Private Limited	-	-	31.03.2016	57961764	Purchase	57961764	30.00
2	Templeton Stockgrowth Private Limited	73305	0.04		-		73305	0.04
3	Sejal Rakesh Zaveri	40053	0.02		-		40053	0.02
4	SKV E-Stocks Private Limited	39000	0.02		-		39000	0.02
5	Pradip Mathuradas Mehta	35379	0.02		-		35379	0.02

Directors' Report

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (April 1, 2015)		Date	Increase / (Decrease) in shareholding	Reason	Cumulative shareholding during the year	
		No of shares	% of total shares of the Company				No of shares	% of total shares of the Company
6	S D Premalatha	28300	0.01	12.06.2015	4000	Purchase	32300	0.02
7	Noesis Ventures Pvt. Ltd.	30200	0.02		-		30200	0.02
8	Ramakant Kasat	30000	0.02		-		30000	0.02
9	Sushilabai Ishwardas Bamb	28255	0.01		-		28255	0.01
10	Shri Parasram Holdings Pvt. Ltd.	30187	0.02	24.04.2015	(9069)	Sell	21118	0.01
				01.05.2015	200	Purchase	21318	0.01
				05.06.2015	(800)	Sell	20518	0.01
				17.07.2015	10	Purchase	20528	0.01
				21.08.2015	(400)	Sell	20128	0.01
				16.10.2015	600	Purchase	20728	0.01
				23.10.2015	(30)	Sell	20698	0.01
				06.11.2015	(320)	Sell	20378	0.01
				13.11.2015	(80)	Sell	20298	0.01
				18.12.2015	20	Purchase	20318	0.01
				31.12.2015	(53)	Sell	20265	0.01
				01.01.2016	(855)	Sell	19410	0.01
				19.02.2016	(100)	Sell	19310	0.01
				04.03.2016	(350)	Sell	18960	0.01
				31.03.2016	(270)	Sell	18690	0.01

v) Shareholding of Directors and Key Managerial Personnel (KMPs)

Shri Satish Kadakia, Whole-time Director of the Company holds 10 equity shares of the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	(₹ in millions)			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	9,491.08	17,379.46	-	26,870.54
ii) Interest due but not paid	-	758.78	-	758.78
iii) Interest accrued but not due	11.68	228.01	-	239.69
<b>Total (i+ii+iii)</b>	<b>9,502.76</b>	<b>18,366.25</b>	<b>-</b>	<b>27,869.01</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	19,433.60	-	19,433.60
• Reduction (Repayment)	6,721.08	15,606.46	-	22,327.54
<b>Net Change</b>	<b>(6,721.08)</b>	<b>3,827.14</b>	<b>-</b>	<b>(2,893.94)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2,770.00	21,206.60	-	23,976.60
ii) Interest due but not paid	33.58	1,326.00	-	1,359.58
iii) Interest accrued but not due	7.32	63.71	-	71.03
<b>Total (i+ii+iii)</b>	<b>2,810.90</b>	<b>22,596.31</b>	<b>-</b>	<b>25,407.21</b>

# Reliance MediaWorks Limited

## Directors' Report

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(A) Remuneration to Managing Director, Whole-time Director and/or Manager: (₹ in millions)

Sr. No.	Particulars of Remuneration	Shri Satish Kadakia Whole-time Director*
1	Gross salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1.65
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-
	(c) Profits in lieu of salary u/s. 17(3) Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
5	Others, please specify	-
	<b>Total (A)</b>	<b>1.65</b>
	Ceiling as per the Act	60.00

\* Appointed as Whole-time Director w.e.f. June 22, 2015

(B) Remuneration to other Directors: (₹ in millions)

Sr. No.	Particulars of Remuneration	Name of Director				Total Amount
1	<b>Independent Directors</b>	<b>Shri Prasoona Joshi</b>	<b>Shri Sushil Kumar Agrawal</b>	<b>Shri Parg Ved</b>	<b>Shri Anil Sekhri *</b>	
	• Fee for attending board / committee meetings	0.06	0.09	0.06	0.06	0.27
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>0.06</b>	<b>0.09</b>	<b>0.06</b>	<b>0.06</b>	<b>0.27</b>
2	<b>Other Non-Executive Directors</b>	<b>Shri Gautam Doshi</b>		<b>Ms. Shubdarshini Ghosh</b>		
	• Fee for attending board / committee meetings	0.18		-		0.18
	• Commission	-		-		-
	• Others, please specify	-		-		-
	<b>Total (2)</b>	<b>0.18</b>		<b>-</b>		<b>0.18</b>
	<b>Total (B) = (1 + 2)</b>	<b>0.18</b>		<b>-</b>		<b>0.45</b>
	<b>Total Managerial Remuneration (A + B)</b>					<b>0.45</b>
	Overall ceiling as per the Act					60.00

\*Shri Anil Sekhri ceased to be a Director w.e.f. July 6, 2015

Directors' Report

(C) Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(₹ in millions)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Shri Venkatesh Roddam Chief Executive Officer	Shri Mohan Umrotkar Chief Financial Officer	Ms Neelam Samant Company Secretary	
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	17.07	11.45	1.10	<b>29.62</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option (Numbers)	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
5	Others	-	-	-	-
	<b>Total</b>	<b>17.07</b>	<b>11.45</b>	<b>1.10</b>	<b>29.62</b>

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences to the Company, directors and other officers of the Company during the year ended March 31, 2016.

# Reliance MediaWorks Limited

## Directors' Report

### Annexure - E

#### Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

<b>(a) Conservation of Energy:</b>	
The steps taken or impact on conservation of energy	: The Company requires energy for its operations and is making all efforts to conserve energy by monitoring energy costs and periodically reviews of the consumption of energy.
The steps taken by the Company for utilizing alternate sources of energy	It also takes appropriate steps to reduce the consumption through efficiency in usage and timely maintenance/ installation/ upgradation of energy saving devices.
The capital investment on energy conservation equipment	
<b>(b) Technology Absorption, Adoption and Innovation:</b>	
(i) The efforts made towards technology absorption :	: The Company uses latest technology and equipment into the business. Further the Company is not engaged in any manufacturing activities.
(ii) The benefits derived like product improvement, cost reduction, product development or import substitution	
(iii) In case of imported technology (imported during the last three years reckoned from the beginning of financial year)	
(a) The details of technology imported	
(b) The year of import	
(c) Whether technology been fully absorbed?	
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	
(iv) The expenditure incurred on Research and development:	: The Company has not spent any amount towards research and development activities and has been active in harnessing and tapping the latest and the best technology in the industry.
<b>(c) Total foreign exchange earnings and outgo:</b>	
(a) Total Foreign Exchange earnings	: Nil
(b) Total Foreign Exchange outgo	: ₹ 0.22 mn

**Independent Auditors' Report**

**To the Members of  
Reliance MediaWorks Limited**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Reliance MediaWorks Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the 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**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 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 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.

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.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 March 31, 2016, and its loss and its cash flows for the year ended on that date.

**Emphasis of Matter**

We draw attention to note no. 46 of the standalone financial statement which described that the company's net worth is eroded; the company has incurred a loss of ₹ 1,971.25 Million for the year ended March 31, 2016, 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 this matter.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss and 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) The matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company,
  - (f) 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

## Independent Auditors' Report

- is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigation as at March 31, 2016 on its financial position in its financial statements as referred to in Note 28 to the financial statements;
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the company.

**For Chaturvedi & Shah**

Chartered Accountants

Firm's Registration No: 101720W

**Parag D. Mehta**

Partner

Membership No: 113904

Mumbai

August 31, 2016



**Annexure A to Independent Auditor's Report**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

- (i) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to us, most of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, title deeds of immovable properties are held in the name of the Company.
- ii) The Company's inventory position as on March 31, 2016 is Nil. Therefore, Physical verification of inventory not required. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories.
- iii) According to the information and explanations given to us, the Company has granted unsecured loans, to its wholly owned subsidiaries covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans:
  - a) The loan given in earlier year upto March 31, 2014 is interest free and incremental loan given thereafter is interest bearing. The loan given in previous years and incremental loans given during the year is repayable on demand.
  - b) The rate of interest and other terms and conditions on which the loans had been granted to its subsidiary Company listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
  - c) There are no overdue amounts for more than ninety days in respect of the loan granted to its subsidiary Company listed in the register maintained under Section 189 of the Act.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- v) According to information and explanations given to us, the Company has not accepted any deposits under the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the Rules framed there under.
- vi) According to information and explanations given to us, maintenance of cost records has not been prescribed for the Company by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013.
- vii) According to the information and explanations given to us, in respect of statutory dues:
  - a) Undisputed statutory dues, including provident fund, employee state insurance, wealth tax, duty of

customs, duty of excise, cess and any other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities except in respect of income tax (tax deducted at source), sales tax and service tax, the delays ranged from seven days to ninety six days.

- b) There were no undisputed amounts payable in respect of provident fund, employee state insurance, sales tax, wealth tax, duty of customs, duty of excise, income tax, cess, service tax and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us, there are no dues of income tax, service tax, sales tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute other than the following:

Name of statute	Nature of the dues	Amount (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Duty and penalty	50.46	2010-2014	Commissioner of Central excise, Mumbai
Chapter V of the Finance Act, 1994	Duty and penalty	759.84	2006-2014	Central Excise and Service Tax Appellate Tribunal
Chapter V of the Finance Act, 1994	Duty and penalty	240.41	2015-2016	Commissioner of Central Excise, Mumbai
VAT, Madhya Pradesh	Value Added Tax	0.69	2006-2008	Deputy tax officer, Appellate Board, Madhya Pradesh
VAT, Madhya Pradesh	Value Added Tax	0.48	2008-2009	Commercial tax officer, Madhya Pradesh
VAT, Maharashtra	Value Added Tax	30.42	2005-2011	Joint Commissioner of Sales Tax (Appeals), Maharashtra
VAT, Ghaziabad	Value Added Tax	16.85	2007-2012	Additional Commissioner Appeal (Ghaziabad)
VAT, Kanpur	Value Added Tax	0.65	2007-2008	Additional Commissioner (Appeals), Kanpur
VAT, West Bengal	Value Added Tax	0.62	2008-2009	Commercial tax officer, West Bengal
VAT, Rajasthan	Value Added Tax	11.36	2007-2008	Deputy Commissioner, Jaipur
Entertainment tax	Entertainment tax	13.93	2006-2011	Supreme Court
Entertainment tax	Entertainment tax	48.99	2006-2011	Hon'ble High Court, Madhya Pradesh

# Reliance MediaWorks Limited

## Annexure A to Independent Auditor's Report

Name of statute	Nature of the dues	Amount (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Entertainment tax	Entertainment tax	7.15	2007-2011	Divisional Commissioner, Pune
Income tax Act, 1961	Assessment dues	6.54	2010-2011	Commissioner of Income Tax (Appeal)
Income tax Act, 1961	Assessment dues	178.72	2009-2010	Hon'ble High Court, Allahabad
Income tax Act, 1961	Tax deducted at source	68.1	2007-2016	Commissioner of Income Tax Appeal

viii) Based on our Audit procedures and the information and explanation given by the management, the Company has defaulted in repayment of dues to Financial Institutions which were not paid as at the Balance Sheet date.

Particulars	Period of Default	Amount (₹ in million)
Reliance Capital Limited	3 days	250

- ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanation given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- x) In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the provision of section 197 read with schedule V to the Companies Act.

- xii) In our opinion the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Companies Act, 2013, wherever applicable and details of related party transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.
- xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company.
- xvi) In our opinion and according to information and explanations provided to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

### For Chaturvedi & Shah

Chartered Accountants

Firm's Registration No: 101720W

### Parag D. Mehta

Partner

Membership No: 113904

Mumbai

August 31, 2016

**Annexure B to Independent Auditor's Report**

(Referred to in paragraph 2 (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the Internal Financial Control over financial reporting of Reliance MediaWorks Limited("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year then ended.

**Management Responsibility for the Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with 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**

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**

In our opinion, to the best of our information and according to the explanations given to us, 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.

**For Chaturvedi & Shah**

Chartered Accountants  
Firm's Registration No: 101720W

**Parag D. Mehta**

Partner  
Membership No: 113904

Mumbai  
August 31, 2016

# Reliance MediaWorks Limited

## Balance sheet as at March 31, 2016

	Note	March 31, 2016	(Currency : ₹ in millions) March 31, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	980.79	980.79
(b) Reserves and surplus	3	(16,546.27)	(14,557.90)
		<b>(15,565.48)</b>	<b>(13,577.11)</b>
<b>Non-current liabilities</b>			
(a) Long-term borrowings	4	20,856.60	6,198.83
(b) Other long-term liabilities	5	-	174.36
(c) Long-term provisions	6	1.39	40.50
		<b>20,857.99</b>	<b>6,413.69</b>
<b>Current liabilities</b>			
(a) Short-term borrowings	7	1,120.00	13,179.15
(b) Trade payables	8		
- Micro, small and medium enterprises (Refer note 30)		1.23	1.23
- Others		555.50	1,040.65
(c) Other current liabilities	9	3,662.40	9,072.97
(d) Short-term provisions	10	0.64	2,045.76
		<b>5,339.77</b>	<b>25,339.76</b>
<b>TOTAL</b>		<b>10,632.28</b>	<b>18,176.34</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		1,587.02	7,236.44
(ii) Intangible assets		-	24.79
(iii) Capital work-in-progress		-	207.91
(b) Non-current investments	12	6,089.23	4,072.33
(c) Deferred tax assets (net)	13	-	-
(d) Long-term loans and advances	14	276.97	1,477.36
(e) Other non-current assets	15	-	6.61
		<b>7,953.22</b>	<b>13,025.44</b>
<b>Current assets</b>			
(a) Current investments	16	66.02	-
(b) Inventories	17	-	73.44
(c) Trade receivables	18	73.22	1,493.71
(d) Cash and bank balances	19	297.76	183.28
(e) Short-term loans and advances	20	776.12	3,366.14
(f) Other current assets	21	1,465.94	34.33
		<b>2,679.06</b>	<b>5,150.90</b>
<b>TOTAL</b>		<b>10,632.28</b>	<b>18,176.34</b>

### Significant accounting policies

1

The accompanying notes form an integral part of the financial statements. 1-52

As per our report of even date.

**For Chaturvedi & Shah**  
Chartered Accountants  
Firms' Reg No. : 101720W

For and on behalf of the Board

**Parag D. Mehta**  
Partner  
Membership No: 113904

**Shubhdarshini Ghosh**  
Director

**Satish Kadakia**  
Whole-time Director

**Mohan Umrotkar**  
Chief Financial Officer

**Neelam Samant**  
Company Secretary

Mumbai  
August 31, 2016

Mumbai  
August 31, 2016

Statement of profit and loss for the year ended March 31, 2016

		(Currency : ₹ in millions)	
	Note	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>I.</b> Revenue from operations	22	<b>1,780.74</b>	4,037.71
<b>II.</b> Other income	23	<b>352.58</b>	134.38
<b>III. Total revenue (I+II)</b>		<b>2,133.32</b>	4,172.09
<b>IV. Expenses</b>			
Direct operational expenses	24	<b>752.66</b>	1,713.26
Employee benefits expense	25	<b>136.00</b>	567.44
Finance costs (net)	26	<b>3,126.92</b>	3,016.24
Depreciation and amortisation expense	11	<b>356.14</b>	1,117.26
Other expenses	27	<b>2,027.25</b>	2,101.60
<b>Total expenses</b>		<b>6,398.97</b>	8,515.80
<b>V. (Loss) before exceptional items and tax (III- IV)</b>		<b>(4,265.65)</b>	(4,343.71)
<b>VI. Exceptional items (Refer Note 49)</b>		<b>2,294.40</b>	(2,591.36)
<b>VII. (Loss) before tax</b>		<b>(1,971.25)</b>	(6,935.07)
<b>VIII. (Loss) for the year of continuing operations before tax</b>		<b>(4,057.00)</b>	(2,929.29)
<b>IX. Tax expenses Continuing Operations</b>			
Current tax		-	-
Deferred tax		-	-
Short / (excess) provision for earlier years		-	-
<b>X. (Loss) for the year of continuing operations after tax</b>		<b>(4,057.00)</b>	(2,929.29)
<b>XI. Profit/(loss) for the year of discontinuing operations before tax (Refer Note 47 and 48)</b>		<b>2,085.75</b>	(4,005.78)
<b>XII. Tax expenses discontinuing operations</b>			
Current tax			
<b>XIII. Profit/ (loss) for the year of discontinuing operations after tax</b>		<b>2,085.75</b>	(4,005.78)
<b>XIV. (Loss) for the year</b>		<b>(1,971.25)</b>	(6,935.07)
<b>Earning per equity share (nominal value of share ₹ 5 (2015 : ₹ 5))</b>			
Basic and diluted earnings per share ₹ (Refer Note 41)		<b>(10.20)</b>	(35.89)
<b>Earning per equity share from continuing operations (nominal value of share ₹ 5 (2015 : ₹ 5))</b>			
Basic and diluted earnings per share ₹		<b>(21.00)</b>	(15.16)

**Significant accounting policies**

1

The accompanying notes form an integral part of the financial statements. 1- 52

As per our report of even date.

**For Chaturvedi & Shah**  
Chartered Accountants  
Firms' Reg No. : 101720W

For and on behalf of the Board

**Parag D. Mehta**  
Partner  
Membership No: 113904

**Shubhdarshini Ghosh**  
Director

**Satish Kadakia**  
Whole-time Director

**Mohan Umrotkar**  
Chief Financial Officer

**Neelam Samant**  
Company Secretary

Mumbai  
August 31, 2016

Mumbai  
August 31, 2016

# Reliance MediaWorks Limited

## Cash Flow Statement for the year ended March 31, 2016

	(Currency : ₹ in millions)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A. Cash flow from operating activities</b>		
Net loss before tax as per Statement of profit and loss	<b>(1,971.25)</b>	(6,935.07)
Adjustment for:		
Depreciation / amortisation	<b>356.14</b>	1,117.26
Loss on sale / discarding of fixed assets (net)	-	3.18
Provision for diminution in value of long term investments (net)	<b>0.50</b>	-
Exception items (Refer note 47, 48 & 49)	<b>(2,294.40)</b>	2,591.36
Dividend income	<b>(33.97)</b>	-
Finance costs (net)	<b>3,126.92</b>	3,016.24
Interest income	<b>(88.57)</b>	(48.27)
Bad debts / advances written-off	-	22.46
Sundry balances written-off	<b>7.18</b>	85.65
Provision for doubtful debts / advances / provision written back	<b>1,234.41</b>	-
Capital work-in-progress written-off	<b>11.69</b>	26.43
Sundry balances written-back	<b>(159.53)</b>	(11.59)
Profit on sale of equity shares	<b>(0.20)</b>	-
Gain on sale of current investments	<b>(2.32)</b>	(4.55)
Unrealised foreign exchange (gain)	<b>(17.12)</b>	(36.44)
<b>Operating profit before working capital changes</b>	<b>169.48</b>	(173.34)
Adjustment for:		
(Increase) in trade receivables	<b>(147.14)</b>	(24.87)
(Increase) / Decrease in other receivables	<b>(65.80)</b>	288.55
(Increase) / Decrease in inventories	<b>(41.64)</b>	1.38
Increase / (Decrease) in trade and other payables	<b>63.89</b>	(95.06)
<b>Cash used in operating activities</b>	<b>(21.21)</b>	(3.34)
Taxes paid (net of refunds)	<b>(36.57)</b>	48.37
<b>Net cash used in operating activities (A)</b>	<b>(57.78)</b>	45.03
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	<b>(10.32)</b>	(403.54)
Proceeds from sale of fixed assets	<b>254.50</b>	10.41
Sale of investments - long term - in shares of subsidiary companies	<b>22.66</b>	(0.50)
Purchase of investments - long term - in shares of associates	<b>(1,200.00)</b>	(2,272.16)
Purchase of investments - long term - in shares of Others	<b>(534.82)</b>	-
Sale of investments - long term - in shares of associates	<b>1,515.32</b>	-
Proceed from sale of Business Undertakings	<b>1,155.55</b>	-
Sale of current investment	<b>95.00</b>	4.55
Short term loan to subsidiaries and joint ventures (net)	<b>(873.74)</b>	(311.48)
Purchase of current investments	<b>(158.70)</b>	-
Dividend income	<b>33.97</b>	-
Interest income	<b>83.44</b>	24.65
<b>Cash used in investing activities</b>	<b>382.86</b>	(2,948.07)
Taxes paid (net of refunds)	-	0.18
<b>Net cash used in investing activities (B)</b>	<b>382.86</b>	(2,947.89)

Cash Flow Statement for the year ended March 31, 2016

(Currency : ₹ in millions)

For the year ended March 31, 2016 For the year ended March 31, 2015

C. Cash flow from financing activities

Proceeds from short term borrowings (net)	(12,059.15)	6,834.98
Proceeds from long term borrowings	29,559.10	-
Repayment of long term borrowings	(15,103.83)	(2,044.50)
Unclaimed dividend paid	-	(0.14)
Finance costs (net)	(2,694.78)	(2,281.45)
<b>Net cash flow from financing activities (C)</b>	<b>(298.66)</b>	2,508.89
<b>Net increase / (decrease) in cash and cash equivalent (A+B+C)</b>	<b>26.42</b>	(393.97)
Cash and cash equivalents as at beginning of the year	31.14	425.11
Less : Transfer of Cash along with other assets to undertakings transferred.	16.52	-
Cash and cash equivalents as at end of the year (Refer note 19)	41.04	31.14
	<b>26.42</b>	<b>(393.97)</b>

Notes:

1) Cash and cash equivalents at the year end comprises:

Cash on hand	0.20	8.94
Balances with scheduled banks		
- Current accounts	40.84	22.20
	<b>41.04</b>	<b>31.14</b>

Non-cash transactions:

- During the year Company has received shares worth ₹ 3,500.00 from Prime Focus Limited pursuant to sale of film and media services business. (Also refer note 47)
- During the year Company has assigned long term loans of ₹ 3,830.00 and finance lease obligations of ₹ 1,460.06 to Cinema Venture Limited (formerly known as Reliance MediaVentures Private Limited) pursuant to sale of exhibition business to Cinema Ventures Private Limited in discharge of amounts receivable from Cinema Ventures Private Limited for transfer of exhibition business undertaking. (Also refer note 48)

As per our report of even date.

**For Chaturvedi & Shah**  
Chartered Accountants  
Firms' Reg No. : 101720W

**Parag D. Mehta**  
Partner  
Membership No: 113904

**Shubhdarshini Ghosh**  
Director

**Mohan Umrotkar**  
Chief Financial Officer

For and on behalf of the Board

**Satish Kadakia**  
Whole-time Director

**Neelam Samant**  
Company Secretary

Mumbai  
August 31, 2016

Mumbai  
August 31, 2016

### Background

Reliance MediaWorks Limited ('Reliance MediaWorks' or 'the Company') was incorporated in 1987 as a Private Limited Company and is currently a Public Limited Company.

The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited till May 6, 2014. Reliance MediaWorks was primarily engaged in theatrical exhibition, film production services and film production and distribution and related services. The Company currently owns properties for letting out for theatrical exhibition.

## 1. Summary of significant accounting policies

### 1.1. Basis of preparation

These financial statements are prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under section 133 of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts. The financial statements are presented in Indian Rupees in million except per share data and where mentioned otherwise.

### 1.2. 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, the disclosures of contingent liabilities on the date of the financial statements and the reported amount of income and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of financial statements, which in its opinion are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

### 1.3. Fixed assets and depreciation / amortisation

#### a. Tangible assets

Tangible fixed assets are stated at cost and / or revalued amount in accordance with scheme of amalgamation 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 / buildings are depreciated over the lower of useful life of the asset and lease term, on a straight line basis.

Individual assets costing up to ₹ 0.005 are depreciated fully in the year of acquisition.

#### b. Intangible assets

Intangible assets, all of which have been acquired / created and are controlled through custody or legal rights, are capitalised at cost, where they can be reliably measured. Where capitalised, intangible assets are regarded as having a limited useful economic life and the cost is amortised over the lower of useful life and ten years.

Application software purchased, which is not an integral part of the related hardware, is shown as intangible assets and amortised on a straight line basis over its useful life, not exceeding five / ten years, as determined by management.

Film rights comprise negative rights and distribution rights in films and are for a contractually specified mode of exploitation, period and territory and are stated at cost less accumulated amortisation. Cost of film rights comprises original purchase price / minimum guarantee. Cost is ascertained on specific identification basis where possible. In case multiple films / rights are acquired for a consolidated amount, cost is allocated to each film / right based on management's best estimates.

The individual film forecast method is used to amortise the cost of film rights acquired. Under this method, costs are amortised in the proportion that gross revenues realised bear to management's estimate of the total gross revenues expected to be received. If estimates of the total revenues and other events or changes in circumstances indicate that the realisable value of a right is less than its unamortised cost, a loss is recognised for the excess of unamortised cost over the film right's realisable value.

In respect of unreleased films, payments towards film rights are classified under capital advances as the amounts are refundable in the event of non-release of the film.

Purchased goodwill is recognised by the Company on the basis of excess of purchase consideration paid over the value of the assets acquired at the time of acquisition and is amortised over its estimated useful life not exceeding ten years.



**1.4. Impairment**

In accordance with AS 28 – 'Impairment of Assets', where there is an indication of impairment of the Company's asset, 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 statement of profit and loss.

If at the balance sheet date there is an indicator that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciated historical cost.

Value in use is the 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.

**1.5. Investments**

Long-term investments are carried at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments and is determined separately for each individual investment.

Current investments are carried at lower of cost and fair value.

**1.6. Inventories**

Inventories (comprising of food and beverage items, chemicals, negative film rolls, xenon lamps and stores and spares related to theatrical exhibition / film production services business etc.) are stated at the lower of cost and net realisable value. Cost is determined on the first-in first out (FIFO) basis.

**1.7. Employee benefits**

**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 recognised as an expense during the year.

**Long term employee benefits:**

**Provident fund and other schemes**

The Company's state governed provident fund scheme, employee state insurance scheme and labour welfare fund are defined contribution plans. The contribution paid / payable under the schemes is recognised during the year in which the employee renders the related service.

**Gratuity Plan**

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior year; that benefit is discounted to determine its present value and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

**Other Long term employment benefits:**

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date, determined based on actuarial valuation using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

**1.8. Revenue recognition**

Revenue is recognised 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 recognised as revenue is exclusive of value added tax and service tax and net of trade discounts.

Amount of entertainment tax is shown as a reduction from revenue.

### **Film production services**

Revenue from processing / printing of cinematographic films is recognised upon completion of the related processing / printing.

Revenue from processing of digital content is recognised using the proportionate completion method. Use of the proportionate completion method requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between efforts expended and contracted output.

Sale of traded goods is recognised when the risks and rewards of ownership are passed on to the customer, which generally coincides with the dispatch of goods.

Income from equipment / facility rental is recognised over the period of the relevant agreement / arrangement.

### **Theatrical exhibition and related income**

#### Sale of tickets

Revenue from theatrical exhibition is recognised on the date of the exhibition of the films and comprises proceeds from sale of tickets, gross of entertainment tax. As the Company is the primary obligor with respect to exhibition activities, the share of distributors in these proceeds is separately disclosed as distributors' share.

Amount of entertainment tax is shown as a reduction from revenue

#### Sale of food and beverages

Revenue from sale of food and beverages is recognised upon sale and delivery at the counter.

#### Advertisement / sponsorship revenue

Revenue from advertisements, sponsorship and events is recognised on the date of the exhibition of the advertisement / event, over the period of the contract or on completion of the Company's obligations, as applicable.

### **Film production, distribution and related income**

#### Film production and related income

Revenue from sale of content / motion pictures is accounted for on the date of agreement to assign / sell the rights in the concerned motion picture / content or on the date of release of the content / motion picture, whichever is later.

#### Income from film distribution activity

In case of distribution rights of motion pictures / content, revenue is recognised on the date of release / exhibition.

Revenue from other rights such as satellite rights, overseas rights, music rights, video rights, etc. is recognised on the date when the rights are made available to the assignee for exploitation.

Revenue from sale of VCDs / DVDs, etc is recognised when the risks and rewards of ownership are passed on to the customer, which generally coincides with the dispatch of the products.

### **Interest income / income from film financing**

Interest income, including from film / content related production financing, is recognised on a time proportion basis at the rate implicit in the transaction.

### **Dividend income**

Dividend income is recognised when the right to receive dividend is unconditional at the balance sheet date.

### **Marketing rights**

Amounts received in lieu of future marketing rights sale are recognised as income in the year of entering into the contract.

## **1.9. 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 year are recognised in the statement of profit and loss of the year. 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 recognised in the statement of profit and loss except in case of exchange differences arising on translation of monetary items which form part of Company's net investment in a non-integral foreign operation which is accumulated in a 'Foreign currency translation reserve' until its disposal.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Forward contracts are entered into to hedge the foreign currency risk of the underlying transaction. The premium or discount on all such contracts arising at the inception of each contract is amortised as income or expense over the life of the contract. Exchange difference on forward contracts is recognised as income or expense in the statement of profit and loss of the year. Any profit or loss arising on the cancellation and renewal of forward contract is recognised as income or expense for the year.

**1.10. Earnings 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 year. The number of shares used in computing diluted earnings per share comprises the weighted average number of 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 year, unless issued at a later date.

**1.11. Taxation**

Income-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 recognised 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 recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation 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 realised.

**1.12. Share issue / Foreign Currency Convertible Bonds (FCCB) issue expenses and premium on redemption**

Share / FCCB issue expenses incurred and premium payable on FCCB are adjusted in the year of issue against the Securities premium reserve.

**1.13. Provisions and contingencies**

Provisions comprise liabilities of uncertain timing or amount. Provisions are recognised when the Company recognises that 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.

**1.14. Leases**

Operating leases - Rental expenses in non-cancellable arrangements / agreements with scheduled rent increases are recorded on a straight line basis over the lease term.

Finance leases - The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as fixed assets with corresponding amount shown as liabilities for leased assets. The principal component in lease rental in respect of the above is adjusted against liabilities for leased assets and the interest component is recognised as an expense in the year.

**1.15. 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.

**1.16. Commercial papers**

Commercial papers are recognised as a liability, at the amount of cash received at the time of issuance ie. discounted value. The discount is amortised as interest cost over the period of the commercial paper at the rate implicit in the transaction.

# Reliance MediaWorks Limited

## Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

March 31, 2016      March 31, 2015

### 2 Share capital

#### Authorised

480,000,000 (2015: 480,000,000) equity shares of ₹ 5/-each	<b>2,400.00</b>	2,400.00
20,000,000 (2015: 20,000,000) preference shares of ₹ 5/-each	<b>100.00</b>	100.00
	<b>2,500.00</b>	2,500.00

#### Issued, Subscribed and paid-up capital

193,208,831 (2015: 193,208,831) equity shares of ₹ 5/- each, fully paid-up	<b>966.04</b>	966.04
2,950,000 (2015: 2,950,000) 10% redeemable non convertible non cumulative preference shares (Preference shares) of ₹ 5/- each, fully paid-up (Refer Note 29)	<b>14.75</b>	14.75
(Refer notes (a) to (f) below)	<b>980.79</b>	980.79

#### (a) Reconciliation of shares outstanding at the beginning and at the end of the year

	March 31, 2016		March 31, 2015	
	Number of shares in millions	₹ in Millions	Number of shares in millions	₹ in Millions
<b>Equity shares</b>				
At the commencement of the year	<b>193.21</b>	<b>966.04</b>	193.21	966.04
Share issued during the year	-	-	-	-
Buyback / forfeiture / reduction shares	-	-	-	-
At end of the year	<b>193.21</b>	<b>966.04</b>	193.21	966.04
<b>Preference shares</b>				
At the commencement of the year	<b>2.95</b>	<b>14.75</b>	2.95	14.75
Share issued during the year	-	-	-	-
Buyback/ forfeiture/ reduction shares	-	-	-	-
At end of the year	<b>2.95</b>	<b>14.75</b>	2.95	14.75

#### (b) Rights, preferences and restriction attached to equity shares

The Company has only one class of equity shares having par value of ₹ 5 per share. Each equity holder is entitled to one vote per share. The Company declares and pays dividends, if any, in Indian Rupees. The dividend proposed, if any by the Board of the 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 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) Rights, preferences and restriction attached to Preference shares

Preference shares shall be redeemed at the end of 20 years from the date of allotment i.e. each Preference shares shall be redeemed at a premium calculated in a manner that gives the holder an yield of 10% p.a. (till date of redemption) on issue price of ₹ 1,000 (including premium of ₹ 995) after deduction of dividend, if any declared during the tenure. However, the premium on redemption will be paid only to the original subscribers or to the transferees if the transfers have been previously approved by the Company.

Further early redemption at the option of holder of Preference shares can be done, at issue price plus yield as mentioned above, at any time after the date of allotment by giving not less than two months advance notice to the Company. Early redemption at the option of Company at the applicable redemption price can be done, any time after the date of allotment by giving not less than 30 days notice to the Preference share holder.

Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

(d) Equity shares held by the holding company

	March 31, 2016		March 31, 2015	
	Number of shares in millions	% holding in the class	Number of shares in millions	% holding in the class
Reliance Land Private Limited	124.06	64.21%	182.02	94.21%

(e) Names of shareholders holding more than 5% of equity share in the Company

Reliance Land Private Limited	124.06	64.21%	182.02	94.21%
Edico Ventures Private Limited	57.96	30.00%	-	-

(f) Names of shareholders holding more than 5% of Preference share in the Company

Reliance Infocomm Engineering Private Limited	1.20	40.68%	1.20	40.68%
Crest Logistics and Engineers Private Limited (Formerly known as Rel Utility Engineers Private Limited)	1.75	59.32%	1.75	59.32%

	March 31, 2016	March 31, 2015
<b>3 Reserves and surplus</b>		
<b>Capital reserve</b>		
At the commencement and at the end of the year	582.62	582.62
<b>Securities premium reserve</b>		
At the commencement and at the end of the year	12,738.97	12,738.97
<b>Foreign currency translation reserve</b>		
At the commencement of the year	763.28	723.88
Less: Transfer of profit to profit and loss a/c upon disposal of Subsidiary	(17.12)	-
Add: Foreign currency translation gain on translation of monetary investment in non-integral operations (net)	-	39.40
At the end of the year	746.16	763.28
<b>General reserve</b>		
At the commencement and at the end of the year	119.51	119.51
<b>(Deficit) in Statement of profit and loss</b>		
At the commencement of the year	(28,762.28)	(21,827.21)
Loss for the year, as per Statement of profit and loss	(1,971.25)	(6,935.07)
At the end of the year	(30,733.53)	(28,762.28)
	(16,546.27)	(14,557.90)

# Reliance MediaWorks Limited

## Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	March 31, 2016	March 31, 2015
<b>4 Long-term borrowings</b>		
(Refer note 31)		
Term loans		
- From banks (secured) (Refer Note 31 (ii) and (iii))	-	5,700.00
Inter-corporate deposit (unsecured) (Refer Note 31 (vi))	<b>20,856.60</b>	-
Long term maturities of finance lease obligations (Refer Note 31 (vii))	-	498.83
	<b>20,856.60</b>	6,198.83
<b>Current maturities of long-term borrowings (Refer note 9)</b>		
Non convertible debenture (secured) (Refer Note 31 (i))	-	1,250.00
Term loans		
- From banks (secured) (Refer Note 31 (ii) and (iii) and (iv))	<b>2,000.00</b>	253.75
Inter-corporate deposit (unsecured) (Refer Note 31 (v))	-	5,173.00
Current maturities of finance lease obligations (Refer Note 31 (vii))	-	815.81
	<b>2,000.00</b>	7,492.56
<b>5 Other long-term liabilities</b>		
Lease rent liability as per AS 19 - "Leases"	-	152.64
Security deposit / advances from customers	-	21.72
	-	174.36
<b>6 Long-term provisions</b>		
<u>Provision for employee benefits</u>		
Leave encashment	<b>1.39</b>	28.61
Gratuity	-	11.89
	<b>1.39</b>	40.50
<b>7 Short-term borrowings</b>		
(Refer Note 32)		
<u>Loans repayable on demand (secured)</u>		
From banks		
- Cash credit (Refer Note 32 (i))	-	17.33
<u>Loans repayable on demand (unsecured)</u>		
From banks		
- Cash credit (Refer Note 32 (ii))	-	116.32
Other loans and advances		
From others (secured) (Refer note 32 (iii) & (iv))	<b>770.00</b>	2,270.00
Inter-corporate deposit (unsecured) (Refer Note 32 (v))	<b>350.00</b>	10,775.50
	<b>1,120.00</b>	13,179.15
<b>8 Trade payables</b>		
Due to micro small and medium enterprises (Refer note 30)	<b>1.23</b>	1.23
Others	<b>555.50</b>	1,040.65
	<b>556.73</b>	1,041.88

Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

March 31, 2016      March 31, 2015

**9 Other current liabilities**

Current maturities of long-term debts (Refer note 4)	<b>2,000.00</b>	7,492.56
Interest accrued and due on borrowings	<b>1,359.58</b>	758.78
Interest accrued but not due on borrowings	<b>71.03</b>	239.69
Unclaimed dividend #	-	0.67
Advance received from customers	<b>76.90</b>	128.10
Dues for capital expenditure	-	112.28
Temporary book overdraft	-	94.52
Unearned income	<b>21.33</b>	18.51
Lease rent liability	-	8.31
Statutory dues	<b>130.19</b>	177.67
Employee benefits payable	<b>1.59</b>	33.78
Others	<b>1.78</b>	8.10
	<b>3,662.40</b>	9,072.97

# An amount of ₹ Nil (2015: ₹ 8,476) is due and outstanding for the credit to Investor Education and Protection Fund.

**10 Short-term provisions**

Provisional estimate for loss on discontinuing of film and media services business	-	2,038.05
<u>Provision for employee benefits</u>		
Leave encashment (Refer Note 6 and Note 45)	<b>0.64</b>	7.71
	<b>0.64</b>	2,045.76

Particulars	Gross block			Accumulated depreciation / amortisation / impairment			Net block	
	As at April 1, 2015	Additions during the year (Refer note 5 below)	As at Mar 31, 2016	As at April 1, 2015*	Charge for the year	Deductions during the year (Refer note 5 below)	As at Mar 31, 2016	As at March 31, 2015
<b>I. Owned Assets</b>								
<b>A. Tangible assets</b>								
Leasehold land	844.20	-	<b>844.20</b>	-	-	-	-	844.20
Buildings:								
Leasehold	5,333.92	-	<b>971.30</b>	1,638.91	154.16	1,469.15	<b>323.92</b>	3,695.01
Freehold	274.28	-	<b>274.28</b>	215.23	33.32	-	<b>248.55</b>	59.05
Plant and machinery	4,656.64	0.98	<b>681.99</b>	2,699.32	81.24	2,153.08	<b>627.48</b>	1,957.32
Office Equipment	184.17	-	<b>57.33</b>	145.02	1.83	90.64	<b>56.21</b>	39.15
Furniture and fixtures	523.67	9.34	<b>54.96</b>	374.91	32.74	366.77	<b>40.88</b>	148.76
Vehicles	17.20	-	<b>0.91</b>	13.41	0.04	12.54	<b>0.91</b>	3.79
<b>Total Owned Assets</b>	<b>11,834.08</b>	<b>10.32</b>	<b>2,884.97</b>	<b>5,086.80</b>	<b>303.33</b>	<b>4,092.18</b>	<b>1,297.95</b>	<b>6,747.28</b>
Previous year #	10,776.47	1,148.96	<b>11,834.08</b>	4,285.70	878.85	77.75	<b>5,086.80</b>	6,490.77
<b>B. Leased Assets</b>								
Plant and machinery	588.75	-	-	185.98	28.73	214.71	-	402.77
Office Equipment	26.84	-	-	23.62	-	23.62	-	3.22
Furniture and fixtures	174.41	-	-	91.24	21.93	113.17	-	83.17
<b>Total Leased Assets</b>	<b>790.00</b>	<b>790.00</b>	<b>790.00</b>	<b>300.84</b>	<b>50.66</b>	<b>351.50</b>	<b>300.84</b>	<b>489.16</b>
Previous year	790.00	-	<b>790.00</b>	85.72	215.12	-	<b>300.84</b>	704.28
<b>Total Tangible Assets</b>	<b>12,624.08</b>	<b>10.32</b>	<b>2,884.97</b>	<b>5,387.64</b>	<b>353.99</b>	<b>4,443.68</b>	<b>1,297.95</b>	<b>7,236.44</b>
Previous year	11,566.47	1,148.96	<b>12,624.08</b>	4,371.42	1,093.97	77.75	<b>5,387.64</b>	7,195.05
<b>II. Intangible assets</b>								
Goodwill	1.22	-	-	0.61	-	0.61	-	0.61
Distribution rights	1,624.58	-	<b>1,624.58</b>	1,624.58	-	-	<b>1,624.58</b>	-
Negative rights	1,245.24	-	<b>1,236.78</b>	1,245.24	-	8.46	<b>1,236.78</b>	-
Computer software	126.02	-	-	101.84	2.15	103.99	-	24.18
<b>Total Intangible Assets</b>	<b>2,997.06</b>	<b>1.53</b>	<b>2,861.36</b>	<b>2,972.27</b>	<b>2.15</b>	<b>113.06</b>	<b>2,861.36</b>	<b>24.79</b>
Previous year	2,995.53	-	<b>2,997.06</b>	2,948.98	23.29	-	<b>2,972.27</b>	46.55
<b>Total Assets</b>	<b>15,621.14</b>	<b>10.32</b>	<b>5,746.33</b>	<b>8,359.91</b>	<b>356.14</b>	<b>4,556.74</b>	<b>4,159.31</b>	<b>7,261.23</b>
Previous year	14,562.00	1,150.49	<b>15,621.14</b>	7,320.40	1,117.26	77.75	<b>8,359.91</b>	7,241.60
Capital work in progress								207.91
# - Includes opening provision for impairment - ₹ 55.17								

Notes:

- 1) The amount for discounted cash flows with respect to the finance lease is Nil (Previous Year ₹ 1,314.64)
- 2) Leasehold land in excess of 99 years is not depreciated as this is treated as deemed ownership.
- 3) Gross block of leasehold land and building includes revealed amount of leasehold land having deemed ownership of ₹ 821.63 and building of Nil (Previous Year ₹ 967.37) pursuant to scheme of arrangement carried out in the year ended March 31, 2009.



Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	Year ended March 31, 2016	Year ended March 31, 2015
4) Additions to fixed assets / CWIP include the following expenses capitalised		
Particulars		
Depreciation	-	0.02
Rent	-	5.75
Other operating expenses	-	1.69
	-	7.46

5) Deduction during the year include Assets transfer on account of Business Transfer Agreement & assets held for disposal (Refer note 47 and 48).

Particulars	Adjustment to Gross Block			Total	Adjustment to Accumulated Depreciation			Total
	Transfer of Exhibition assets to CVPL#	Transfer of FMS assets to FMS®	Transfer to assets held for disposal		Transfer of Exhibition assets to CVPL	Transfer to assets held for disposal	Others	
<b>A. Tangible assets</b>								
Leasehold land								
Buildings:								
Leasehold	1,562.34	1,064.86	1,575.33	4,362.62	908.82	304.60	-	1,469.15
Freehold	-	-	-	-	-	-	-	-
Plant and machinery	1,331.90	2,016.07	245.13	3,975.63	809.38	963.29	380.41	2,153.08
Office Equipment	24.48	69.70	32.66	126.84	25.71	33.46	23.71	90.64
Furniture and fixtures	442.21	31.31	4.53	478.05	344.74	20.68	1.35	366.77
Vehicles	-	16.29	-	16.29	-	12.54	-	12.54
Total Owned Assets	3,360.93	3,198.23	1,857.65	8,959.43	2,088.65	1,285.70	710.07	4,092.18
<b>B. Leased Assets</b>								
Plant and machinery	588.75	-	-	588.75	214.71	-	-	214.71
Office Equipment	26.84	-	-	26.84	23.62	-	-	23.62
Furniture and fixtures	174.41	-	-	174.41	113.17	-	-	113.17
Total Leased Assets	790.00	-	-	790.00	351.50	-	-	351.50
<b>II. Intangible assets</b>								
Goodwill	-	-	1.22	1.22	-	-	0.61	0.61
Distribution rights	-	-	-	-	-	-	-	-
Negative rights	-	8.46	-	8.46	-	8.46	-	8.46
Computer software	-	9.17	1.23	126.02	-	9.17	1.23	103.99
<b>Total Intangible Assets</b>	-	17.63	1.23	135.70	-	17.63	1.23	113.06
Total Assets	4,150.93	3,215.86	1,858.88	9,885.13	2,440.15	1,303.33	711.30	4,556.74

# CVPL - Cinemas Ventures Private Limited (formerly known as Reliance MediaVentures Private Limited) (Refer note 48)

@ FMS - Film and Media services business transfer to Prime Focus Limited (Refer note 47)

# Reliance MediaWorks Limited

## Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	March 31, 2016	March 31, 2015
<b>12 Non-current investments</b>		
<b>(a) Investment in equity instruments (non-trade, unquoted at cost)</b>		
<b>Subsidiary companies</b>		
(i) Reliance MediaWorks Theatres Limited 50,000 (2015: 50,000) equity shares ₹ 10/- each, fully paid-up	<b>0.50</b>	0.50
(ii) Global MediaWorks (UK) Limited 10,000 (2015: 10,000) ordinary shares of £ 1 /- each, fully paid-up Less: Provision for diminution in value of long-term investments	<b>0.85</b> <b>(0.85)</b>	0.85 <u>(0.85)</u>
(iii) Reliance MediaWorks (USA) Inc. 200 (2015: 200) common stock with no par value Less: Provision for diminution in value of long-term investments	<b>0.92</b> <b>(0.92)</b>	0.92 <u>(0.92)</u>
(iv) Reliance MediaWorks (Netherlands) B.V. *** 180 (2015: 180) ordinary shares of € 100 each, fully paid up Less: Provision for diminution in value of long-term investments	<b>1.04</b> <b>(1.04)</b>	1.04 <u>(1.04)</u>
(v) Reliance MediaWorks (Mauritius) Limited Nil (2015: 1,000) ordinary shares issued and outstanding with no par value. (₹ 1,550/-)	-	*
(vi) Big Synergy Media Limited 5,100 (2015: 5,100) equity shares of ₹ 100/- each, fully paid-up	<b>64.16</b>	64.16
(vii) Gener8 India Media Services Limited (formerly known as Prime Focus Entertainment Services Limited / Reliance MediaWorks Entertainment Services Limited) Nil (2015: 850,000) shares of ₹ 10 each, fully paid up	-	200.50
(viii) Reliance Lowry Digital Imaging Services Inc.** Nil (2015: 100) shares of \$1 each, fully paid up	-	300.00
(ix) Reliance Media Consultant Private Limited Nil (2015: 10,000) shares of ₹ 10 each, fully paid up	-	0.10
(x) Cinema Ventures Private Limited (formerly known as Reliance MediaVentures Private Limited) Nil (2015: 10,000) shares of ₹ 10 each, fully paid up	-	0.10
(xi) Reliance MediaWorks Creative Services Limited 50,000 (2015: 50,000) shares of ₹ 10 each, fully paid up Less: Provision for diminution in value of long-term investments	<b>0.50</b> <b>(0.50)</b>	0.50 <u>-</u>
<b>Joint ventures</b>		
(i) Divya Shakti Marketing Private Limited 100,000 (2015: 100,000) equity shares of ₹ 10/- each, fully paid-up	<b>32.90</b>	32.90
(ii) Swanston Multiplex Cinemas Private Limited 1,015,000 (2015: 1,015,000) equity shares of ₹ 10/- each, fully paid-up Less: Provision for diminution in value of long-term investments (Refer Note 44)	<b>82.51</b> <b>(82.51)</b>	82.51 <u>(82.51)</u>
<b>(b) Investment in equity instruments (non-trade, quoted at cost)</b>		
<b>Associates</b>		
(i) Prime Focus Limited 104,939,361 (2015: 43,695,446) equity shares of ₹ 1 each, fully paid up	<b>5,456.85</b>	<u>2,272.16</u>
	<b>5,554.41</b>	2,870.92

\* - Indicates a value of less than ₹ 0.005

\*\* - these shares constituted 10% of outstanding shares and balance 90% of outstanding share were held by Reliance MediaWorks (Mauritius) Limited.

\*\*\* - The subsidiary has been dissolved with effect from December 29, 2015

Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	March 31, 2016	March 31, 2015
<b>(c) Investment in preference shares (non-trade, unquoted and at cost)</b>		
<b>Subsidiary companies</b>		
Gener8 India Media Services Limited (formerly known as Prime Focus Entertainment Services Limited / Reliance MediaWorks Entertainment Services Limited)	-	1,200.00
Nil (2015: 1,200,000) 10% Redeemable non-convertible preference shares of ₹ 1 each, fully paid up		
<b>Others</b>		
Reliance Big Entertainment Private Limited	<b>534.82</b>	-
534,819,672 (2015: Nil) Preference shares of ₹ 1 each fully paid up		
	<b>534.82</b>	1,200.00
<b>(d) Investment in Government Securities (trade, unquoted as cost)</b>		
<b>Government securities</b>		
National savings certificates	-	1.41
(Pledged with State government authorities)		
	-	1.41
<b>(e) Investment in Partnership firm (Unquoted)</b>		
(i) HPE / Adlabs LP	<b>199.93</b>	199.93
(Investment in limited partnership)		
Less: Provision for diminution in value of long-term investments	<b>(199.93)</b>	(199.93)
	-	-
<b>Total</b>	<b>6,089.23</b>	<b>4,072.33</b>
(a) Aggregate value of unquoted investments	<b>918.13</b>	2,085.42
Aggregate value of quoted investments	<b>5,456.85</b>	2,272.16
Aggregate market value of quoted investments	<b>5,467.34</b>	1,769.60
Aggregate provision for diminution in value of investments	<b>285.75</b>	285.25
<b>(b) Details of Investment in partnership firm</b>		
Investment in HPE / Adlabs LP		
<b>Name of the partner and share in profits (%)</b>		
Reliance MediaWorks Limited	<b>50.00%</b>	50.00%
Hyde Park Entertainment Inc	<b>50.00%</b>	50.00%
Total Capital of the firm	<b>437.74</b>	437.74

# Reliance MediaWorks Limited

## Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

March 31, 2016      March 31, 2015

### 13 Deferred tax asset

Arising on account of timing difference in:

Provision for leave encashment and gratuity*	-	15.64
Others*	-	107.15
Depreciation/ amortisation*	-	-
Unabsorbed depreciation allowance and carried forward business loss *	-	-
	-	122.79

### Deferred tax liability

Arising on account of timing difference in:

Depreciation/ amortisation	-	122.79
	-	122.79

### Net deferred tax assets

	-	-
	-	-

\* Restricted to the extent of deferred tax liability due to absence of virtual certainty

### 14 Long-term loans and advances

- Unsecured, considered good

Capital advances	-	194.88
Security deposits	100.89	1,112.06
Advance tax, tax deducted at source, advance fringe benefit tax (net of provision for tax of Nil (2015: ₹ 59.45))	131.66	95.09
Prepaid expenses	-	30.91
Advance entertainment tax paid under protest	44.42	44.42
	276.97	1,477.36

Unsecured, considered doubtful;

Capital advance to related party (Refer Note 40)	9.86	9.86
Capital advances - other	171.73	-
Security deposits	17.85	-
	199.44	9.86
Provision for doubtful advances	(199.44)	(9.86)
	-	-

	-	-
	276.97	1,477.36

### 15 Other non-current assets

Interest accrued but not due	-	2.22
Balance with bank - Margin money deposit*	-	4.39
	-	6.61

\*Margin money deposits are under bank lien

Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	March 31, 2016	March 31, 2015
<b>16 Current Investments</b>		
Investment in Mutual Fund		
29,728,894 units of Reliance Liquidity – Growth Option	<b>66.02</b>	-
	<b>66.02</b>	-
<b>17 Inventories</b>		
(valued at lower cost and net realisable value) (Refer note 1.6)		
Stores and spares	-	44.94
Food and beverages	-	28.50
	-	73.44
<b>18 Trade receivables</b>		
- Unsecured, considered good		
Debts outstanding for a period exceeding six months from the date they are due for payments	<b>34.59</b>	1,350.56
Other debts	<b>38.63</b>	143.15
	<b>73.22</b>	1,493.71
- Unsecured, considered doubtful		
Debts outstanding for a period exceeding six months from the date they are due for payments	<b>1,159.31</b>	357.27
Others debts	-	-
	<b>1,159.31</b>	357.27
Provision for doubtful debts	<b>(1,159.31)</b>	(357.27)
	-	-
	<b>73.22</b>	1,493.71
<b>19 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Balances with banks		
- in current accounts	<b>40.84</b>	22.20
Cash on hand	<b>0.20</b>	8.94
	<b>41.04</b>	31.14
<b>Other bank balances</b>		
- in dividend accounts	-	0.67
- in fixed deposit account maturing with in a year	<b>184.66</b>	-
- in margin money deposit maturing with in a year*	<b>72.06</b>	151.47
	<b>256.72</b>	152.14
	<b>297.76</b>	183.28
*Margin money deposits are under bank lien		
<b>20 Short-term loans and advances</b>		
- Unsecured, considered good		
Loans and advances to related parties (Refer note 40 and 42)		
- subsidiaries	<b>68.58</b>	2,584.99
- joint ventures	<b>21.77</b>	21.77
Loans and advances to others	<b>500.00</b>	500.00
Security deposits	<b>0.15</b>	13.36

# Reliance MediaWorks Limited

## Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	<b>March 31, 2016</b>	March 31, 2015
Balances with government authorities	<b>16.80</b>	49.74
Prepaid expenses	<b>22.92</b>	85.57
Others*	<b>145.90</b>	110.71
	<b>776.12</b>	3,366.14
- Unsecured, considered doubtful		
Loans and advances to related parties - Subsidiaries (Refer note 40 and 42)	<b>4,948.69</b>	5,640.78
Loans to others	<b>59.48</b>	59.48
Others*	<b>247.46</b>	138.17
Provision for doubtful advances and others	<b>(5,255.63)</b>	(5,838.43)
	-	-
*includes advances / deposit to vendors and other receivables		
	<b>776.12</b>	3,366.14
<b>21 Other current assets</b>		
Unbilled revenue	-	9.04
Assets held for disposal (Refer note 47)	<b>1,452.16</b>	-
Interest accrued on fixed deposits	<b>3.25</b>	2.30
Interest accrued on loans to related parties - subsidiaries (Refer note 40)	<b>10.53</b>	22.99
	<b>1,465.94</b>	34.33
<b>22 Revenue from operation</b>		
<b>(a) Theatrical exhibition</b>		
Sale of tickets	<b>1,476.44</b>	2,928.43
Less: Entertainment tax	<b>339.01</b>	651.24
	<b>1,137.43</b>	2,277.19
Advertisements / sponsorship revenue	<b>103.21</b>	286.61
Facilities provided at multiplex	<b>59.34</b>	175.00
Food and beverages	<b>386.28</b>	784.96
Others	<b>33.36</b>	<b>54.03</b>
	<b>1,719.62</b>	3,577.79
<b>(b) Film production services</b>		
Processing / printing of films	<b>4.79</b>	247.08
Equipment / facility rental income	<b>1.33</b>	198.87
Trading income	-	0.47
Others	-	<b>9.24</b>
	<b>6.12</b>	455.66
<b>(c) Film/content production, distribution and related services</b>	<b>55.00</b>	4.26
	<b>1,780.74</b>	4,037.71
<b>Details of revenue from operation</b>		
Sale of services	<b>168.67</b>	903.89
Sale of products	<b>386.28</b>	798.34
Sale of tickets	<b>1,137.43</b>	2,277.19
Others	<b>88.36</b>	58.29
	<b>1,780.74</b>	4,037.71

Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

For the year ended March 31, 2016 For the year ended March 31, 2015

**23 Other income**

Dividend income from:		
- Subsidiary (Refer note 40)	<b>33.97</b>	-
Interest income from:		
- Banks	<b>18.81</b>	13.51
- Interest on income tax*	<b>21.22</b>	-
- Loans, advances and others	<b>48.54</b>	34.76
Rental income	<b>33.60</b>	-
Gain on sale of current investments	<b>2.32</b>	4.55
Foreign exchange gain (net)	<b>17.11</b>	20.46
Profit on sale of equity shares	<b>0.20</b>	-
Bad debts recovered / provisions written-back	<b>10.19</b>	45.01
Sundry balances written-back (net)	<b>159.53</b>	11.59
Miscellaneous income	<b>7.09</b>	4.50
	<b>352.58</b>	134.38

\*Refund pertaining to prior periods

**24 Direct operational expenses**

Distributors share	<b>474.17</b>	986.15
<u>Cost of food and beverage sold</u>		
Opening stock	<b>28.50</b>	31.32
Purchases	<b>79.30</b>	232.58
Less: closing stock	-	28.50
	<b>107.80</b>	235.40
<u>Cost of raw films sold</u>		
Opening stock	-	2.28
Purchases	-	0.24
Less: closing stock	-	-
	-	2.52
<u>Chemical consumed</u>		
Opening stock	-	0.50
Purchases	-	1.56
Less: closing stock	-	-
	-	2.06
Consumables	<b>0.08</b>	2.94
Electricity, power and water charges	<b>164.47</b>	436.31
Print, publicity expenses and producers overflow	<b>1.08</b>	2.67
Show tax, INR charges etc	<b>4.18</b>	10.22
Processing charges	<b>0.20</b>	14.68
Other direct expenses	<b>0.68</b>	20.31
	<b>752.66</b>	1,713.26

**25 Employee benefits expenses**

Salaries and wages	<b>110.41</b>	504.51
Contribution to provident and other funds	<b>17.29</b>	31.08
Leave encashment	<b>3.66</b>	15.90
Staff welfare expenses	<b>4.64</b>	15.95
	<b>136.00</b>	567.44

# Reliance MediaWorks Limited

## Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>26 Finance cost (net)</b>		
On term loans and debentures	710.71	1,265.46
On finance lease	67.53	202.97
On other loans	2,267.89	1,439.32
On Others	2.05	5.32
	<b>3,048.18</b>	2,913.07
Finance charges	78.74	103.17
	<b>3,126.92</b>	3,016.24
<b>27 Other expenses</b>		
Advertisement	33.12	96.54
Bank charges	5.09	21.59
Rent	336.59	918.25
Rates and taxes	89.07	269.99
Commission and brokerage	-	4.13
Travelling and conveyance	8.58	28.88
Labour charges	69.78	199.59
Insurance	-	18.34
Legal and professional fees (also refer note 37)	118.06	38.78
Directors sitting fees	0.45	0.61
Printing and communication	10.58	45.86
Provision for demutation in value of long term investment	0.50	-
Loss on sale of assets / discarding of assets (net)	-	3.18
Capital work-in-progress written-off	11.69	26.43
Sundry balances written-off	7.18	85.65
Provision for doubtful debts / advances net of doubtful debts / advances written back ₹ Nil (2015: ₹ 105.87)	1,234.41	22.46
Facility maintenance charges	50.48	156.56
Repairs and maintenance		
- Building	0.86	1.63
- Machinery	27.98	92.94
- Others	16.07	51.81
Miscellaneous expenses	6.76	18.39
	<b>2,027.25</b>	2,101.61
<b>28. Contingent liabilities</b>		
<b>On account of</b>	<b>March 31, 2016</b>	March 31, 2015
<b>Central excise</b>		
Disputed central excise demand pending with the Central Excise and Service Tax Appellate Tribunal	50.46	50.46
<b>Value added tax</b>		
Disputed value added tax demand pending for various states	70.63	43.14
<b>Service tax</b>		
Disputed Service Tax demand pending with the Central Excise and Service Tax Appellate Tribunal	1,000.25	766.70
<b>Income tax</b>		
Disputed liability in respect tax deduction at source, matter is pending with Commissioner of Income tax (Appeals)	68.05	68.57



Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

**On account of**

**March 31, 2016**      March 31, 2015

Disputed Tax liability in respect of Rave Entertainment Private Limited (REPL), REPL was a wholly owned subsidiary of the Company and was merged with it w.e.f. April 1, 2008. A demand has been received for REPL matter for assessment year 2009-10, for which appeal is pending with the Hon'ble High Court.

**178.72**      178.72

The Company has received notice of demand under Section 156 of Income Tax Act, 1961 for A.Y. 2011-12 on completion of the assessment towards Tax liability in respect of interest u/s 244A.

**6.54**      6.54

**Entertainment tax**

In respect of certain multiplexes, the Company has made an application for availing exemption under the relevant Act retrospectively from the date of commencement of the operations of the said multiplex and the application is pending approval

**1.29**      1.29

In respect of certain multiplexes, the Company is in dispute with the entertainment tax authorities regarding eligibility for availing exemption under the relevant Act

**113.20**      113.20

The Company shall be liable to pay the entertainment tax in the event that the multiplexes do not continue operations for a period of 10 years from the respective dates from which they commenced their operations

-      1,464.24

The Company has engaged the services of a Contractor for the purpose of deploying personnel at its cinemas. During the tenure of the contract, the Company has paid the Contractor, amounts payable towards employers contribution to provident fund (PF) amounting to ₹ 29.42 on a regular basis. The Company has learnt that the Contractor has failed to deposit appropriate amounts for employee and employer contribution amounting to approximately ₹ 58.84 with the PF authorities and the Company apprehends that some portion of the aforesaid amount which was supposed to be deposited in the individual accounts of the Personnel by the Contractor may have actually been mis-appropriated by the Contractor. The Company has filed a criminal complaint against the Contractor and the matter is currently under investigation. Some employees have raised a claim against the Company for amounts due to them in a District Consumer Forum, where they have received favourable judgements, however the Company is confident of reversal of the said judgement in the higher forums, where it has preferred an appeal and stay has been granted till further order.

-      -

Claims against Company not acknowledged as debts

**1,397.28**      1,483.10

**Guarantees**

Guarantees given to banks and others for loans / credit facilities given to Subsidiary Companies

-      1,188.23

Guarantee given to a Service providers in respect of Subsidiary Companies

**496.35**      582.22

**Note:**

- a) The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.
- b) The amounts are excluding penalty and interest if any that would be levied at the time of final conclusion.

**29. Commitments**

**Particulars**

**March 31, 2016**      March 31, 2015

Estimated amount of contract remaining to be executed on capital account and not provided for, net of advances (for fixed assets)

-      27.79

**Other commitments**

- Company has issued letter of financial support to some of its wholly owned foreign subsidiaries.
- Preference shares shall be redeemed at the end of 20 years from the date of allotment. Each Preference shares shall be redeemed at a premium calculated in a manner that gives the holder an yield of 10% p.a. (till date of redemption) on issue price of ₹ 1,000 (including premium of ₹ 995) after deduction of dividend, if declared during the tenure. However, the premium on redemption will be paid only to the original subscribers or to the transferees if the transfers have been previously approved by the Company. Yield on preference shares of ₹ 1,181.62 (current year increase of ₹ 295.00) as at the balance sheet will be paid as premium at the time of redemption.

# Reliance MediaWorks Limited

## Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

30. Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises (MSME). On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the MSME.

Particulars	March 31, 2016	March 31, 2015
Principal amount due to any supplier as at the year end	1.23	1.23
Interest due on the principal amount unpaid at the year end to any supplier	-	-
Amount of Interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Payment made to the enterprises beyond appointed date under section 16 of MSMED	-	-
Amount of interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the period, but without adding the interest specified under MSMED	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above is actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED.	-	-

### 31. Terms of long-term borrowings

- i. The Company had issued 11% 3,500 secured redeemable non-convertible debentures (Debentures) amounting ₹ 3,500 having face value of ₹ 1,000,000 each on a private placement basis. The said Debentures were listed on National Stock Exchange (NSE) w.e.f. May 7, 2012. The current outstanding for the debentures is ₹ Nil (2015: ₹ 1,250). The Debentures were secured by first pari passu charge on the all assets of the Company and some of its Indian subsidiaries, along with corporate guarantee by a promoter and were repayable in three instalments i.e. March 1, 2014 (₹ 1,000), March 1, 2015 (₹ 1,250) and March 1, 2016 (₹ 1,250).
- ii. Term loan amounting to ₹ Nil (2015: ₹ 3,860) was taken from a bank during the previous periods. The loan was taken by the Company for a period of seven years from the date of disbursement i.e. August 2013 and repayable in unequal quarterly instalments over the tenor of the loan. The loan was secured by first pari passu charge on the fixed assets and current assets of the Company along with corporate guarantee by a promoter. The loan was transferred to Cinema Ventures Private Limited during the year pursuant to transfer of the exhibition business (Refer note 48).
- iii. Term loan amounting to ₹ 2,000 (2015: ₹ 2,000) was taken from a bank during the previous periods. The loan was taken by the Company for a period of three years from the date of disbursement i.e. February 2014 and payable at the end of the tenor of the loan. The loan is secured by second pari passu charge on the fixed assets and first pari passu charge on current assets of the Company along with corporate guarantee by a promoter.
- iv. Term loan amounting to ₹ Nil (2015: ₹ 93.75) was taken from a bank during the year 2010-11. The loan was taken by the Company for a period of five years from the date of disbursement and repayable in sixteen equal quarterly instalments of ₹ 93.75 commencing from the date falling 12 Months after date of drawl. The loan was secured by first pari passu charge on the fixed assets of the Company.
- v. Unsecured inter-corporate deposits of ₹ Nil (2015: ₹ 5,173) taken from Corporates are at interest rate of 13% and repayable in two years from the date of drawl of loan in January 2014.
- vi. Unsecured inter-corporate deposit of ₹ 20,856.60 (2015: ₹ Nil) taken from Corporate are at interest rate of 11.25 % to 13% and repayable in three years from the date of their respective drawl of loans taken during current year.
- vii. Finance lease obligations are for theatrical equipment's taken on a long term lease wherein the Company had an option to purchase the assets at a nominal amount at the end of lease term. The finance lease obligations were transferred to Cinema Ventures Private Limited during the year pursuant to transfer of the exhibition business (Refer note 48).
- viii. Interest rates on secured loans are ranging from 10.5% to 12.75% and on unsecured loan are ranging from 11.25% to 15.33%.
- ix. The above amount includes :

Particulars	March 31, 2016	March 31, 2015
Secured borrowings	2,000.00	7,203.75
Unsecured borrowings	20,856.60	6,487.64

- x. Debts guaranteed by a promoter is ₹ 2,000 (2015: ₹ 7,110)

Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

**32. Terms of short-term borrowings**

- i. Cash credit of ₹ Nil (2015: ₹ 17.33) is secured by pari passu first charge on moveable fixed assets and current assets of the Company, repayable on demand.
- ii. Cash credit of ₹ Nil (2015: ₹ 116.32) is unsecured and repayable on demand.
- iii. Secured loan amounting to ₹ 520 (2015: ₹ 2,020) taken from a non-banking financial company, is repayable in four unequal instalments over twelve months after the date of disbursement and is secured by second charge two owned theatrical properties of the company including all assets therein, and all movable fixed assets and current assets of the Company (excluding assets of film and media services business) and pledge of specified number of shares of Prime Focus Limited. The said charge creation is pending.
- iv. Secured loan amounting to ₹ 250 (2015: ₹ 250) taken from a non-banking financial company, is repayable in twelve months after the date of disbursement and is secured by charge on receivables from counters.
- v. Unsecured inter-corporate deposit of ₹ 350 (2015: ₹ 10,775.50) taken from Corporate are at interest rate of 11.25% to 13% per annum and repayable in six months to one years from the date of their respective drawl of loan.
- vi. Interest rates on secured loans are ranging from 13.00% to 14.50 % and on unsecured loan are ranging from 11.25% to 14.50%.
- vii. The above amount includes :

Particulars	March 31, 2016	March 31, 2015
Secured borrowings	770.00	2,287.33
Unsecured borrowings	350.00	10,891.82

**33. Value of chemicals and consumables**

Particulars	Year ended March 31, 2016		Year ended March 31, 2015	
	-	%	-	%
Imported	-	-	4.42	88.40
Indigenous	-	-	0.58	11.60
<b>Total</b>	-	-	5.00	100.00

**34. Expenditures in foreign currency (on accrual basis)**

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Travelling	0.22	2.12
Others	-	6.10
<b>Total</b>	0.22	8.22

**35. Value of imports on CIF basis (on accrual basis)**

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Chemicals, consumables and spare parts	-	7.46
Capital goods	-	13.57
<b>Total</b>	-	21.03

**36.** Earnings in foreign exchange (on accrual basis) during the year is ₹ Nil (2015: ₹ Nil)

**37. Auditors fee:**

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Audit fees	0.98	3.00
Other attestation fees	0.06	0.14
Reimbursement of out of pocket expense	-	0.25
<b>Total</b>	1.04	3.39

### 38. Lease disclosure under AS 19 – 'Leases'

#### A. Operating leases

The Company was obligated under non-cancellable operating leases primarily for theatres and office premises and equipment's which are renewable thereafter as per the term of the respective agreements.

The future minimum lease payments in respect of non-cancellable operating lease are as follows:

Particulars	Minimum lease payments	
	March 31, 2016	March 31, 2015
Amounts due within one year from the balance sheet date	-	708.65
Amounts due in the period between one year and five years	-	2,432.22
Amount due after five years	-	4,366.06
<b>Total</b>	-	<b>7,506.93</b>

Amount payable within lock-in-period is ₹ Nil (2015: ₹ 2,834.32).

Amount debited to statement of profit and loss for lease rental is ₹ 336.59 (2015: ₹ 918.25) (excluding amount capitalized ₹ Nil (2015: ₹ 5.75))

#### B. Finance leases

The Company was obligated under non-cancellable finance leases primarily for theatrical equipment's and fixtures. In these cases the Company had an option for purchasing the assets at the end of the lease term for a nominal price.

The future minimum lease payments in respect of non-cancellable finance lease are as follows:

Particulars	March 31, 2016			March 31, 2015		
	Future minimum lease payments	Present value of future minimum lease payment	Finance charge	Future minimum lease payments	Present value of future minimum lease payment	Finance charge
Amounts due within one year from the balance sheet date	-	-	-	973.00	815.81	157.19
Amounts due in the period between one year and five years	-	-	-	610.00	498.83	111.17
<b>Total</b>	-	-	-	<b>1,583.00</b>	<b>1,314.64</b>	<b>268.36</b>

Note: During the current year, the finance lease and operating lease obligations were transferred to Cinema Ventures Private Limited (CVPL) pursuant to transfer of exhibition business, hence the Company is no longer liable for payment of future lease payments, until CVPL has defaulted on payment and demand is made on the Company. Currently, there are no claims against the said leases.

### 39. Disclosure of Segment Reporting under AS 17 – 'Segment disclosures'

As per Accounting Standard (AS) 17 on "Segment Reporting", segment information has been provided in the notes to consolidated financial statements.

### 40. Disclosure of Related Party under AS 18 – 'Related party disclosures'

#### Parties where control exists

Holding Company

- Reliance Land Private Limited ('RLPL')

Subsidiary Companies

- Global MediaWorks (UK) Limited ('GMW-UK')
- Reliance MediaWorks (USA) Inc. ('RMW-US')
- Reliance MediaWorks (Netherlands) B.V. (Dissolved on December 29, 2015) ('RMW - BV')

Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

- Reliance MediaWorks (Mauritius) Limited (upto April 7, 2015) ('RMW - M')
- Reliance MediaWorks Theatres Limited ('RMTL')
- Big Synergy Media Limited ('BSML')
- Gener8 India Media Services Limited (formerly known as Prime Focus Entertainment Services Limited / Reliance MediaWorks Entertainment Services Limited) (upto April 7, 2015) ('Gener8 India')
- Reliance Media Consultant Private Limited (upto February 18, 2016) ('RMCP')
- Cinema Ventures Private Limited (formerly known as Reliance MediaVentures Private Limited) (upto July 31, 2015) ('CVPL')
- Reliance MediaWorks Creative Services Limited (w.e.f. July19, 2014), (applied for fast track exit on March 23, 2016) ('RMCSL')

**Step down Subsidiary Companies**

- Big Cinemas Entertainment LLC
- Big Cinemas Entertainment (DE) LLC
- Big Cinemas Laurel LLC
- Big Cinemas Falls Church LLC
- Big Cinemas Norwalk LLC
- Big Cinemas Galaxy LLC
- Big Cinemas Sahil LLC
- Big Cinemas SAR LLC (Dissolved on April 3,2015)
- Phoenix Big Cinemas Management LLC (upto December 31, 2014)
- Big Cinemas Phoenix LLC (upto December 31, 2014)
- Big Cinemas Exhibition LLC (upto March 4, 2015)
- Big Cinemas IMC LLC
- Big Pictures USA Inc.
- Reliance Media & Marketing Communications LLC (upto March 4, 2015)
- Reliance Lowry Digital Imaging Services Inc. (upto April 7, 2015) ('Lowry')
- Reliance Media Works VFX Inc.
- Reliance MediaWorks Creative Services Limited (upto July18, 2014)

**Other related parties**

**(a) Significant Shareholders, Key Managerial Personnel and their relative**

- Satish Kadakia – Whole-time Director (w.e.f June 22, 2015)
- Venkatesh Roddam – Chief Executive Officer
- Mohan Umrotkar – Chief Financial Officer
- Neelam Samant – Company Secretary (w.e.f. November 5, 2014)
- Ashish Agarwal– Manager appointed under section 269 of the Companies Act, 1956. (upto August 22, 2014)

**(b) Enterprise over which Company has significant influence**

- HPE / Adlabs LP

**(c) Joint Ventures**

- Divya Shakti Marketing Private Limited ('DSMPL')
- Swanston Multiplex Cinemas Private Limited ('SMCP')

**(d) Associates**

- Prime Focus Limited (w.e.f. January 20, 2015) ('PFL')

# Reliance MediaWorks Limited

Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

Transactions	Holding Company		Subsidiaries Companies		Key Managerial Personnel		Joint venture		Associates	
	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY
<b>Rendering of services</b>										
BVML	-	-	-	4.96	-	-	-	-	-	-
RMTL	-	-	<b>0.14</b>	0.67	-	-	-	-	-	-
PFL	-	-	-	-	-	-	-	-	-	18.12
<b>Interest income</b>										
DSMPL	-	-	-	-	-	-	<b>2.08</b>	2.61	-	-
RMTL	-	-	<b>6.17</b>	5.53	-	-	-	-	-	-
Gener8 India	-	-	<b>0.76</b>	20.12	-	-	-	-	-	-
RMCPPL**	-	-	-	-	-	-	-	-	-	-
CVPL**	-	-	-	-	-	-	-	-	-	-
<b>Dividend income</b>										
BVML	-	-	<b>33.97</b>	-	-	-	-	-	-	-
<b>Interest expenses</b>										
RLPL	<b>135.15</b>	70.15	-	-	-	-	-	-	-	-
<b>Receiving of services</b>										
Gener8 India	-	-	-	0.61	-	-	-	-	-	-
<b>Reimbursement of expenses</b>										
SMCPPL	-	-	-	-	-	-	-	0.03	-	-
RMCSL	-	-	-	(0.46)	-	-	-	-	-	-
DSMPL	-	-	-	-	-	-	-	(0.69)	-	-
<b>Managerial remuneration</b>										
Ashish Agarwal	-	-	-	-	-	1.64	-	-	-	-
Venkatesh Roddam	-	-	-	-	<b>17.07</b>	17.99	-	-	-	-
Mohan Umrotkar	-	-	-	-	<b>11.45</b>	9.58	-	-	-	-
Neelam Samant	-	-	-	-	<b>1.10</b>	0.33	-	-	-	-
Satish Kadakia	-	-	-	-	<b>1.65</b>	-	-	-	-	-
<b>Loan given</b>										
RMCPPL	-	-	<b>0.14</b>	0.05	-	-	-	-	-	-
CVPL	-	-	<b>7.83</b>	0.13	-	-	-	-	-	-
Gener8 India	-	-	<b>868.00</b>	319.91	-	-	-	-	-	-
RMTL	-	-	<b>0.70</b>	58.50	-	-	-	-	-	-
<b>Loans received back</b>										
Gener8 India***	-	-	-	50.00	-	-	-	-	-	-
RMCPPL	-	-	<b>0.24</b>	-	-	-	-	-	-	-
DSMPL	-	-	-	-	-	-	<b>2.52</b>	-	-	-
RMTL	-	-	<b>0.70</b>	-	-	-	-	-	-	-
<b>Loan taken</b>										
RLPL	<b>5,550.00</b>	3,870.00	-	-	-	-	-	-	-	-
<b>Loan repaid</b>										
RLPL	<b>3,870.00</b>	-	-	-	-	-	-	-	-	-
<b>Purchase of investment</b>										
Gener8 India	-	-	-	0.50	-	-	-	-	-	-

Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

Transactions	Holding Company		Subsidiaries Companies		Key Managerial Personnel		Joint venture		Associates	
	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY
<b>Subscription of equity shares for cash</b>										
PFL	-	-	-	-	-	-	-	-	1,200.00	-
<b>Sale of business undertakings</b>										
CVPL	-	-	6,700.00	-	-	-	-	-	-	-
PFL	-	-	-	-	-	-	-	-	3,500.00	-
<b>Guarantee cancelled</b>										
RMW – US	-	-	237.90	-	-	-	-	-	-	-
<b>Guarantees outstanding</b>										
RMW – US	-	-	496.35	707.43	-	-	-	-	-	-
Gener8 India	-	-	-	1,063.02	-	-	-	-	-	-
<b>Net outstanding balance as at year end #</b>										
RMW – US @	-	-	3,782.36	3,782.36	-	-	-	-	-	-
GMW – UK	-	-	1,227.18	1,227.18	-	-	-	-	-	-
RMW – M \$\$	-	-	-	1,524.31	-	-	-	-	-	-
RMTL	-	-	80.61	74.81	-	-	-	-	-	-
RMW – BV	-	-	19.96	19.96	-	-	-	-	-	-
BSML @	-	-	18.53	18.53	-	-	-	-	-	-
Gener8 India \$\$	-	-	-	1,666.74	-	-	-	-	-	-
RMCP\$\$	-	-	-	0.10	-	-	-	-	-	-
CVPL \$\$	-	-	-	0.24	-	-	-	-	-	-
DSMPL	-	-	-	-	-	-	19.24	18.34	-	-
SMCPL	-	-	-	-	-	-	0.08	0.08	-	-
PFL	-	-	-	-	-	-	-	-	(5.57)	24.60
RLPL	(5,578.53)	(3,933.13)	-	-	-	-	-	-	-	-

CY- Year ended March 31, 2016

PY- Year ended March 31, 2015

\*amount written off during the year ₹ 2.08 (2015: ₹ 2.61)

\*\* indicate amount less than ₹ 0.005

\*\*\*During the previous year, Gener8 India one of the subsidiaries has assigned the advance of ₹ 50 to the Company.

\$\$ Following companies have ceased to related parties during the year subsequent to sale / transfer of shares held by the Company:

@The Company has provided the following amounts pertaining to its subsidiaries.

During the year ended March 31, 2016 ₹ 3.64 for BSML

During the previous year ended March 31, 2015 ₹ 550.50 for RMW – US

# The Company has made provision to related parties as:

RMW – US ₹ 3,782.36 (2015: ₹ 3,782.36)

RMW – M ₹ 1,227.18 (2015: ₹ 1,227.18)

RMW – BV ₹ 19.96 (2015: ₹ 19.96)

GMW – UK ₹ 1,227.18 (2015: ₹ 1,227.18)

BSML – ₹ 3.64 (2015: ₹ Nil)

**Note**

1. Company had issued 11% 3,500 secured redeemable non-convertible debentures (Debentures) amounting ₹ 3,500 having face value of ₹ 1,000,000 on a private placement basis. The current outstanding for the debentures is ₹ Nil (2015: ₹ 1,250). The Debentures are secured by first pari passu charge on the all assets of the Company and some of its Indian subsidiaries.
2. The Company has provided for diminution in the value of investments for its subsidiaries during the year ended March 31, 2016 – ₹ 0.50 for RMCSL & for previous year ended March 31, 2015 – ₹ 0.92 for RMW – US – ₹ 0.85 for GMW – UK and ₹ 1.04 for RMW – BV.

# Reliance MediaWorks Limited

## Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

### 41. Earnings per share ('EPS')

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Net (loss) after tax	<b>(1,971.25)</b>	(6,935.07)
Weighted average number of equity share outstanding during the year for basic / dilutive EPS	<b>193,208,831</b>	193,208,831
Basic EPS	<b>(10.20)</b>	(35.89)
Dilutive EPS	<b>(10.20)</b>	(35.89)
Nominal value per share	<b>5.00</b>	5.00

### 42. Loans and advances in the nature of loans given to Subsidiaries and Joint ventures:

#### A) Loans and advances in the nature of loans:

Name of the Company	Particulars	As at March 31, 2016	As at March 31, 2015	Maximum balance during the year
Global MediaWorks (UK) Limited	Subsidiary	<b>1,187.08</b>	1,187.08	1,187.08
Reliance MediaWorks (Mauritius) Limited	Subsidiary	-	1,524.31	1,524.31
Reliance MediaWorks (Netherlands) B.V.	Subsidiary	<b>19.96</b>	19.96	19.96
Reliance MediaWorks (USA) Inc.	Subsidiary	<b>3,741.56</b>	3,741.56	3,741.56
Gener8 India Media Services Limited (formerly known as Prime Focus Entertainment Services Limited / Reliance MediaWorks Entertainment Services Limited)	Subsidiary	-	1,689.93	2,557.93
Reliance MediaWorks Theatres Limited	Subsidiary	<b>68.67</b>	62.61	68.67
Reliance Media Consultant Private Limited	Subsidiary	-	0.10	0.24
Cinema Ventures Private Limited (formerly known as Reliance MediaVentures Private Limited)	Subsidiary	-	0.23	0.23
<b>Total</b>		<b><u>5,017.27</u></b>	<b><u>8,225.78</u></b>	
Divya Shakti Marketing Private Limited	Joint venture	<b>21.77</b>	21.77	21.77
<b>Total</b>		<b><u>21.77</u></b>	<b><u>21.77</u></b>	

(a) Loans and advance shown above, to subsidiaries fall under the category of loans and advances in nature of loans where there is no repayment schedule and re-payable on demand.

(b) Loans to employee as per Company's policy are not considered.

### 43. Foreign currency exposures (other than investments) not covered by forward contracts

Particulars	Currency	As at March 31, 2016		As at March 31, 2015	
		Amount – foreign currency (Million)	Amount – Indian rupees	Amount – foreign currency (Million)	Amount – Indian rupees
Trade and other receivables	USD	<b>62.31</b>	<b>3,753.01</b>	89.42	5,313.52
	GBP	<b>12.08</b>	<b>1,227.18</b>	12.08	1,227.18
	EURO	<b>0.24</b>	<b>20.23</b>	0.24	20.23
Trade and other payables	USD	-	-	0.11	7.07
	GBP	-	-	0.01	0.58
	EURO	-	<b>0.08</b>	-	0.08



Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

**44. Interest in Joint ventures**

The Company's interests in jointly controlled entities (incorporated Joint Ventures) are:

Name of the company	Country of incorporation	% of ownership interest as at March 31, 2016	% of ownership interest as at March 31, 2015
Swanston Multiplex Cinemas Private Limited	India	50%	50%
Divya Shakti Marketing Private Limited	India	50%	50%

**Details of Joint Venture**

Particulars	March 31, 2016	March 31, 2015
<b>Balance Sheet</b>		
<b>EQUITY AND LIABILITIES</b>		
Shareholders' funds		
(a) Share capital	11.15	11.15
(b) Reserves and surplus	(17.43)	(16.27)
LIABILITIES		
Non-current liabilities		
(a) Long term borrowings	19.91	21.17
(b) Long-term provisions	0.06	0.09
Current liabilities		
(a) Trade payables	5.85	6.00
(b) Other current liabilities	0.75	5.76
(c) Short term provisions	5.78	0.50
<b>Total</b>	<b>26.07</b>	<b>28.40</b>
<b>ASSETS</b>		
Non-current assets		
(a) Fixed assets		
Tangible assets	15.83	16.73
(b) Long-term loans and advances	1.87	1.87
Current assets		
(a) Current Investments	4.50	-
(b) Inventories	0.51	0.39
(c) Trade Receivables	2.29	3.85
(d) Cash and cash equivalents	0.71	5.31
(e) Short-term loans and advances	0.36	0.25
<b>Total</b>	<b>26.07</b>	<b>28.40</b>

# Reliance MediaWorks Limited

## Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

### Statement of Profit and loss

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Revenue</b>		
(a) Revenue from operations	16.52	17.96
(b) Other income	0.41	2.25
<b>Total revenue</b>	<b>16.93</b>	20.21
<b>Expenses</b>		
Direct operation expenses	16.04	5.72
Employee benefits expense	0.82	0.85
Depreciation / amortisation expense	1.14	1.40
Other expenses	0.09	11.94
<b>Total expenses</b>	<b>18.09</b>	19.91
<b>(Loss) / profit before tax</b>	<b>(1.16)</b>	0.30
<b>Tax Expenses</b>		
(1) Current tax	-	-
(2) Short/(Excess) provision for earlier year	-	0.11
<b>(Loss) /profit for the year</b>	<b>(1.16)</b>	0.19
<b>OTHER MATTERS</b>		
Contingent Liabilities	2.13	0.56
<b>Movement of the aggregate Shareholders' funds of the Joint ventures:</b>		
Shareholders' funds as at commencement of the year	(5.12)	(5.31)
Add: Share of (loss) / profits for the year	(1.16)	0.19
Shareholders' funds as at the end of the year	<b>(6.28)</b>	(5.12)

#### 45. Employee benefits

##### Defined contribution plan

Contribution to defined contribution plan, recognized as expense for the year is as under:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Employers contribution to provident fund and other funds	5.32	24.13

##### Defined benefit plan

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measures year each unit separately to build up the final obligation.

Other long term employee benefit comprises encashment of leave. The obligation for leave encashment is recognised based on actuarial valuation carried out using Projected Unit Credit Method. Expenses recognised in the Statement of profit and loss during the year is ₹ 3.66 (2015: ₹ 15.90).

Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

**I. Reconciliation of opening and closing balances of defined benefit obligation**

Particulars	As at March 31, 2016	As at March 31, 2015
<b>Gratuity</b>		
Defined Benefit obligation at the beginning of the year	21.53	20.84
Transfer pursuant to sale of exhibition business (Refer note 48)	(13.19)	-
Transfer pursuant to sale of film and media services business (Refer note 47)	(6.87)	-
Current service cost	4.06	4.41
Interest cost	1.96	2.24
Actuarial loss / (gain)	3.17	0.30
Benefit paid	(8.92)	(6.26)
<b>Defined benefit obligation at year end</b>	<b>1.74</b>	<b>21.53</b>

**II. Reconciliation of opening and closing balances of fair value of plan assets**

Particulars	As at March 31, 2016	As at March 31, 2015
<b>Gratuity</b>		
Fair value of plan assets at commencement of year	9.64	8.90
Actuarial gain/ (loss)	0.04	(0.27)
Expected return on plan assets	0.84	0.77
Employer contribution	10.34	6.50
Benefit paid	(8.92)	(6.26)
<b>Fair value of plan assets at year end</b>	<b>11.94</b>	<b>9.64</b>
Actual return on plan assets	0.89	0.50

**III. Reconciliation of fair value of assets and obligation**

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
<b>Gratuity</b>		
Fair value of plan assets at end of year	11.94	9.64
Present value of obligation at the end of year	1.74	21.53
<b>Amount not Recognized as an Asset (limit in Para 59(b))</b>	<b>3.47</b>	<b>-</b>
<b>Amount recognized in balance sheet as net liability</b>	<b>(6.73)</b>	<b>11.89</b>

**IV. Expense recognized during the year (Under the head 'Employee benefits expense' – Refer note '25')**

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
<b>Gratuity</b>		
Current service cost	4.06	4.41
Interest Cost	1.96	2.24
Expected return on plan assets	(0.84)	(0.77)
Actuarial (gain) / loss	3.13	0.57
Effect of the limit in Para 59 (b)	3.47	-
<b>Net cost</b>	<b>11.78</b>	<b>6.45</b>

**V. Investment details**

% invested as at year ended

Nature of Investment	As at March 31, 2016	As at March 31, 2015
Insurance policies	100%	100%

# Reliance MediaWorks Limited

## Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

### VI. Actuarial assumptions

Particulars	Year ended March 31, 2016 Gratuity (funded) (Indian Assured Lives Mortality) 2006-08 Ult	Year ended March 31, 2015 Gratuity (funded) (Indian Assured Lives Mortality) 2006-08 Ult
Mortality table		
Discount rate (per annum)	8.05%	7.95%
Expected rate of return on plan assets (per annum)	7.5%	7.50%
Rate of escalation in salary (per annum)	7%	7%

### VII. Other disclosures

Particulars	Year ended March 31, 2016	Year ended March 31, 2015	Eighteen month period ended March 31, 2014	Eighteen month period ended September 30, 2012	Year ended March 31, 2011
Present value of plan liabilities	1.74	21.53	20.84	24.39	28.79
Fair value of plan assets	11.94	9.64	8.90	21.56	29.77
(Deficit) / Surplus of the plan	10.20	11.89	(11.94)	(2.83)	0.98
Experience adjustments on plan liabilities [loss / (gain)]	3.17	3.31	5.98	(11.27)	1.24
Experience adjustments on fair value of plan assets [(loss) / gain]	0.04	0.27	0.15	(1.22)	(0.33)

The estimates for rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The expected rate of return on plan assets is determined considering several applicable factors mainly, the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan asset management.

46. The Company's net worth has eroded, however, having regard to financial support from its promoters and further restructuring exercise being implemented 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 assets and liabilities.
47. On July 2, 2014, the Company has entered into a binding term sheet with Prime Focus Limited to sell the film and media services business for a net consideration of ₹ 3,500 after considering assignment of debt of ₹ 2,000. Subsequently, the Company entered into a Business Transfer Agreement ('BTA') with Prime Focus Limited for the sale of the business and the business was transferred effective closing of April 7, 2015.

As of March 31, 2015, pending transfer of the business, the assets pertaining to the film and media services business have been treated as held for disposal and the provisional loss thereon of ₹ 2,038.05 has been disclosed as an exceptional item during the previous year.

During the year Company has partially completed the transfer of business to Prime Focus Limited. As agreed Company has transferred net assets of ₹ 6,872.57. As agreed Prime Focus Limited has issued its shares amounting to ₹ 3,500 at the price of ₹ 52 per share to the Company. Pending receipt of approval, the Company has not transferred assets pertaining to studio business. Accordingly it has also not assigned debts of ₹ 2,000 to Prime Focus Limited. The loss of ₹ 1,334.52 on transfer of film & media services over and above ₹ 2,038.05 provided in previous year has been disclosed as an exception item.

Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

The amounts of revenue and expenses pertaining to the film and media services business are:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>I. Revenue from operations</b>	<b>6.12</b>	455.66
<b>II. Other income</b>	<b>1.91</b>	14.46
<b>III. Total revenue (I+II)</b>	<b>8.03</b>	470.12
<b>IV. Expenses</b>		
Direct operational expenses	<b>0.25</b>	109.03
Employee benefits expense	<b>2.73</b>	207.88
Finance cost (net)	-	3.00
Depreciation and amortisation expense	<b>139.48</b>	367.30
Other expenses	<b>2.00</b>	151.89
<b>Total expenses</b>	<b>144.46</b>	839.10
<b>V. (Loss) before exceptional items and tax (III- IV)</b>	<b>(136.43)</b>	(368.98)
<b>VI. Exceptional items</b>	<b>(1,334.52)</b>	(2,038.05)
<b>VII. (Loss) for the year from discontinuing film and media services operations</b>	<b>(1,470.95)</b>	(2,407.03)

The amounts of assets and liability pertaining to the film and media services business are:

Particulars	As at March 31, 2016	As at March 31, 2015
Carrying amount of assets relating to the discontinued operations	<b>1,452.16</b>	7,724.09
Carrying amount of liabilities relating to the discontinued operations (excluding value of loan of ₹ 2,000 to be assigned)	-	(186.04)
Net assets / (liabilities) relating to the discontinued operations	<b>1,452.16</b>	7,538.05

The cash flows of the film and media services business are:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Net cash flow attributable to the discontinued business		
Cash flow from operating activities	<b>3.05</b>	503.54
Cash flow from investing activities	<b>(868.00)</b>	(317.47)
Cash flow from financing activities	-	(3.00)

48. On November 5, 2014, the Board of Directors of the Company proposed a sale of certain identified properties and common infrastructure on a going concern basis pertaining to the theatrical exhibition business of the Company to its Subsidiary i.e. Cinema Ventures Private Limited (formerly known as Reliance MediaVenture Private Limited) for a consideration of ₹ 6,445 (Net of ₹ 255 received from landlords directly who's cinemas are not transferred to CVPL) which shall be discharged partially through assignment of debt of the Company. Subsequently, a Business Transfer Agreement ('BTA') was entered into by the Company for the transfer of its business to the Subsidiary on December 14, 2014. Also, on December 15, 2014, the Company entered into a Share Purchase Agreement ('SPA') with Carnival Films Private Limited for transfer of the Company's shareholding in the Subsidiary for a consideration of ₹ 22.54. The consideration for the sale of the business to Subsidiary and the sale of shares of the Subsidiary is higher than the book value of assets proposed to be transferred, hence no accounting treatment is given in respect of the same as of March 31, 2015. Subsequently on July 31, 2015 Company has concluded the transaction and received the entire consideration. All the assets and liabilities pertaining to theatrical exhibition business have been transferred to Cinema Ventures Private Limited (formerly known as Reliance MediaVenture Private Limited). The consideration of ₹ 6,445 has been partly paid in cash and partly by way of assignment of debt of the Company. The profit on account of transfer of business aggregating to ₹ 4,138.75 has been disclosed as an exceptional item.

# Reliance MediaWorks Limited

## Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

The gross value of the assets (net of accumulated depreciation) of the theatrical exhibition business which was transferred is ₹ 3,319.18 and the liabilities is ₹ 1,012.93. Further as a part of the transaction, Company has assigned Bank loan of ₹ 3,830.00 and finance lease obligation of ₹ 1,460.06 to Cinema Venture Private Limited (formerly known as Reliance MediaVentures Private Limited).

The amounts of revenue and expenses pertaining to the theatrical exhibition business are:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>I. Revenue from operations</b>	<b>1,719.62</b>	3,577.79
<b>II. Other income</b>	<b>10.19</b>	55.75
<b>III. Total revenue (I+II)</b>	<b>1,729.81</b>	3,633.54
<b>IV. Expenses</b>		
Direct operational expenses	752.40	1,604.23
Employee benefits expense	78.95	286.14
Finance cost (net)	-	206.00
Depreciation and amortisation expense	214.95	735.45
Other expenses	755.74	1,847.16
<b>Total expenses</b>	<b>1,802.04</b>	4,678.98
<b>V. (Loss) before exceptional items and tax (III- IV)</b>	<b>(72.23)</b>	(1,045.44)
<b>VI. Exceptional items</b>	<b>3,628.93</b>	(553.31)
<b>VII. Profit / (Loss) for the year from discontinuing theatrical exhibition business</b>	<b>3,556.70</b>	(1,598.75)

The amounts of assets and liability pertaining to the theatrical exhibition business are:

Particulars	As at March 31, 2016	As at March 31, 2015
Carrying amount of assets relating to the discontinued operations	-	5,951.50
Carrying amount of liabilities relating to the discontinued operations	-	(2600.76)
Net assets/(liabilities) relating to the discontinued operations	-	3,350.74

The cash flows of the theatrical exhibition business are:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Net cash flow attributable to the discontinued business</b>		
Cash flow from operating activities	142.72	(465.59)
Cash flow from investing activities	7.83	(66.08)
Cash flow from financing activities	-	(184.49)

### 49. Exceptional items includes:

#### I. Current year ended March 31, 2016

- a) Loss on transfer of film and media services business to Prime Focus Limited of ₹ 1,334.52 (The amount during the 12 month year ended March 31, 2015 was ₹ 2,038.04) (Also refer note 47)
- b) Profit on transfer of the theatrical exhibition business to Cinema Ventures Private Limited of ₹ 4,138.75. (Also refer note 48)
- c) Profit on sale of shares of Cinema Ventures Private Limited ₹ 22.44. (Also refer note 48)

Notes to the financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

- d) Loss on disposal of assets which are not being transferred to Cinema Ventures Private Limited of ₹ 295.58.
- e) Provision for doubtful advances, deposits, Capital work in progress of the property under development ₹ 236.19

**II. Previous year ended March 31, 2015**

- a. Provisional loss on transfer of film and media services business to Prime Focus Limited of ₹ 2,038.05 (Also refer note 47)
- b. The Company has advanced money to its subsidiary in the United States of America for expansion of its business. Considering the scale down of the subsidiary in the exhibition and film and media services business including transfer of the film and media services business to Prime Focus Limited, the Company has decided to provide for the balance amount of ₹ 553.31 pertaining to amounts advanced to the subsidiary and other receivables including investments in overseas subsidiaries.

50. Pursuant to the Company adopting the useful life of fixed assets as indicated in Part C of Schedule II of the Companies Act, 2013 coming into effect from April 1, 2014, depreciation charge for the previous year ended March 31, 2015 is higher by ₹ 180.33. Further, for assets whose useful life as of April 1, 2014 was nil pursuant to the adoption of revised useful life were ₹ 52.34, which have been fully depreciated and included as expense for the previous year.

51. Details of loans given, investments made and guarantee given covered u/s 186 (4) of the Companies Act, 2013.

Sr. No.	Name of the Company	As at 31st March 2016	As at 31st March 2015	Purpose
1	Gener8 India Media Services (formerly know as Prime Focus Entertainment Services Limited prior to that Reliance MediaWorks Entertainment Services Limited)	-	1,689.93	Refer Note a
2	Reliance MediaWorks Theatres Limited	62.61	65.16	Refer Note a
3	Reliance MediaWorks Consultants Private Limited	-	0.10	Refer Note a
4	Cinema Ventures Private Limited (formerly known as Reliance Media Ventures Private Limited)	-	0.23	Refer Note a

Above information is given only in respect of companies to whom loans covered u/s 186 (4) of the Companies Act, 2013 have been given during the year and for loans given to other subsidiary companies, refer note no.39 and 41.

- a. The above loans were given for day-to-day working capital and general corporate purpose and in the ordinary course of business.
- b. No corporate guarantees given, investments made by the Company during the year covered u/s 186 (4) of the Companies Act, 2013, Also refer note 40
- c. For Investments details refer note no. 12

52. Previous year figures have been re-grouped / re-arranged as necessary to confirm to the current year's classification.

As per our report of even date.

**For Chaturvedi & Shah**  
Chartered Accountants  
Firms' Reg No. : 101720W

For and on behalf of the Board

**Parag D. Mehta**  
Partner  
Membership No: 113904

**Shubhdarshini Ghosh**  
Director

**Satish Kadakia**  
Whole-time Director

**Mohan Umrotkar**  
Chief Financial Officer

**Neelam Samant**  
Company Secretary

Mumbai  
August 31, 2016

Mumbai  
August 31, 2016

# Reliance MediaWorks Limited

## Independent Auditor's Report on the consolidated financial statements

### To The Members of Reliance Mediaworks Limited

We have audited the accompanying consolidated financial statements of Reliance MediaWorks Limited ("the Company"), its subsidiary, its associate and joint venture (the Company and its subsidiaries, its associate and its joint venture constitute "the Group"), which comprises the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

### Auditor's Responsibility

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

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the consolidated financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

We believe that the audit evidence obtain by us and the audit evidence obtained by the other auditor in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2016 and their consolidated loss and their consolidated cash flows for the year ended on that date.

### Emphasis of Matters

We draw attention to note no. 40 to the consolidated financial statements which described that the Group's net worth is eroded; the Group has incurred a loss of ₹ 2,156.90 million for the year ended March 31, 2016, indicating the existence of uncertainty that may cast doubt about the Group's ability to continue as a going concern. Considering the matters set out in the said note, this consolidated financial statement is prepared on a going concern basis.

Our opinion is not qualified in respect of this matter.

### Other Matter

- a) We did not audit the financial statements and other financial information of eleven subsidiaries and two joint ventures. The consolidated financial statements includes total assets of ₹ 1,113.91 million as on March 31, 2016 and total revenue of ₹ 264.76 million and net cash outflows aggregating ₹ 11.27 million for the year ended on that date in respect of aforementioned subsidiaries. These financial statements and related other financial information have been audited by other auditors and where applicable, their conversion based on accounting principles generally accepted in India have been reported upon by other accountants whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures is based solely on the reports of the other auditors/ accountants.
- b) The consolidated financial statements also include the Group's share of net loss of ₹ 1,131.35 million for the year ended March 31, 2016 as considered in the consolidated financial statements in respect of an associate, whose financial statements have not been audited by us. These financial information are unaudited for the period April 1, 2015 to June 30, 2015 and audited for the period July 1,



**Independent Auditor's Report on the consolidated financial statements**

2015 to March 31, 2016 by the other auditors and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosure included in respect of this associate is based solely on such unaudited / audited financial information.

- c) Our opinion on the consolidated financial statements and our report on other legal and regulatory requirements below is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

**Report on Other Legal and Regulatory Requirements**

- 1. As required by Section 143(3) of the Act, we report to the extent applicable. 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss and consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated 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) The matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
  - f) On the basis of the written representations received from the directors of the Company as on March 31, 2016 taken on record by the Board of Directors of

the Holding Company and the reports of the statutory auditors of the subsidiary Company incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

- g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us.
  - i) The Group has disclosed the impact of pending litigations on the consolidated financial position of the Group in its consolidated financial statements as referred to in note 28 to the consolidated financial statements.
  - j) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - k) There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Group.

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

**Parag D. Mehta**  
Partner  
Membership No: 113904

Mumbai  
August 31, 2016

## Independent Auditor's Report on the consolidated financial statements

Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' of our Report of even date

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Reliance MediaWorks Limited (hereinafter referred to as "the Holding Company"), its subsidiary companies, its associate and joint venture, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Holding company, its subsidiary companies, its associate and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "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 the respective 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.

#### Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion

on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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

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.

### Qualified Opinion

According to the information and explanations given to us and based on the audit reports of the auditors of Associate Company incorporated in India, the following material weakness has been identified in its Associate Company's internal financial controls over financial reporting as at March 31, 2016:

- a) The Associate Company and two of its subsidiaries incorporated in India did not have documented evidence of the reviews performed in respect of journal entries including those relating to significant management estimates including for unbilled revenues, accruals and assessment of provisioning for various asset balances.
- b) A Subsidiary of the Associate Company incorporated in India did not have documentation in respect of processes and controls for intangible assets currently under development.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material

**Independent Auditor's Report on the consolidated financial statements**

misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in the Other Matters paragraph, except for the effects/possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Holding Company, its subsidiary companies, its associate and joint venture, which are companies incorporated in India has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 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.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Company for the period ended March 31, 2016, and the material weakness does not affect our opinion on the said consolidated financial statements of the Company.

**Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiary companies, two joint ventures and one associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

**For Chaturvedi & Shah**

Chartered Accountants  
Firm's Registration No: 101720W

**Parag D. Mehta**

Partner  
Membership No: 113904

Mumbai  
August 31, 2016

# Reliance MediaWorks Limited

## Consolidated Balance sheet as at March 31, 2016

	Note	March 31, 2016	(Currency: ₹ in Millions) March 31, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	980.79	980.79
(b) Reserves and surplus	3	(17,583.78)	(15,519.51)
		<u>(16,602.99)</u>	<u>(14,538.72)</u>
<b>Minority interest</b>		106.91	133.56
<b>Non-current liabilities</b>			
(a) Long-term borrowings	4	20,856.60	6,198.83
(b) Other long-term liabilities	5	-	181.72
(c) Long-term provisions	6	4.53	45.34
		<u>20,861.13</u>	<u>6,425.89</u>
<b>Current liabilities</b>			
(a) Short-term borrowings	7	1,192.79	13,506.70
(b) Trade payables	8		
- Micro, small and medium enterprises (Refer note 30)		1.23	1.23
- Others		873.77	1,398.50
(c) Other current liabilities	9	3,697.15	9,142.98
(d) Short-term provisions	10	232.26	30.72
		<u>5,997.20</u>	<u>24,080.13</u>
<b>TOTAL</b>		<u><u>10,362.25</u></u>	<u><u>16,100.86</u></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		1,608.21	7,539.31
(ii) Intangible assets		-	101.41
(iii) Capital work-in-progress		-	207.91
(b) Goodwill on consolidation		52.27	517.90
(c) Non-current investments	12	4,860.03	3,060.58
(d) Deferred tax assets (net)	13	6.30	6.74
(e) Long-term loans and advances	14	376.89	1,584.58
(f) Other non-current assets	15	-	6.61
		<u>6,903.70</u>	<u>13,025.04</u>
<b>Current assets</b>			
(a) Current investments	16	70.52	31.52
(b) Inventories	17	4.19	83.84
(c) Trade receivables	18	83.32	1,633.01
(d) Cash and bank balances	19	442.24	394.08
(e) Short-term loans and advances	20	1,058.38	917.13
(f) Other current assets	21	1,799.90	16.24
		<u>3,458.55</u>	<u>3,075.82</u>
<b>TOTAL</b>		<u><u>10,362.25</u></u>	<u><u>16,100.86</u></u>

Significant accounting policies 1

The accompanying notes form an integral part of the financial statements. 1-47

As per our report of even date.

**For Chaturvedi & Shah**  
Chartered Accountants  
Firms' Reg No. : 101720W

**Parag D. Mehta**  
Partner  
Membership No: 113904

**Shubhdarshni Ghosh**  
Director

**Mohan Umrotkar**  
Chief Financial Officer

For and on behalf of the Board

**Satish Kadakia**  
Whole-time Director

**Neelam Samant**  
Company Secretary

Mumbai  
August 31, 2016

Mumbai  
August 31, 2016

Consolidated Statement of profit and loss for the year ended March 31, 2016

	Note	For the year ended March 31, 2016	(Currency: ₹ in Millions) For the year ended March 31, 2015
<b>I . Revenue from operations</b>	<b>22</b>	<b>1,982.15</b>	5,088.80
<b>II. Other income</b>	<b>23</b>	<b>382.82</b>	281.74
<b>III. Total revenue (I+II)</b>		<b>2,364.97</b>	5,370.54
<b>IV. Expenses</b>			
Direct operational expenses	<b>24</b>	<b>844.03</b>	2,234.95
Employee benefit expense	<b>25</b>	<b>194.98</b>	1,062.95
Finance costs (net)	<b>26</b>	<b>3,127.76</b>	3,080.73
Depreciation, amortisation and impairment expense	<b>11</b>	<b>470.15</b>	1,752.41
Other expense	<b>27</b>	<b>2,506.69</b>	3,083.21
<b>Total expenses</b>		<b>7,143.61</b>	11,214.25
<b>V. (Loss) before exceptional items and tax (III- IV)</b>		<b>(4,778.64)</b>	(5,843.71)
<b>VI. Exceptional items (Refer note 43)</b>		<b>3,758.45</b>	-
<b>VII. (Loss) before tax</b>		<b>(1,020.19)</b>	(5,843.71)
<b>VIII (Loss) for the year of continuing operations before tax</b>		<b>(4,454.77)</b>	(2,404.73)
<b>IX. Tax expenses continuing operations</b>			
Current tax		<b>0.14</b>	39.60
Deferred tax (credit)		<b>0.44</b>	(0.66)
(Excess) / short provision for earlier year		<b>(1.21)</b>	(1.20)
<b>X. (Loss) for the year of continuing operations after tax</b>		<b>(4,454.14)</b>	(2,442.47)
<b>XI. Profit / (Loss) for the year of discontinuing operations before tax (Refer Note 41 and 42)</b>		<b>3,434.58</b>	(3,438.98)
<b>XII. Tax expenses discontinuing operations</b>		<b>-</b>	-
<b>XIII. Profit / (Loss) for the year of discontinuing operations after tax</b>		<b>3,434.58</b>	(3,438.98)
<b>XIV. (Loss) after tax and before minority interest and share in associates</b>		<b>(1,019.56)</b>	(5,881.45)
<b>XV. Share of minority</b>		<b>5.99</b>	29.68
<b>XVI. (Loss) before share in Associates</b>		<b>(1,025.55)</b>	(5,911.13)
<b>XVII. Share of loss in Associates</b>		<b>1,131.35</b>	47.82
<b>XVIII. (Loss) for the year</b>		<b>(2,156.90)</b>	(5,958.95)
Earning per equity share (nominal value of share ₹ 5 (2015 : ₹ 5))			
Basic and diluted earnings per share ₹ (Refer note 36)		<b>(11.16)</b>	(30.84)
Earning per equity share from continuing operations (nominal value of share ₹ 5 (2015 : ₹ 5))			
Basic and diluted earnings per share ₹		<b>(23.05)</b>	(12.64)
Significant accounting policies	<b>1</b>		
The accompanying notes form an integral part of the financial statements.	<b>1-47</b>		

As per our report of even date.

**For Chaturvedi & Shah**  
Chartered Accountants  
Firms' Reg No. : 101720W

**Parag D. Mehta**  
Partner  
Membership No: 113904

**Shubhdarshni Ghosh**  
Director

**Mohan Umrotkar**  
Chief Financial Officer

For and on behalf of the Board

**Satish Kadakia**  
Whole-time Director

**Neelam Samant**  
Company Secretary

Mumbai  
August 31, 2016

Mumbai  
August 31, 2016

# Reliance MediaWorks Limited

## Consolidated Cash Flow Statement for the year ended March 31, 2016

(Currency: ₹ in Millions)

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A. Cash flow from operating activities</b>		
Net loss before tax as per Statement of profit and loss	(1,020.19)	(5,843.71)
Adjustment for:		
Depreciation / amortisation / impairment	470.15	1,752.41
(Profit) / Loss on sale / discarding of fixed assets (net)	(1.11)	53.73
Exception items (Refer Note 43)	(3,758.45)	-
Finance cost (net)	3,127.76	3,080.73
Interest income	(92.23)	(171.34)
Bad debts / advances written-off	-	120.56
Sundry balances written-off	8.64	91.18
Provision for doubtful debts written back	(32.54)	-
Capital work-in-progress written off	11.69	26.43
Provision for doubtful debts / advances	1,337.82	179.08
Deferred revenue expenditure written-off	-	69.36
Provision for claims	246.99	-
Gain on sale of current investments	(2.32)	(4.55)
Gain on sale of Non-current investments	(0.20)	-
Unrealised foreign exchange (gain) / Loss	-	181.53
	<u>296.01</u>	<u>(464.59)</u>
Adjustment for:		
(Increase) in trade receivables	(243.33)	(16.04)
Decrease in other receivables	(415.64)	364.77
Decrease / (Increase) in inventories	(39.13)	15.68
(Decrease) / Increase in trade and other payable	(81.31)	(268.08)
<b>Cash used in operating activities</b>	<u>(483.40)</u>	<u>(368.26)</u>
Taxes paid (net of refunds)	(36.07)	35.07
<b>Net cash used in operating activities (A)</b>	<u>(519.47)</u>	<u>(333.19)</u>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	(13.79)	(421.49)
Proceeds from sale of fixed assets	255.61	25.16
Proceed from sale of Business Undertakings	1,165.48	-
Sale of investments - long term - in shares of subsidiary companies	22.66	-
Withdrawals from partnership firm	-	(2.72)
Purchase of investments - long term - in shares of associates	(1,200.00)	(2,224.34)
Purchase of investments - long term - in shares of Others	(534.82)	-
Sale of investments in Associate	1,515.32	-
Purchase of investments in mutual funds - long term	(15.10)	-
Advance towards share application / purchase of shares	-	(20.60)
Purchase of current investments	(131.68)	(19.03)
Proceeds on disposal of non-current investments	-	21.91
Sale of current investments	95.20	-
Interest income	84.40	171.84
Cash used in investing activities	<u>1,243.28</u>	<u>(2,469.27)</u>
Taxes paid (net of refunds)	-	0.18
<b>Net cash used in investing activities (B)</b>	<u>1,243.28</u>	<u>(2,469.09)</u>

Consolidated Cash Flow Statement for the year ended March 31, 2016

(Currency: ₹ in Millions)

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>C. Cash flow from financing activities</b>		
(Repayment) / proceeds from short term borrowings (net)	<b>(12,313.91)</b>	6,701.15
Repayment of long term borrowings	<b>(15,113.76)</b>	(2,044.50)
Proceeds from long term borrowings	<b>29,556.80</b>	-
Unclaimed dividend paid	-	(0.14)
Payment to minority	<b>(32.64)</b>	-
Finance costs (net)	<b>(2,695.81)</b>	(2,348.05)
<b>Net cash flow from financing activities (C)</b>	<b>(599.32)</b>	2,308.46
<b>Net increase / (decrease) in cash and cash equivalent (A+B+C)</b>	<b>124.49</b>	(493.82)
Cash and cash equivalents as at beginning of the year	<b>68.29</b>	574.31
Cash and cash equivalents disposed on sale of subs/ JV's	<b>42.90</b>	13.69
Exchange gain / loss on cash and cash equivalents at the beginning of the year	-	1.48
Cash and cash equivalents as at end of the year (Refer note 19)	<b>149.88</b>	68.29
	<b>124.49</b>	(493.81)

**Non-cash transactions:**

- 1) During the year Company has received shares worth ₹ 3,500.00 from Prime Focus Limited pursuant to sale of film and media services business. (Also refer note 41)
- 2) During the year Company has assigned long term loans of ₹ 3,830.00 and finance lease obligations of ₹ 1,450.13 to Cinema Venture Limited (formerly known as Reliance MediaVentures Private Limited) pursuant to sale of exhibition business to Cinema Ventures Private Limited in discharge of amounts receivable from Cinema Ventures Private Limited for transfer of exhibition business undertaking. (Also refer note 42)

As per our report of even date.

**For Chaturvedi & Shah**  
Chartered Accountants  
Firms' Reg No. : 101720W

**Parag D. Mehta**  
Partner  
Membership No: 113904

Mumbai  
August 31, 2016

For and on behalf of the Board

**Shubhdarshni Ghosh**  
Director

**Mohan Umrotkar**  
Chief Financial Officer

**Satish Kadakia**  
Whole-time Director

**Neelam Samant**  
Company Secretary

Mumbai  
August 31, 2016

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

### Background

(Currency : ₹ in millions)

Reliance MediaWorks Limited ('Reliance MediaWorks' or 'the Company') was incorporated in 1987 as a Private Limited Company and is currently a Public Limited Company.

The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited till May 6, 2014. Reliance MediaWorks was primarily engaged in theatrical exhibition, film production services and television and film production and distribution and related services. The Company currently owns properties for letting out for theatrical exhibition.

### 1. Significant accounting policies

#### 1.1. Basis of preparation and consolidation

These consolidated financial statements relate to Reliance MediaWorks Limited ('the Company' / 'Parent Company'), its subsidiary companies, associates and joint ventures. The Company along with its subsidiaries, associates and joint ventures constitute 'the Group'.

The audited financial statements of the subsidiaries, joint venture and associates used in the consolidation are for the same reporting period as the Company. These financial statements are audited by the auditors of the respective entities.

These consolidated financial statements are prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under section 133 of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts. The consolidated financial statements are presented in Indian Rupees in million except per share data and where mentioned otherwise.

#### 1.2. Principles of consolidation

The consolidated financial statements are prepared in accordance with AS 21 – 'Consolidated Financial Statements', AS 23 – 'Accounting for Investments in Associates in Consolidated Financial Statements' and AS 27 – 'Financial Reporting of Interest in Joint Ventures'. Consolidated financial statements are prepared using uniform accounting policies for transactions and other events in similar circumstances except where it is not practicable to do so. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Parent Company for its independent financial statements. The consolidated financial statements have been consolidated on the following basis:

#### Subsidiaries

The excess of cost to the Group of its investment in subsidiaries over its portion of equity in the subsidiaries at the respective dates on which investments in such subsidiaries was made is recognised in the financial statements as goodwill and any excess of assets over the investment of the Group in a subsidiary is transferred to Capital reserve. The Group's portion of equity in the subsidiaries is determined on the basis of the book value of assets and liabilities as per the financial statements of the subsidiaries as on the date of the investment.

The financial statements of the Parent Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances / transactions and resulting unrealised profits in full. The amounts shown in respect of reserves / accumulated losses comprise the reserve / accumulated losses as per the balance sheet of the Parent Company and its share in the post-acquisition increase / decrease in the relevant reserve / accumulated losses of the subsidiaries.

The amount of Goodwill and Capital reserve are presented on a net basis for each subsidiary.

Minority interest's share of profits or losses is adjusted against the income to arrive at the net income attributable to the shareholders. Minority interest's share of net assets is disclosed separately in the consolidated balance sheet.

- During the current year –
  - The Group has sold its entire holding in Reliance MediaWorks (Mauritius) Limited, Gener8 India Media Services Limited (formerly known as Prime Focus Entertainment Services Limited / Reliance MediaWorks Entertainment Services Limited) and Reliance Lowry Digital Imaging Services Inc. with effect from April 7, 2015 pursuant to sale of its film and media services business (refer note 41);
  - Reliance Media Consultant Private Limited with effect from February 18, 2016;
  - Cinema Ventures Private Limited (formerly known as Reliance MediaVentures Private Limited) with effect from July 31, 2015 (refer note 42);
  - Reliance MediaWorks Creative Services Limited made an application for fast track exit dissolution on March 23, 2016.
  - Reliance MediaWorks (Netherlands) B.V. was dissolved with effect from December 29, 2015
  - Big Cinemas SAR LLC has been dissolved with effect from April 3, 2015.



## Notes to the consolidated financial statements for the year ended March 31, 2016

- During the previous year – (Currency : ₹ in millions)
  - o The Group has sold its entire equity interest in Phoenix Big Cinemas Management LLC and Big Cinemas Phoenix LLC with effect from December 31, 2014;
  - o The Group has dissolved step down subsidiaries namely – Big Cinemas Exhibition LLC and Reliance Media & Marketing Communication LLC;
  - o One of the step down subsidiary namely Reliance Lowry Digital Imaging Services Inc. was transferred from Reliance MediaWorks (USA) Inc. to Reliance MediaWorks (Mauritius) Limited with effect from November 7, 2014.

### Joint venture entities

Interests in jointly controlled entities are accounted for using the proportionate consolidation method.

The list of subsidiaries considered in these consolidated financial statements with percentage holding is summarised below:

Sr. No	Name of the Subsidiary	Country of incorporation	Ownership interest 2016	Ownership interest in 2015
1	Reliance MediaWorks Theatres Limited	India	100%	100%
2	Global MediaWorks (UK) Limited	United Kingdom	100%	100%
3	Reliance MediaWorks (USA), Inc.	United States of America	100%	100%
4	Reliance MediaWorks (Netherlands) B.V.	The Netherlands	-	100%
5	Reliance MediaWorks (Mauritius) Limited	Mauritius	-	100%
6	Big Synergy Media Limited	India	51%	51%
7	Gener8 India Media Services Limited (formerly known as Prime Focus Entertainment Services Limited / Reliance MediaWorks Entertainment Services Limited)	India	-	100%
8	Reliance Media Consultant Private Limited	India	-	100%
9	Cinema Ventures Private Limited (formerly known as Reliance MediaVentures Private Limited)	India	-	100%
10	Reliance MediaWorks Creative Services Limited <sup>^</sup>	India	100%	100%

<sup>^</sup>This subsidiary was a step down subsidiary till July 18, 2014.

The List of step-down subsidiaries considered in these consolidated financial statements with percentage shareholding is summarised below:

Sr. No	Name of the Subsidiary	Country of incorporation	Ownership interest in 2016	Ownership interest in 2015
1	BIG Cinemas Entertainment LLC	United States of America	100%	100%
2	BIG Cinemas Entertainment (DE) LLC	United States of America	100%	100%
3	BIG Cinemas Laurel LLC	United States of America	100%	100%
4	BIG Cinemas Falls Church LLC	United States of America	100%	100%
5	BIG Cinemas Norwalk LLC	United States of America	100%	100%
6	BIG Cinemas Galaxy LLC	United States of America	100%	100%
7	BIG Cinemas Sahil LLC	United States of America	97%	97%
8	BIG Cinemas SAR LLC	United States of America	-	51%
12	BIG Cinemas IMC LLC	United States of America	100%	100%
13	Big Pictures USA Inc.\$	United States of America	100%	100%
15	Reliance Lowry Digital Imaging Services Inc.*	United States of America	-	100%
16	Reliance Media Works VFX Inc.	United States of America	100%	100%

\* - 90% of the outstanding shares were held by Reliance MediaWorks (Mauritius) Limited which was previously held by another subsidiary Reliance MediaWorks (USA) Inc.

\$ - This subsidiary does not have any transactions since the date of incorporation.

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

The list of Joint venture entities considered in these consolidated financial statements with percentage shareholding is summarised below:

Sr. No	Name of the joint venture	Country of incorporation	Ownership interest in 2016	Ownership interest in 2015
1	Swanston Multiplex Cinemas Private Limited	India	50%	50%
2	Divyashakti Marketing Private Limited	India	50%	50%

Associates –

Sr. No	Name of the associate	Country of incorporation	Ownership interest in 2016	Ownership interest in 2015
1	Prime Focus Limited @	India	35.11%	23.57%
2	Digital Domain – Reliance LLC #	United States of America	-	30%

@ The Group acquired interest in Prime Focus Limited with effect from January 20, 2015

# The Group owned 30% interest in Digital Domain – Reliance LLC, which was treated as an Associate with effect from October 1, 2012. The Group consolidated only the standalone financial statement for Digital Domain – Reliance LLC, which has been done through April 7, 2015, the date of disposal for Digital Domain – Reliance LLC pursuant to sale of film and media services business of the Group (Refer note 41)

### 1.3. 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, the disclosure of contingent liabilities on the date of the financial statements and the reported amount of income and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the financial statements, which in its opinion are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

### 1.4. Goodwill on consolidation

The excess of cost to the Parent company of its investments over its portion of equity in the subsidiaries / joint ventures / associates, as at the date on which the investment was made, is recognised as goodwill in the consolidated financial statements. The Parent Company's portion of equity in the subsidiaries / joint ventures / associates is determined on the basis of the book value of assets and liabilities as per the financial statements of the subsidiaries as on the date of investment.

Goodwill is reviewed for a decline other than temporary in its carrying value, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group assesses the recoverability of goodwill by reference to the valuation methodology adopted by it on the acquisition date, which included strategic and synergic factors that were expected to enhance the enterprise value. Accordingly, the Group would consider that there exists a decline other than temporary in the carrying value of goodwill when, in conjunction with its valuation methodology, its expectations with respect to the underlying acquisitions it has made deteriorates with adverse market conditions.

### 1.5. Fixed assets and depreciation / amortisation

#### a) Tangible assets

Tangible fixed assets are stated at cost and / or revalued amount in accordance with scheme of amalgamation 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 / buildings are depreciated over the lower of useful life of the asset and lease term, on a straight line basis.

Reliance MediaWorks (USA) Inc provides depreciation and amortisation using the straight line method over the following estimated useful life:

Leasehold Improvement – Term of lease

Equipment – 10 years to 14.14 years

Furniture and fixture – 10 years

Computer hardware and software – upto 5 years

Individual assets costing up to ₹ 0.005 are depreciated fully in the period of acquisition.

**b) Intangible assets**

Intangible assets, all of which have been acquired / created and are controlled through custody or legal rights, are capitalised at cost, where they can be reliably measured. Where capitalised, intangible assets are regarded as having a limited useful economic life and the cost is amortised over the lower of useful life and ten years.

Application software purchased, which is not an integral part of the related hardware, is shown as intangible assets and amortised on a straight line basis over its useful life, not exceeding five / ten years, as determined by management.

Film rights comprise negative rights and distribution rights in films and are for a contractually specified mode of exploitation, period and territory and are stated at cost less accumulated amortisation. Cost of film rights comprises original purchase price / minimum guarantee. Cost is ascertained on specific identification basis where possible. In case multiple films / rights are acquired for a consolidated amount, cost is allocated to each film / right based on management's best estimates.

The individual film forecast method is used to amortise the cost of film rights acquired. Under this method, costs are amortised in the proportion that gross revenues realised bear to management's estimate of the total gross revenues expected to be received. If estimates of the total revenues and other events or changes in circumstances indicate that the realisable value of a right is less than its unamortised cost, a loss is recognised for the excess of unamortised cost over the film right's realisable value.

In respect of unreleased films, payments towards film rights are classified under capital advances as the amounts are refundable in the event of non-release of the film.

Internally generated software is capitalised by the Group and amortised over its estimated useful life of five / ten years.

Purchased goodwill is recognised by the Group on the basis of excess of purchase consideration paid over the value of assets acquired at the time of acquisition of business and is amortised over its estimated useful life not exceeding ten years.

**1.6. Impairment**

In accordance with AS 28 – 'Impairment of Assets', where there is an indication of impairment of the Group's asset, the carrying amounts of the Group'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 statement of profit and loss.

If at the balance sheet date there is an indicator that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciated historical cost.

Value in use is the 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.

**1.7. Investments**

Long-term investments are carried at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments and is determined separately for each individual investment.

Current investments are carried at lower of cost and fair value.

**1.8. Inventories**

Inventories (comprising of food and beverage items, chemicals, negative film rolls, xenon lamps and stores and spares related to theatrical exhibition / film production services business etc.) are stated at the lower of cost and net realisable value. Cost is determined on the first-in first-out (FIFO) basis except in the case of Reliance MediaWorks (USA), Inc. (and its subsidiaries) wherein the Group uses the weighted average method.

Inventory of DVDs is stated at lower of cost or net realisable, value wherein cost is determined using weighted average method.

Inventory of content cost not aired is stated at lower of cost and net realisable value.

**1.9. Employee benefits**

**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 recognised as an expense during the year.

### Long term employee benefits:

(Currency : ₹ in millions)

#### Provident fund and other schemes

The Group's state governed provident fund scheme, employee state insurance scheme and labour welfare fund are defined contribution plans. The contribution paid / payable under the schemes is recognised during the year in which the employee renders the related service.

#### Gratuity Plan

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years; that benefit is discounted to determine its present value and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

#### Other Long term employment benefits:

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date, determined based on actuarial valuation using projected unit credit method. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date.

### 1.10 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The amount recognised as revenue is exclusive of value added tax, service tax and net of trade discounts.

Amount of entertainment tax is shown as a reduction from revenue.

#### **Film production services**

Revenue from processing / printing of cinematographic films is recognised upon completion of the related processing / printing.

Revenue from processing of digital content is recognised using the proportionate completion method. Use of the proportionate completion method requires the Group to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion, as there is a direct relationship between efforts expended and contracted output.

Sale of traded goods is recognised when the risks and rewards of ownership are passed on to the customer, which generally coincides with the dispatch of goods.

Income from equipment / facility rental is recognised over the period of the relevant agreement / arrangement.

#### **Theatrical exhibition and related income**

##### Sale of tickets

Revenue from theatrical exhibition is recognised on the date of the exhibition of the films and comprises proceeds from sale of tickets, gross of entertainment tax. As the Group is the primary obligor with respect to exhibition activities, the share of distributors in these proceeds is separately disclosed as distributors' share.

Amount of entertainment tax is shown as a reduction from revenue where applicable.

Revenue from gift cards is recognised on the basis of availing the facility by the customer. At the time of sale, the amounts received are recognised as deferred revenue.

Share of profit in partnership firm is recognised on the basis of audited financial statement of the Partnership firm.

##### Sale of food and beverages

Revenue from sale of food and beverages is recognised upon sale and delivery at the counter.

##### Advertisement / sponsorship revenue

Revenue from advertisements, sponsorship and events is recognised on the date of the exhibition of the advertisement / event, over the period of the contract or on completion of the Group's obligations, as applicable.

Management fee is recognised as revenue on a time proportion basis as per the relevant agreement.

**Television / film production, distribution and related income**

Television / film production and related income

Revenue from sale of content / motion picture is accounted for on the date of agreement to assign / sell the rights in the concerned motion picture / content or on the date of release of the content / motion picture, whichever is later. Program sales are accounted on the delivery of tape to the channel.

Income from film distribution activity

In case of distribution rights of motion picture / content, revenue is recognised on the date of release / exhibition.

Revenue from other rights such as satellite rights, overseas rights, music rights, video rights, etc. is recognised on the date when the rights are made available to the assignee for exploitation.

Revenue from sale of VCDs / DVDs, etc is recognised when the risks and rewards of ownership are passed on to the customer, which generally coincides with the dispatch of the products.

**Interest income / income from film financing**

Interest income, including from film / content related production financing, is recognised on a time proportion basis at the rate implicit in the transaction.

**Dividend income**

Dividend income is recognised when the right to receive dividend is unconditional at the balance sheet date.

**Marketing rights**

Amounts received in lieu of future marketing rights sale are recognised as income in the period of entering into the contract.

**1.11 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 year are recognised in the statement of profit and loss of the year.

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 recognised in the statement of profit and loss except in case of exchange differences arising on translation of monetary items which form part of Company's net investment in a non-integral foreign operation which is accumulated in a 'Foreign currency translation reserve' until its disposal.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Forward contracts are entered into to hedge the foreign currency risk of the underlying transaction. The premium or discount on all such contracts arising at the inception of each contract is amortised as income or expense over the life of the contract. Exchange difference on forward contracts is recognised as income or expense in the statement of profit and loss of the year. Any profit or loss arising on the cancellation and renewal of forward contract is recognised as income or expense for the year.

**1.12 Foreign currency translation**

The consolidated financial statements are reported in Indian Rupees in accordance with AS-11 – 'The Effects of Changes in Foreign Exchange Rates' which specifies translation of foreign subsidiaries on the basis of their classification as integral / non-integral to the operations of the Parent Company.

The foreign subsidiaries in Netherlands and United Kingdom, fall in the criteria of integral operations and the translation of the local currency financials of each integral foreign subsidiary within the Group into Indian Rupees is performed in respect of assets and liabilities other than fixed assets, using the exchange rate in effect at the balance sheet date and for revenue and expense items other than the depreciation costs, using average exchange rate during the reporting period. Net exchange difference resulting from the above translation of the financial statements of integral foreign subsidiaries is recognised in the consolidated statement profit and loss. Fixed assets are translated at exchange rates on the date of the transaction and depreciation on fixed assets is translated at exchange rates used for translation of the underlying fixed assets.

The foreign subsidiaries in the United States of America and Mauritius fall in the criteria of non-integral foreign operations wherein the translation of the local currency balances of the assets and liabilities are translated at the exchange rate in effect at the balance sheet date and for revenue and expense items at the average exchange rate during the reporting period. Net exchange differences resulting from the above translation of the financial statements is accumulated in a 'Foreign currency translation reserve', disclosed as reserves and surplus. The amount accumulated will be held in this account till the time of disposal of the net investment in the subsidiary.

### 1.13 Earnings per share

In determining earning per share, the Group 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 earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of 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 year, unless issued at a later date.

### 1.14 Taxation

Income-tax expense comprises current tax expense computed in accordance with the relevant provisions of the Income tax Act, 1961 / local income tax regulations of the respective countries of operation of the Group 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 / local Income tax regulations of the respective countries of operation of the Group. Deferred tax charge or credit and the corresponding deferred tax liability or asset is recognised for timing differences between the profits/ losses offered for income tax 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 recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation 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 realised.

### 1.15 Share issue / Foreign Currency Convertible Bonds ('FCCB') issue expenses and premium on redemption

Share / FCCB issue expenses incurred and premium payable on FCCB are adjusted in the period of issue against the securities premium reserve.

### 1.16 Provisions and contingencies

Provisions comprise liabilities of uncertain timing or amount. Provisions are recognised when the Group recognises 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.

### 1.17 Leases

Operating leases – Rental expenses in non-cancellable arrangements / agreements with scheduled rent increases are recorded on a straight line basis over the lease term.

Finance leases – The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as Fixed Assets with corresponding amount shown as liabilities for leased assets. The principal component in lease rental in respect of the above is adjusted against liabilities for leased assets and the interest component is recognised as an expense in the year.

### 1.18 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.

### 1.19 Commercial papers

Commercial papers issued are recognised as a liability, at the amount of cash received at the time of issuance, i.e., discounted value. The discount is amortised as interest cost over the period of the commercial paper, at the rate implicit in the transaction.

Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	March 31, 2016	March 31, 2015
<b>2 Share capital</b>		
<b>Authorised</b>		
480,000,000 (2015: 480,000,000) equity shares of ₹ 5/-each	2,400.00	2,400.00
20,000,000 (2015: 20,000,000) preference shares of ₹ 5/-each	100.00	100.00
	<u>2,500.00</u>	<u>2,500.00</u>
<b>Issued, Subscribed and paid-up capital</b>		
193,208,831 (2015: 193,208,831) equity shares of ₹ 5/- each, fully paid-up	966.04	966.04
2,950,000 (2015: 2,950,000) 10 % redeemable non convertible non cumulative preference shares (Preference shares) of ₹ 5/- each, fully paid-up (Refer note 29)	14.75	14.75
(Refer notes (a) to (f) below)	<u>980.79</u>	<u>980.79</u>

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

Equity shares

	March 31, 2016		March 31, 2015	
	Number of shares in millions	₹ in Millions	Number of shares in millions	₹ in Millions
At the commencement of the year	193.21	966.04	193.21	966.04
Share issued during the year	-	-	-	-
At end of the year	193.21	966.04	193.21	966.04

Preference shares

	March 31, 2016		March 31, 2015	
	Number of shares in millions	₹ in Millions	Number of shares in millions	₹ in Millions
At the commencement of the year	2.95	14.75	2.95	14.75
Share issued during the year	-	-	-	-
At end of the year	2.95	14.75	2.95	14.75

(b) Rights, preferences and restriction attached to equity shares

The Company has only one class of equity shares having par value of ₹ 5 per share. Each equity holder is entitled to one vote per share. The Company declares and pays dividends, if any, in Indian Rupees. The dividend proposed, if any by the Board of the 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 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) Rights, preferences and restriction attached to Preference shares

Preference share shall be redeemed at the end of 20 years from the date of allotment i.e. each Preference shares shall be redeemed at a premium calculated in a manner that gives the holder an yield of 10% p.a. (till date of redemption ) on issue price of ₹ 1,000 (including premium of ₹ 995) after deduction of dividend, if any declared during the tenure. However, the premium on redemption will be paid only to the original subscribers or to the transferees if the transfers have been previously approved by the Company.

Further early redemption at the option of holder of Preference shares can be done, at issue price plus yield as mentioned above, at any time after the date of allotment by giving not less than two months advance notice to the Company. Early redemption at the option of Company at the applicable redemption price can be done, any time after the date of allotment by giving not less than 30 days notice to the Preference share holder.

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

### (d) Equity shares held by the Holding company

	March 31, 2016		March 31, 2015	
	Number of shares in millions	% holding in the class	Number of shares in millions	% holding in the class
Reliance Land Private Limited	124.06	64.21%	182.02	94.21%

### (e) Names of shareholders holding more than 5% of equity share in the Company

	March 31, 2016		March 31, 2015	
	Number of shares in millions	% holding in the class	Number of shares in millions	% holding in the class
Reliance Land Private Limited	124.06	64.21%	182.02	94.21%
Edico Ventures Private Limited	57.96	30.00%	-	-

### (f) Names of shareholders holding more than 5% of Preference share in the Company

	March 31, 2016		March 31, 2015	
	Number of shares in millions	% holding in the class	Number of shares in millions	% holding in the class
Reliance Infocomm Engineering Private Limited	1.20	40.68%	1.20	40.68%
Crest Logistics and Engineers Private Limited (Formerly known as Rel Utility Engineers Private Limited)	1.75	59.32%	1.75	59.32%

	March 31, 2016	March 31, 2015
<b>3 Reserves and surplus</b>		
<b>Securities premium reserve</b>		
At the commencement and at the end of the year	12,743.43	12,743.43
<b>Capital redemption reserve</b>		
At the commencement and at the end of the year	120.00	120.00
<b>Capital reserve - I</b>		
At the commencement and at the end of the year	3.39	3.39
<b>Capital reserve - II</b>		
At the commencement and at the end of the year	733.15	582.62
<b>Foreign currency translation reserve</b>		
At the commencement of the year	262.86	61.91
Add: Foreign currency translation gain on translation of monetary investment in non-integral operations (net)	120.72	200.95
Add: Transfer to statement of profit and loss a/c upon disposal of subsidiary	(178.62)	-
At the end of the year	204.96	262.86
<b>General reserve</b>		
At the commencement of the year	121.19	106.69
Transferred from statement of profit and loss	-	14.50
At the end of the year	121.19	121.19



Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

March 31, 2016      March 31, 2015

**(Deficit) in Statement of profit and loss**

At the commencement of the year	<b>(29,353.00)</b>	(23,365.34)
Loss for the year as per Statement of profit and loss	<b>(2,156.90)</b>	(5,958.95)
	<b>(31,509.90)</b>	(29,324.29)
Dividend tax on dividend on equity shares of a subsidiary	-	(13.32)
Transitional Depreciation (Refer note 44)	-	(0.89)
Transfer to General reserve	-	(14.50)
At the end of the year	<b>(31,509.90)</b>	(29,353.00)
	<b>(17,583.78)</b>	(15,519.51)

**4 Long-term borrowings**

(Refer note 31)

Term loans

- From banks (secured) (Refer note 31 (ii),(iii) and (iv))	-	5,700.00
Inter-corporate deposit (unsecured) (Refer note 31 (viii))	<b>20,856.60</b>	-
Long-term maturities of finance lease obligations (Refer note 31 (v))	-	498.83

**20,856.60**      6,198.83

**Current maturities of long-term debts (Refer note 9)**

Non convertible debentures (secured) (Refer note 31 (i))	-	1,250.00
Term loans		
- From banks (secured) (Refer note 31 (ii),(iii) and (iv))	<b>2,000.00</b>	253.75
Other loans and advances		
- From others parties (secured) (Refer note 31 (vi))	-	2.30
Inter-corporate deposit (unsecured) (Refer note 31 (vii))	-	5,173.00
Current maturities of finance lease obligations (Refer note 31 (v))	-	815.81
	<b>2,000.00</b>	7,494.86

**5 Other long-term liabilities**

Lease rent liability as per AS 19 - "Leases"	-	160.00
Security deposit / advances from customers	-	21.72
	-	181.72

**6 Long-term provisions**

Provision for employee benefits		
Leave encashment	<b>1.43</b>	31.62
Gratuity	<b>3.10</b>	13.72
(Refer note 10 and 39)	<b>4.53</b>	45.34

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	March 31, 2016	March 31, 2015
<b>7 Short term borrowings</b>		
(Refer note 32)		
Loans repayable on demand		
From banks		
- Cash Credit (secured) (Refer note 32 (i), (iii))	-	92.23
- Cash Credit (unsecured) (Refer note 32 (ii))	-	116.32
Other loans and advances		
- From Others (secured) (Refer note 32 (iv) and (v))	<b>770.00</b>	2,270.00
- From Banks (unsecured) (Refer note 32 (vii))	-	117.63
Inter-corporate deposit (unsecured) (Refer note 32 (vi))	<b>422.79</b>	10,910.52
	<b>1,192.79</b>	13,506.70
<b>8 Trade payables</b>		
Due to micro small and medium enterprises (Refer note 30)	<b>1.23</b>	1.23
Others	<b>873.77</b>	1,398.50
	<b>875.00</b>	1,399.73
<b>9 Other current liabilities</b>		
Current maturities of long-term debts (Refer note 4)	<b>2,000.00</b>	7,494.86
Interest accrued and due on borrowings	<b>1,359.58</b>	758.78
Interest accrued but not due on borrowings	<b>71.03</b>	239.88
Unclaimed dividend	-	0.67
Advance received from customers	<b>81.73</b>	141.63
Dues for capital expenditure	-	116.02
Temporary book overdraft	-	94.52
Unearned income	<b>21.33</b>	18.51
Lease rent liability	-	8.31
Statutory dues	<b>130.68</b>	187.39
Employee benefits payable	<b>1.59</b>	33.78
Others	<b>31.21</b>	48.63
	<b>3,697.15</b>	9,142.98
<b>10 Short-term provisions</b>		
Tax on proposed dividend	-	13.32
Leave encashment (Refer note 6 and 39)	<b>0.64</b>	17.40
Provision for claims	<b>231.62</b>	-
	<b>232.26</b>	30.72

Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

11. Tangible and Intangible assets

Particulars	Gross block			Accumulated depreciation / amortization / impairment			Net block				
	As at April 1, 2015	Additions during the year	Deductions during the year	Exchange differences	As at March 31, 2016	As at April 1, 2015#	Charge for the year	Depreciation on assets sold / discarded	Exchange differences	As at March 31, 2016	As at March 31, 2015
<b>I. Owned Assets</b>											
<b>A. Tangible assets</b>											
Leasehold land	865.67	-	21.38	-	-	-	-	-	-	844.29	865.67
Buildings:											
Leasehold	5,546.44	-	4,546.23	-	1,764.06	154.32	1,579.64	-	338.74	661.47	3,782.38
Freehold	272.74	-	-	-	226.44	33.56	11.45	-	248.55	24.19	46.30
Plant and machinery	4,997.35	4.00	4,303.82	-	3,486.97	82.63	2,932.09	-	637.51	60.02	1,510.38
Office Equipment	230.58	0.08	169.22	-	189.61	3.08	133.08	-	59.61	1.83	40.97
Furniture and fixtures	1,249.23	9.71	1,201.83	-	451.97	79.51	489.61	-	41.87	15.24	797.26
Vehicles	22.06	-	16.28	-	15.75	1.21	12.35	-	4.61	1.17	6.31
<b>Total Owned Assets</b>	<b>13,184.07</b>	<b>13.79</b>	<b>10,258.76</b>	-	<b>6,134.80</b>	<b>354.31</b>	<b>5,158.22</b>	-	<b>1,330.89</b>	<b>1,608.21</b>	<b>7,049.27</b>
Previous year #	13,132.59	1,172.93	1,192.43	70.98	5,971.54	1,232.04	1,154.74	85.96	6,134.80	7,049.07	7,161.05
<b>II. Leased Assets</b>											
<b>A. Tangible assets</b>											
Plant and machinery	588.75	-	588.75	-	185.10	28.73	213.83	-	-	-	403.65
Office Equipment	26.84	-	26.84	-	23.62	21.93	23.62	-	-	-	3.22
Furniture and fixtures	174.41	-	174.41	-	91.24	21.93	113.17	-	-	-	83.17
<b>Total Leased Assets</b>	<b>790.00</b>	-	<b>790.00</b>	-	<b>299.96</b>	<b>50.66</b>	<b>350.62</b>	-	-	-	<b>490.04</b>
Previous year	790.00	-	-	-	790.00	214.24	-	-	299.96	490.04	704.28
<b>Total Tangible Assets</b>	<b>13,974.07</b>	<b>13.79</b>	<b>11,048.76</b>	-	<b>6,434.76</b>	<b>404.97</b>	<b>5,508.84</b>	-	<b>1,330.89</b>	<b>1,608.21</b>	<b>7,539.31</b>
Previous year	13,922.59	1,172.93	1,192.43	70.98	6,057.26	1,446.28	1,154.74	85.96	6,434.76	7,539.11	7,865.33
<b>B. Intangible assets</b>											
Goodwill	138.63	-	138.63	-	138.63	-	138.63	-	-	-	-
Distribution rights	1,632.53	-	7.95	-	1,624.58	-	7.95	-	1,624.58	-	-
Negative rights	1,245.24	-	8.46	-	1,236.78	-	8.46	-	1,236.78	-	-
Computer software	465.08	-	464.89	-	465.08	2.19	467.09	-	0.18	-	-
Internally generated software (Computer Software)	672.15	-	672.15	-	570.74	62.99	633.73	-	-	-	101.41
<b>Total Intangible Assets</b>	<b>4,153.63</b>	-	<b>1,292.08</b>	-	<b>2,861.55</b>	<b>65.18</b>	<b>1,255.86</b>	-	<b>2,861.54</b>	-	<b>101.41</b>
Previous year	4,774.21	4.27	695.15	70.30	4,153.63	306.13	655.37	40.52	4,052.22	101.41	413.27
<b>Total</b>	<b>18,127.70</b>	<b>13.79</b>	<b>12,340.84</b>	-	<b>5,800.65</b>	<b>470.15</b>	<b>6,764.70</b>	-	<b>4,192.43</b>	<b>1,608.21</b>	<b>7,640.72</b>
Previous year	18,696.80	1,177.20	1,887.58	141.28	18,127.70	1,752.41	1,810.11	126.48	10,486.98	7,640.52	8,278.60
Capital work-in-progress											
Intangible assets under development											
# - Includes opening provision for impairment ₹ 55.17											

**Notes:**

- 1) The amount for discounted cash flows with respect to the finance lease is ₹ Nil (previous year ₹ 1,314.64)
- 2) Leasehold land in excess of 99 years is not depreciated as this is treated as deemed ownership.
- 3) Gross block of leasehold land and building includes revalued amount of leasehold land having deemed ownership of ₹ 821.63 and building of Nil (Previous Year ₹ 967.37) pursuant to scheme of arrangement carried out in the year ended March 31, 2009.
- 4) Deduction during the year include Assets transfer on account of Business Transfer Agreement (Refer Note 41 & 42) & assets held for disposal.

Particulars	Adjustment to Gross Block			Total	Adjustment to Accumulated depreciation			Total
	Transfer of Exhibition assets to CVPL#	Transfer of FMS to assets®	Transfer to Assets held for disposal		Transfer of Exhibition assets to CVPL#	Transfer of FMS to assets®	Transfer to Assets held for disposal	
<b>A. Tangible assets</b>								
Leasehold land	-	21.38	-	21.38	-	-	-	-
Buildings:								
Leasehold	1,562.34	1,246.70	1,575.33	4,546.23	908.82	375.90	304.60	1,77
Freehold				-				-
Plant and machinery	1,331.90	2,339.12	245.13	4,303.82	809.38	1,737.20	380.41	5.10
Office Equipment	24.48	111.63	32.66	169.22	25.71	75.47	23.71	8.19
Furniture and fixtures	442.21	754.91	4.53	1,201.83	344.74	143.33	1.35	0.19
Vehicles	-	16.28	-	16.28	-	12.35	-	-
<b>Total Owned Assets</b>	<b>3,360.93</b>	<b>4,490.02</b>	<b>1,857.65</b>	<b>10,258.76</b>	<b>2,088.65</b>	<b>2,344.25</b>	<b>710.07</b>	<b>15.25</b>
<b>B. Leased Assets</b>								
Plant and machinery	588.75	-	-	588.75	213.83	-	-	-
Office Equipment	26.84	-	-	26.84	23.62	-	-	-
Furniture and fixtures	174.41	-	-	174.41	113.17	-	-	-
<b>Total Leased Assets</b>	<b>790.00</b>	<b>-</b>	<b>-</b>	<b>790.00</b>	<b>350.62</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>II. Intangible assets</b>								
Goodwill	-	137.41	-	138.63	-	138.63	-	-
Distribution rights	-	7.95	-	7.95	-	7.95	-	-
Negative rights	-	8.46	-	8.46	-	8.46	-	-
Computer software	-	347.95	1.23	464.89	-	348.19	1.23	117.67
Internally generated software (Computer Software)	-	672.15	-	672.15	-	633.73	-	-
<b>Total Intangible Assets</b>	<b>-</b>	<b>1,173.92</b>	<b>1.23</b>	<b>1,292.08</b>	<b>-</b>	<b>1,136.96</b>	<b>1.23</b>	<b>117.67</b>
<b>Total Assets</b>	<b>4,150.93</b>	<b>5,663.94</b>	<b>1,858.88</b>	<b>12,340.84</b>	<b>2,439.27</b>	<b>3,481.21</b>	<b>711.30</b>	<b>132.92</b>

# CVPL - Cinemas Ventures Private Limited (formerly known as Reliance MediaVentures Private Limited Refer note 48)

@ FMS - Film and Media services business transfer to Prime Focus Limited (Refer note 47)

Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	March 31, 2016	March 31, 2015
<b>12 Non-current investments</b>		
<b>(valued at cost unless stated)</b>		
<b>(a) Investment in Associates</b>		
<b>(Quoted equity method)</b>		
Prime Focus Limited	4,277.68	2,224.34
104,939,361 (2015: 43,695,446) equity shares of ₹ 1 each, fully paid up w.e.f. January 20, 2015)		
(Includes ₹ 1,331.44 towards goodwill arising on the acquisition)		
<b>(Non trade, unquoted at cost)</b>		
Digital Domain- Reliance LLC	-	810.15
(Formerly known as GH - Reliance LLC)		
	<u>4,277.68</u>	<u>3,034.49</u>
<b>(b) Investment in Government securities</b>		
<b>(trade, unquoted at cost)</b>		
Government securities		
National savings certificates	-	1.41
(Pledged with State government authorities)		
<b>(c) Investment in Partnership firm (non-trade, unquoted at cost)</b>		
(i) Gold Adlabs	28.93	21.18
(ii) HPE / Adlabs LP	199.93	199.93
(Investment in limited partnership)		
Provision for diminution in value of long term investments	<u>(199.93)</u>	<u>(199.93)</u>
	<u>28.93</u>	<u>21.18</u>
<b>(d) Investment in mutual funds (Unquoted)</b>		
Templeton India SIP Growth	2.00	2.00
828.237 Units (2015:828 Units)		
Birla Sunlife Bond Fund Retail Growth Plan	1.50	1.50
73,576 Units (2015: 73,576 Units)		
Birla Sunlife Dynamic Bond Fund Retail Growth Plan	5.00	-
216,544 Units (2015: Nil)		
Franklin India Short Term Income Plan - Growth	10.10	-
5.822 Units (2015: Nil)		
Osian Art Fund Contemporary	1.60	1.60
16,000 Units (2015: 16,000 Units)		
Provision for diminution for value of long term investments	<u>(1.60)</u>	<u>(1.60)</u>
	<u>18.60</u>	<u>3.50</u>

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	March 31, 2016	March 31, 2015
<b>(e) Investment in preference shares (non-trade, unquoted and at cost)</b>		
<b>Others</b>		
Reliance Big Entertainment Private Limited	534.82	-
534,819,672 (2015: Nil) shares of ₹ 1 each fully paid up		
<b>Total</b>	<u>4,860.03</u>	<u>3,060.58</u>
(a) Aggregate value of unquoted investments	783.88	1,037.77
Aggregate provision for diminution in value of investments	201.53	201.53
Aggregate value of quoted investments	4,277.68	2,224.34
Aggregate market value of quoted investments	5,467.37	1,769.60
<b>(b) Details of Investment in partnership firm</b>		
Investment in HPE / Adlabs LP		
<b>Name of the partner and share in profits (%)</b>		
Reliance MediaWorks Limited	50.00%	50.00%
Hyde Park Entertainment Inc	50.00%	50.00%
Total Capital of the firm	437.44	437.74
Investment in Gold Adlabs		
<b>Name of the partner and share in profits (%) and capital of firm</b>		
Reliance MediaWorks Limited	55.00%	55.00%
Goldfield Habitat Private Limited	45.00%	45.00%
Total Capital of the firm	44.82	40.58
<b>13 Deferred tax asset</b>		
Arising on account of timing difference in:		
Provision for leave encashment and gratuity	-	21.80
Others *	6.30	107.73
Depreciation / amortisation (net) *	-	-
Unabsorbed depreciation allowance and carried forward business loss *	-	20.50
	<u>6.30</u>	<u>150.03</u>
<b>Deferred tax liability</b>		
Arising on account of timing difference in:		
Depreciation / amortisation (net)	-	143.29
Others	-	-
	<u>-</u>	<u>143.29</u>
<b>Net deferred tax asset</b>	<u>6.30</u>	<u>6.74</u>
* Restricted to the extent of deferred tax liability due to absence of virtual certainty		
The net asset / (liability) has been shown as the Group does not have the option to set off the balances of individual Companies.		
Deferred tax asset	6.30	6.74
Deferred tax liability	-	-
<b>Net deferred tax asset / (liability)</b>	<u>6.30</u>	<u>6.74</u>

Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	March 31, 2016	March 31, 2015
<b>14 Long-term loans and advances</b>		
- Unsecured, considered good		
Capital advances	-	194.88
Security deposits	122.49	1,146.98
Advance tax, deducted at source, advance fringe benefit tax (net of provision for tax of ₹ Nil (2015: ₹ 59.46))	209.49	165.43
Prepaid expenses	-	30.91
Advance entertainment tax paid under protest	44.42	44.42
Others	0.49	1.96
	<u>376.89</u>	<u>1,584.58</u>
- Unsecured, considered doubtful		
Security deposits	17.85	13.61
Capital advances	181.59	16.34
Provision for doubtful advances and others	(199.44)	(29.95)
	<u>-</u>	<u>-</u>
	<u>376.89</u>	<u>1,584.58</u>
<b>15 Other non-current assets</b>		
Interest accrued but not due	-	2.22
Balance with bank - Fixed deposit accounts with maturity greater than twelve months	-	4.39
	<u>-</u>	<u>6.61</u>
<b>16 Current investments</b>		
<b>(a) Investment in mutual fund</b>		
SCB Liquid Plus Dividend Reinvestment Plan	-	31.52
Reliance Liquidity Fund - Growth Option 29,728,894 units (2015: Nil)	66.02	-
ICICI Prudential Liquid Fund Regular - Growth Plan 21,676 units (2015: Nil)	4.50	-
	<u>70.52</u>	<u>31.52</u>
Aggregate value of unquoted investments	70.52	31.52
<b>17 Inventories</b>		
(valued at lower of cost and net realisable value) (Refer note 1.8)		
Stores and spares	0.26	48.98
Food and beverages	0.25	28.69
Content not aired	3.68	6.17
	<u>4.19</u>	<u>83.84</u>

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	March 31, 2016	March 31, 2015
<b>18 Trade receivables</b>		
- Unsecured, considered good		
Debits outstanding for a period exceeding six months from the date they are due for payments	43.67	1,216.03
Other debts	39.65	416.98
	<u>83.32</u>	<u>1,633.01</u>
- Unsecured, considered doubtful		
Debits outstanding for a period exceeding six months from the date they are due for payments	1,229.43	385.37
Provision for doubtful debts	(1,229.43)	(385.37)
	<u>-</u>	<u>-</u>
	<u>83.32</u>	<u>1,633.01</u>
<b>19 Cash and bank balances</b>		
Cash and cash equivalents		
Cash on hand	0.84	10.01
Balances with banks		
- in current accounts	54.23	58.28
- in fixed deposit account with original maturity less than three months	94.81	-
	<u>149.88</u>	<u>68.29</u>
<b>Other bank balances</b>		
- Dividend account	-	0.67
- in fixed deposit account maturing with in a year	220.30	109.33
- in margin money deposit maturing with in a year*	72.06	215.79
	<u>292.36</u>	<u>325.79</u>
	<u>442.24</u>	<u>394.08</u>
*Margin money deposits are under bank lien		
<b>20 Short-term loans and advances</b>		
- Unsecured and considered good		
Loans and advances to others	864.01	500.00
Deposits	0.15	22.76
Advance tax, tax deducted at source, advance fringe benefit tax (net of provision for tax)	-	6.92
Advance towards share application	-	37.63
Advance towards purchase of shares	-	72.00
Balances with government authorities	16.80	52.55
Prepaid expenses	22.92	88.02
Others*	154.50	137.25
	<u>1,058.38</u>	<u>917.13</u>
- Unsecured, considered doubtful		
Loans to others	141.98	59.48
Others*	247.46	220.67
Advance towards share application	37.63	-
Advance towards purchase of shares	72.00	-
Less: Provision for doubtful advances	(499.07)	(280.15)
	<u>-</u>	<u>-</u>
	<u>1,058.38</u>	<u>917.13</u>
*includes advances / deposit to vendors and other receivables		
<b>21 Other current assets</b>		
Unbilled revenue	-	9.04
Interest accrued on fixed deposits and others	17.25	7.20
Receivable on sale of investment	330.49	-
Assets held for sale	1,452.16	-
	<u>1,799.90</u>	<u>16.24</u>



Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>22 Revenue from operation</b>		
<b>(a) Theatrical exhibition</b>		
Sale of tickets	1,487.82	2,976.87
Less: Entertainment tax	<u>341.04</u>	<u>653.73</u>
	1,146.78	2,323.14
Advertisements / sponsorship revenue	103.21	288.34
Facilities provided at multiplex	59.34	176.56
Food and beverages	390.24	812.83
Others	42.30	120.03
	<u>1,741.87</u>	<u>3,720.90</u>
<b>(b) Film production services</b>		
Processing / printing of films	5.62	520.32
Equipment / facility rental income	1.33	198.87
Trading income	-	0.47
Others	-	9.24
	<u>6.95</u>	<u>728.90</u>
<b>(c) Film/content production, distribution and related services</b>	<u>233.33</u>	<u>639.00</u>
	<u>1,982.15</u>	<u>5,088.80</u>
<b>Details of revenue from operation</b>		
Sale of services	169.50	1,180.42
Sale of products	390.24	826.21
Sale of ticket	1,146.78	2,323.14
Others	275.63	759.03
<b>23 Other income</b>		
Interest income from:		
- Banks	31.53	27.10
- Interest on income tax refund *	21.22	-
- Loans, advances and others	39.48	144.24
Gain on sale of non-current investments (net)	-	39.72
Gain on sale of current investments	2.32	4.55
Profit on sale of assets / discarding of assets (net)	1.11	-
Rental income	33.60	-
Profit on sale of equity shares	0.20	-
Foreign exchange gain on receivables and paybles (net)	51.91	-
Bad debts recovered / provisions written back	32.54	48.06
Sundry balances written back (net)	159.53	-
Miscellaneous income	9.38	18.07
	<u>382.82</u>	<u>281.74</u>

\* Refund pertaining to prior periods

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>24 Direct operational expenses</b>		
Distributors share	478.00	1,008.60
Electricity, power and water charges	167.27	482.04
Cost of food and beverage sold	109.06	254.13
Chemical consumed	-	2.06
Cost of raw films sold	-	2.52
Processing charges	0.20	14.68
Print, publicity expenses and producers overflow	1.08	8.17
Show tax, INR charges etc	4.18	10.22
Other direct expenses	0.67	23.93
Cost of production for television content	83.57	428.60
	<u>844.03</u>	<u>2,234.95</u>
<b>25 Employee benefits expense</b>		
Salaries and wages	165.29	969.09
Contribution to provident and other funds	21.19	57.02
Leave encashment	3.66	17.27
Staff welfare expenses	4.84	19.57
	<u>194.98</u>	<u>1,062.95</u>
<b>26 Finance cost (net)</b>		
On term loans and debentures	710.71	1,290.80
On finance lease	67.53	202.97
On other loans	2,270.78	1,483.79
	<u>3,049.02</u>	<u>2,977.56</u>
Finance charges	78.74	103.17
	<u>3,127.76</u>	<u>3,080.73</u>

Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>27 Other expenses</b>		
Advertisement	33.99	96.97
Bank charges	5.60	25.84
Rent	352.18	1,032.21
Rates and taxes	91.18	282.58
Travelling and conveyance	9.51	34.81
Labour charges	69.78	202.41
Insurance	-	23.11
Legal and professional fees	165.72	124.80
Loss on sale of assets / discarding of assets (net)	-	53.73
Capital work-in-progress written-off	11.69	26.43
Sundry balances written-off	8.64	91.18
Provision for doubtful debts / advances / deposits (net)	1,337.82	179.08
Bad debts / advance written-off	-	120.56
Facility maintenance charges	55.86	165.92
Repairs and maintenance		
- Building	0.86	1.63
- Machinery	29.36	100.92
- Others	16.07	56.89
Printing and communication	12.03	51.24
Foreign exchange loss on receivables and payables (net)	52.75	305.83
Deferred revenue expenditure written-off	-	69.36
Provision for claims	246.99	-
Miscellaneous expenses	6.66	37.71
	<u>2,506.69</u>	<u>3,083.21</u>

**28. Contingent liabilities**

On account of	As at March 31, 2016	As at March 31, 2015
<b>Contingent liabilities of the Parent Company</b>		
<b>Central excise</b>		
Disputed central excise demand pending with the Central Excise and Service Tax Appellate Tribunal	50.46	50.46
<b>Value added tax</b>	70.63	43.14
Disputed value added tax demand pending for various states		
<b>Service tax</b>	1,000.25	766.70
Disputed Service Tax demand pending with the Central Excise and Service Tax Appellate Tribunal		
<b>Income tax</b>	68.05	68.57
Disputed liability in respect tax deduction at source, matter is pending with Commissioner of Income tax (Appeals)		
Disputed tax liability in respect of Rave Entertainment Private Limited ('REPL'), REPL was a wholly owned subsidiary of the Company and was merged with it with effect from April 1, 2008. A demand has been received for REPL matter for assessment year 2009-10, appeal is pending with the Hon'ble High Court.	178.72	178.72
The Company has received notice of demand under Section 156 of Income Tax Act, 1961 for A.Y. 2011-12 on completion of the assessment towards Tax liability in respect of interest u/s 244A of the Income Tax Act, 1961.	6.54	6.54

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

<b>On account of</b>	<b>As at March 31, 2016</b>	As at March 31, 2015
<b>Entertainment tax</b>		
In respect of certain multiplexes, the Company has made an application for availing exemption under the relevant Act retrospectively from the date of commencement of the operations of the said multiplex and the application is pending approval	<b>1.29</b>	1.29
In respect of certain multiplexes, the Company is in dispute with the entertainment tax authorities regarding eligibility for availing exemption under the relevant Act	<b>113.20</b>	113.20
The Company shall be liable to pay the entertainment tax in the event that the multiplexes do not continue operations for a period of 10 years from the respective dates from which they commenced their operations	-	1,464.24
The Company has engaged the services of a Contractor for the purpose of deploying personnel at its cinemas. During the tenure of the contract, the Company has paid the Contractor, amounts payable towards employers contribution to provident fund (PF) amounting to ₹ 29.42 on a regular basis. The Company has learnt that the Contractor has failed to deposit appropriate amounts for employee and employer contribution amounting to approximately ₹ 58.84 with the PF authorities and the Company apprehends that some portion of the aforesaid amount which was supposed to be deposited in the individual accounts of the Personnel by the Contractor may have actually been mis-appropriated by the Contractor. The Company has filed a criminal complaint against the Contractor and the matter is currently under investigation. Some employees have raised a claim against the Company for amounts due to them in a District Consumer Forum, where they have received favourable judgements, however the Company is confident of reversal of the said judgement in the higher forums, where it has preferred an appeal and stay has been granted till further order.		
Claims against Company not acknowledged as debts*	<b>1,397.28</b>	1,483.10
<b>Contingent liabilities of Subsidiary companies</b>		
<b>Octroi / Cess Tax</b>	-	53.69
Disputed Cess Tax Demand pending with Deputy Commissioner, Navi Mumbai Municipal Corporation-Cess Department. The Company believes, being an SEZ unit it is fully exempt from payment of Octroi / Cess Tax as per Maharashtra IT-ITEs policy, 2009. The amount of ₹ 9.66 deposited, as Tax demand, for the purpose of admission of Appeal is reflected as short term loans and advances in the previous year.		
<b>Claim against the subsidiary company not acknowledged as debt</b>	-	119.64
<b>Share of Contingent liabilities of Joint ventures ('JV')</b>		
Claims against a joint venture not acknowledged as debts	<b>1.57</b>	-
Disputed Income Tax liability of a Joint Venture	<b>0.56</b>	0.56

\* This includes a claim by creditors of Digital Domain Media Group Inc. (an entity in bankruptcy) against the Company and its subsidiary companies whereby the amount is jointly claimed from all the parties.

### Note:

- The Group is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.
- The amounts are excluding penalty and interest if any that would be levied at the time of final conclusion.

## 29. Commitments

<b>Particulars</b>	<b>As at March 31, 2016</b>	As at March 31, 2015
Estimated amount of contract remaining to be executed on capital account and not provided for, net of advances (for fixed assets)	-	27.79
<b>Total</b>	<b>-</b>	<b>27.79</b>

Notes to the consolidated financial statements for the year ended March 31, 2016

Other commitments

(Currency : ₹ in millions)

- Preference shares shall be redeemed at the end of 20 years from the date of allotment. Each Preference shares shall be redeemed at a premium calculated in a manner that gives the holder an yield of 10% p.a. (till date of redemption) on issue price of ₹ 1,000 (including premium of ₹ 995) after deduction of dividend, if declared during the tenure. However, the premium on redemption will be paid only to the original subscribers or to the transferees if the transfers have been previously approved by the Company. Yield on preference shares of ₹ 1,181.62 (current year increase of ₹ 295.00) as at the balance sheet will be paid as premium at the time of redemption.
30. Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises (MSME). On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the MSME.

Particulars	March 31, 2016	March 31, 2015
Principal amount due to any supplier as at the year end	1.23	1.23
Interest due on the principal amount unpaid at the year end to any supplier	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Payment made to the enterprises beyond appointed date under section 16 of MSMED	-	-
Amount of interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the period, but without adding the interest specified under MSMED	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above is actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED.	-	-

31. Terms for Long term borrowings

- i) The Company had issued 11% 3,500 secured redeemable non-convertible debentures (Debentures) amounting ₹ 3,500 having face value of ₹ 1,000,000 each on a private placement basis. The said Debentures are listed on National Stock Exchange (NSE) w.e.f. May 7, 2012. The current outstanding for the debentures is ₹ Nil (2015: ₹ 1,250). The Debentures were secured by first pari passu charge on the all assets of the Company and some of its Indian subsidiaries, along with corporate guarantee by a promoter.
- ii) Term loan amounting to ₹ Nil (2015: ₹ 3,860) was taken from a bank during the previous periods. The loan was taken by the Company for a period of seven years from the date of disbursement i.e. August 2013 and repayable in unequal quarterly instalments over the tenor of the loan. The loan was secured by first pari passu charge on the fixed assets and current assets of the Company along with corporate guarantee by a promoter. The loan was transferred to Cinema Ventures Private Limited during the year pursuant to transfer of the exhibition business (Refer note 41).
- iii) Term loan amounting to ₹ 2,000 (2015: ₹ 2,000) was taken from a bank during the previous periods. The loan was taken by the Company for a period of three years from the date of disbursement i.e. February 2014 and payable at the end of the tenor of the loan. The loan is secured by second pari passu charge on the fixed assets and first pari passu charge on current assets of the Company along with corporate guarantee by a promoter.
- iv) Term loan amounting to ₹ Nil (2015: ₹ 93.75) was taken from a bank during the previous periods. The loan was taken by the Company for a period of five years from the date of disbursement and repayable in sixteen equal quarterly instalments of ₹ 93.75 commencing from the date falling 12 Months after date of drawl. The loan was secured by first pari passu charge on the fixed assets of the Company.
- v) Finance lease obligations are for theatrical equipment's taken on a long term lease wherein the Company had an option to purchase the assets at a nominal amount at the end of lease term. The finance lease obligations were transferred to Cinema Ventures Private Limited during the year pursuant to transfer of the exhibition business (Refer note 42).
- vi) Loan from other Party of ₹ Nil (2015: ₹ 2.30) for purchase of fixed asset. The loan is repayable in 12 quarterly various instalments. This loan is secured by the hypothecation of fixed assets purchased and corporate guarantee by the parent Company.
- vii) Unsecured inter-corporate deposit of ₹ Nil (2015: ₹ 5,173) taken from Corporate are at interest rate of 13% and repayable in two years from the date of drawl of loan in January 2014.
- viii) Unsecured Inter corporate deposit of ₹ 20,856.60 (2015: ₹ Nil) taken from corporates are at interest rate of 11.25 % to 13% and repayable in three years from the date of drawl of respective loans taken during the current year.
- ix) Interest rates on secured loans are ranging from 10.50% to 12.75% and on unsecured loan are ranging from 11.25% to 15.33%.

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

x) The above amount includes :

	<b>March 31, 2016</b>	March 31, 2015
Secured borrowings	<b>2,000.00</b>	7,206.05
Unsecured borrowings	<b>20,856.60</b>	6,487.64

xi) A debt guaranteed by a Promoter is ₹ 2,000 (2015: ₹ 7,110)

### 32. Terms of Short term borrowings

- i) Cash credit of ₹ Nil (2015: ₹ 17.33) was secured by pari passu first charge on moveable fixed assets and current assets of the Company, repayable on demand.
- ii) Cash credit of ₹ Nil (2015: ₹ 116.32) is unsecured and repayable on demand.
- iii) Cash Credit of ₹ Nil (2015: ₹ 74.90) was secured by first pari passu charge on the fixed assets, inventories, book debts and loans and advance of the subsidiary and corporate guarantee of the Parent Company and was repayable on demand.
- iv) Secured loan amounting to ₹ 520 (2015: ₹ 2,020) taken from a non-banking financial company, is repayable in four unequal instalments over twelve months after the date of disbursement and is secured by second charge two owned theatrical properties of the company including all assets therein, and all moveable fixed assets and current assets of the Company (excluding assets of film media services business) and pledge of specified number of shares of Prime Focus Limited. The said charge creation is pending.
- v) Secured loan amounting to ₹ 250 (2015: ₹ 250) taken from a non-banking financial company, is repayable in twelve months after the date of disbursement and is secured by charge on receivables from counters.
- vi) Unsecured inter-corporate deposit of ₹ 422.79 (2015: ₹ 10,910.52) taken from corporates were at interest rate of 11.25% to 13% per annum and repayable in six months to one years from the date of respective drawl of loan.
- vii) Unsecured loan of ₹ Nil (2015: ₹ 117.63) is obtained from a bank for tenor of upto one year and is also secured by stand by letter of credit given by the Parent Company.
- viii) Interest rates on secured loans are ranging from 13.00% to 14.50% and on unsecured loan are ranging from 11.25% to 14.50%.
- ix) The above amounts include:

	<b>March 31, 2016</b>	March 31, 2015
Secured borrowings	<b>770.00</b>	2,362.22
Unsecured borrowings	<b>422.79</b>	11,144.48

### 33. Lease disclosure under AS 19- 'Leases'

#### A. Operating leases

The Group was obligated under non-cancellable leases primarily for theatre and office premises and equipment's which are renewable thereafter as per the term of the respective agreements.

The future minimum lease payments in respect of non-cancellable operating lease are as follows:

Particulars	Minimum lease payments	
	As at <b>March 31, 2016</b>	As at March 31, 2015
For the Parent Company / Subsidiaries companies		
Amounts due within one year from the balance sheet date	-	770.20
Amounts due in the period between one year and five years	-	2,578.87
Amount due after five years	-	4,391.83
	-	<u>7,740.90</u>

Amount payable within lock-in-period is ₹ Nil (2015: ₹ 2,970.51).

Amount debited to statement of profit and loss for lease rental is ₹ 352.18 (2015: ₹ 1,032.21) (excluding amount capitalized or deferred ₹ Nil (2015: ₹ 5.75))

Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

**B. Finance leases**

The Company is obligated under non-cancellable finance leases primarily for theatrical equipment's and fixtures. In these cases the Company has an option for purchasing the assets at the end of the lease term for a nominal price.

The future minimum lease payments in respect of non-cancellable finance lease are as follows:

Particulars	March 31, 2016			March 31, 2015		
	Future minimum lease payments	Present value of future minimum lease payment	Finance charge	Future minimum lease payments	Present value of future minimum lease payment	Finance charge
Amounts due within one year from the balance sheet date	-	-	-	973.00	815.81	157.19
Amounts due in the period between one year and five years	-	-	-	610.00	498.83	111.17
Total	-	-	-	1,583.00	1,314.64	268.36

Note: During the current year, the finance lease and operating lease obligations were transferred to Cinema Ventures Private Limited pursuant to transfer of exhibition business, hence it is no longer liable for payment of future lease payments, until CVPL has defaulted on payment and demand is made on the Company. Currently, there are no claims against the said leases.

**34. Disclosure of Segment Reporting under AS 17 – 'Segment Reporting'**

	Film production services		Theatrical exhibition		Television/ Film production and distribution		Total	
	CY	PY	CY	PY	CY	PY	CY	PY
<b>Revenue</b>								
Operating revenue	6.95	728.90	1,741.86	3,720.91	233.34	639.00	1,982.15	5,088.80
Other income	1.90	-	30.64	48.06	-	-	32.54	48.05
Net revenue	8.85	728.90	1,772.50	3,768.90	233.34	639.00	2,014.69	5,136.86
Internal segment sales	-	-	-	-	-	-	-	-
Total Segment revenue	8.85	728.90	1,772.50	3,768.90	233.34	639.00	2,014.69	5,136.86
Unallocated revenue							350.28	233.68
Total revenue							2,364.97	5,370.54
Segment result (profit / (loss) before interest, finance charges and corporate expenses)								
Segment results	(254.93)	(1,635.75)	3,414.37	(394.24)	50.45	79.42	3,209.89	(1,950.57)
Unallocated corporate income							350.28	233.68
Unallocated corporate expenses							(1,452.60)	(1,046.09)
(Loss) before interest and finance charges and tax							2,107.57	(2,762.98)
Interest and finance charges (net)							(3,127.76)	(3,080.73)
Income tax (including deferred tax)							(0.63)	37.74
Share in Associate							1,131.35	47.82
Minority interest allocation							5.99	29.68
(Loss) for the year							(2,156.90)	(5,958.95)
Other information								
Segment assets	1,452.16	5,397.78	1,318.70	6,150.59	119.24	1,106.39	2,890.10	12,654.76

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

	Film production services		Theatrical exhibition		Television/ Film production and distribution		Total	
	CY	PY	CY	PY	CY	PY	CY	PY
Unallocated corporate assets							<b>7,472.15</b>	3,446.10
Total assets							<b>10,362.25</b>	16,100.86
Segment liabilities	-	273.61	<b>5.31</b>	1,585.50	<b>105.12</b>	299.60	<b>110.43</b>	2,158.71
Unallocated corporate liabilities							<b>26,854.81</b>	28,480.87
Total liabilities							<b>26,965.24</b>	30,639.58
Capital Expenditure	-	1,106.92	<b>10.56</b>	69.64	<b>3.23</b>	0.64	<b>13.79</b>	1,177.20
Unallocated capital expenditure							-	-
Total capital expenditure							<b>13.79</b>	1,177.20
Depreciation and amortisation and impairment	<b>250.17</b>	929.21	<b>216.09</b>	806.14	<b>2.18</b>	2.55	<b>468.44</b>	1,737.90
Unallocated depreciation and amortisation							<b>1.71</b>	14.51
Total depreciation and amortisation							<b>470.15</b>	1,752.41

### Geographical Segment Disclosure

	India		Americas		Others		Total	
	CY	PY	CY	PY	CY	PY	CY	PY
Segment revenue	<b>2,013.86</b>	4,978.76	<b>0.83</b>	158.10	-	-	<b>2,014.69</b>	5,136.86
Segment assets	<b>9,641.28</b>	8,081.96	<b>714.60</b>	755.96	<b>6.37</b>	7,262.94	<b>10,362.25</b>	16,100.86
Capital expenditure	<b>13.79</b>	207.91	-	-	-	-	<b>13.79</b>	207.91

CY – Year ended March 31, 2016

PY – Year ended March 31, 2015

The Group has disclosed business segment as the primary segment.

The business of the Group is divided into three segments – film production services, theatrical exhibition and television / Film production and distribution. Segments have been identified taking into account the nature of the business, the differing risks and returns, the organisation structure and internal reporting system. Film production services operation primarily comprise of processing of raw exposed films, colour correction, editing, digital processing, equipment / facility rental, copying and printing of positive exhibitions prints and trading in raw film rolls. Theatrical exhibition operations comprise of single screen, multiplex / Imax cinema exhibition, range of activities / services offered at cinema centres including catering food and beverages. Television / film production and distribution comprises of production of television / film content which is produced / co-produced by the Group and includes related services of financing for production of films. Film distribution operation comprises of the Group's share of revenue from exploitation of distribution rights acquired by the Group, which may include as a package, theatrical rights and video and television rights.

Segment revenue, 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 a part of unallocated corporate assets and liabilities respectively.

Further, the Group has considered the overseas operations as a separately identifiable geographic segment due to substantial operations in the United States of America. Hence, the Group has identified secondary segments based on geographic locations and has reported India, America and Rest of world as geographic segments.



**35. Disclosure of Related Party under AS 18 – 'Related Party Disclosures'**

Parties where control exists

**Holding Company**

- Reliance Land Private Limited (w.e.f. September 16, 2013) ('RLPL')

**Other related parties**

**(a) Significant Shareholders, Key Managerial Personnel and their relative**

- Venkatesh Roddam – Chief Executive Officer
- Mohan Umrotkar – Chief Financial Officer
- Neelam Samant – Company Secretary (w.e.f. November 05, 2014)
- Ashish Agarwal– Manager appointed under section 269 of the Companies Act, 1956. (upto August 22, 2014)
- Satish Kadakia – Whole-time Director (w.e.f. June 22, 2015)

**(b) Enterprise over which Company has significant influence**

- HPE / Adlabs LP
- Gold Adlabs
- Digital Domain- Reliance LLC (formerly known as GH-Reliance LLC) (Upto April 7, 2015)

**(c) Joint Ventures**

- Divya Shakti Marketing Private Limited
- Swanston Multiplex Cinemas Private Limited

**(d) Associates**

- Prime Focus Limited (w.e.f. January 20, 2015) ('PFL')

Transactions	Holding Company		Key managerial personnel		Associates		Enterprises over which company has significant influence/ associate	
	CY	PY	CY	PY	CY	PY	CY	PY
<b>Loan taken</b>								
RLPL	5,550.00	3,870.00	-	-	-	-	-	-
<b>Loan repaid</b>								
RLPL	3,870.00	-	-	-	-	-	-	-
<b>Rendering of services</b>								
PFL	-	-	-	-	-	18.12	-	-
<b>Interest expenses</b>								
RLPL	135.15	70.15	-	-	-	-	-	-
<b>Subscription of equity shares for cash</b>								
PFL	-	-	-	-	1,200.00	-	-	-
<b>Sale of business undertakings</b>								
PFL	-	-	-	-	3,500.00	-	-	-

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

Transactions	Holding Company		Key managerial personnel		Associates		Enterprises over which company has significant influence/ associate	
	CY	PY	CY	PY	CY	PY	CY	PY
<b>Managerial remuneration</b>								
Ashish Agarwal	-	-	-	1.64	-	-	-	-
Venkatesh Roddam	-	-	<b>17.07</b>	17.99	-	-	-	-
Mohan Umrotkar	-	-	<b>11.45</b>	9.58	-	-	-	-
Neelam Samant	-	-	<b>1.10</b>	0.33	-	-	-	-
Satish Kadakia	-	-	<b>1.65</b>	-	-	-	-	-
<b>Share of profit from partnership firm</b>								
Gold Adlabs	-	-	-	-	-	-	<b>7.75</b>	2.72
<b>Net outstanding balance as at year end</b>								
PFL	-	-	-	-	<b>(5.57)</b>	24.60	-	-
RLPL	<b>(5,578.53)</b>	(3,933.13)	-	-	-	-	-	-

CY- Year ended March 31, 2016

PY - Year ended March 31, 2015

### 36. Earnings per share ('EPS')

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Net (loss) after tax	<b>(2,156.90)</b>	(5,958.95)
Weighted average number of equity share outstanding during the year for basic / dilutive EPS	<b>193,208,831</b>	193,208,831
Basic EPS	<b>(11.16)</b>	(30.84)
Dilutive EPS	<b>(11.16)</b>	(30.84)
Nominal value per share	<b>5.00</b>	5.00

### 37. Foreign currency exposures (other than investments and fixed assets) not covered by forward contracts

Particulars	Currency	As at March 31, 2016		As at March 31, 2015	
		Amount - foreign currency (Million)	Amount - Indian rupees	Amount - foreign currency (Million)	Amount - Indian rupees
<b>Trade and other receivables</b>	USD	<b>10.73</b>	<b>710.08</b>	13.06	817.61
	GBP	<b>0.06</b>	<b>5.71</b>	0.44	40.81
	EURO	-	-	-	-
<b>Trade and other payables</b>	USD	<b>7.91</b>	<b>523.46</b>	4.43	277.34
	GBP	<b>0.15</b>	<b>14.26</b>	0.25	23.19
	EURO	-	-	0.04	3.41
	MUR	-	-	0.06	0.10
<b>Loans / Buyers Credit</b>	USD	<b>0.80</b>	<b>52.94</b>	4.17	261.06
<b>Cash and cash equivalents</b>	USD	<b>0.07</b>	<b>4.63</b>	-	-
	GBP	<b>0.01</b>	<b>0.95</b>	0.02	1.86
	MUR	-	-	1.67	2.76

Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

**38. Interest in Joint ventures**

The Company's interests in jointly controlled entities (incorporated Joint Ventures) are:

Name of the Company	Country of Incorporation	% of ownership interest as at March 31, 2016	% of ownership interest as at March 31, 2015
Swanston Multiplex Cinemas Private Limited	India	50%	50%
Divya Shakti Marketing Private Limited	India	50%	50%

**Details of Joint ventures**

Particulars	March 31, 2016	March 31, 2015
Balance Sheet		
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Shareholders' funds</b>		
(a) Share capital	11.15	11.15
(b) Reserves and surplus	(17.43)	(16.27)
<b><u>LIABILITIES</u></b>		
<b>Non-current liabilities</b>		
(a) Long term borrowings	19.91	21.17
(b) Long-term provisions	0.06	0.09
<b>Current liabilities</b>		
(a) Trade payables	5.85	6.00
(b) Other current liabilities	0.75	5.76
(c) Short term provisions	5.78	0.50
<b>Total</b>	<b>26.07</b>	<b>28.40</b>
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
(a) Fixed assets		
Tangible assets	15.83	16.73
(b) Long-term loans and advances	1.87	1.87
<b>Current assets</b>		
(a) Current Investments	4.50	-
(b) Inventories	0.51	0.39
(c) Trade Receivables	2.29	3.85
(d) Cash and cash equivalents	0.71	5.31
(e) Short-term loans and advances	0.36	0.25
<b>Total</b>	<b>26.07</b>	<b>28.40</b>

**Statement of profit and loss**

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b><u>Revenue</u></b>		
(a) Revenue from operations	16.52	17.96
(b) Other income	0.41	2.25
<b>Total revenue</b>	<b>16.93</b>	<b>20.21</b>

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

### Statement of profit and loss

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Expenses</b>		
Direct operation expenses	16.04	5.72
Employee benefits expense	0.82	0.85
Depreciation / amortisation expense	1.14	1.40
Other expenses	0.09	11.94
<b>Total expenses</b>	<b>18.09</b>	19.91
(Loss) / profit before tax	<b>(1.16)</b>	0.30
<b>Tax Expenses</b>		
(1) Current tax	-	-
(2) Short / (Excess) provision for earlier year	-	0.11
<b>(Loss) / profit for the year</b>	<b>(1.16)</b>	0.19
<b>OTHER MATTERS</b>		
Contingent liabilities	2.13	0.56
<b>Movement of the aggregate Shareholders' funds of the Joint ventures:</b>		
Shareholders' funds as at commencement of the year	<b>(5.12)</b>	(5.31)
Add: Share of (loss) / profits for the year	<b>(1.16)</b>	0.19
Shareholders' funds as at the end of the year	<b>(6.28)</b>	(5.12)

### 39. Employee benefits

Details of employee benefits for the Group is as follows:

#### Defined contribution plan

Contribution to defined contribution plan, recognised as expenses for the period are as under:

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Employers contribution to provident fund and other funds	7.36	51.54

#### Defined benefit plan

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. 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.

Other long term employee benefit comprises encashment of leave. The obligation for leave encashment is recognised based on actuarial valuation carried out using Projected Unit Credit Method. Expenses recognised in the Statement of Profit and Loss during the year is ₹ 3.66 (2015: ₹ 17.27).

#### I. Reconciliation of opening and closing balances of defined benefit obligation

Particulars	As at March 31, 2016	As at March 31, 2015
<b>Gratuity</b>		
Defined benefit obligation at the beginning of the year*	24.33	30.36
Transfer pursuant to Sale of Exhibition business (Refer Note 42)	(13.19)	-
Transfer pursuant to Sale of Film & Media business (Refer Note 41)	(6.87)	-
Current service cost	4.44	6.60
Interest cost	2.15	3.22
Actuarial loss / (gain)	4.21	(4.06)
Benefit paid	(9.75)	(9.32)
Defined benefit obligation at year end	5.32	26.81

\* Balance excludes defined benefit obligation of Gener8 India Media Service Limited which ceased to be subsidiary w.e.f. April 7, 2015.

Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

**II. Reconciliation of opening and closing balances of fair value of plan assets**

Particulars	As at March 31, 2016	As at March 31, 2015
Gratuity		
Fair value of plan assets at beginning of year	10.63	16.45
Actuarial gain / (loss)	0.06	(0.35)
Expected return on plan assets	0.91	1.37
Employer contribution	10.59	6.75
Benefit paid	(9.75)	(11.13)
Fair value of plan assets at year end	12.44	13.09
Actual return on plan assets	0.89	0.50

\* Balance excludes fair value of plan assets of Gener8 India Media Service Limited which ceased to be subsidiary w.e.f. April 7, 2015.

**III. Reconciliation of fair value of assets and obligation**

Particulars	As at March 31, 2016	As at March 31, 2015
<b>Gratuity</b>		
Fair value of plan assets at end of year	12.44	13.09
Present value of obligation at the end of year	5.32	26.81
Effect of the limit in para 59(b)	3.47	-
Amount recognised in balance sheet as net liability	(3.65)	13.72

**IV. Expense recognised during the year (Under the head 'Employee benefit expense' – Refer note '24')**

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
<b>Gratuity</b>		
Current service cost	4.44	6.60
Interest Cost	2.15	3.22
Expected return on plan assets	(0.91)	(1.37)
Actuarial loss / (gain)	(15.9)	(3.72)
Effect of the limit in para 59(b)	3.47	-
Net Cost	(6.75)	4.73

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

### V. Investment details

% invested as at year

	As at March 31, 2016	As at March 31, 2015
Nature of Investment		
Insurance policies	<b>100%*</b>	100%*

\* - Fully funded in the case of the Parent Company, subsidiary and joint venture.

### VI. Actuarial assumptions

Particulars	Year ended March 31, 2016 Gratuity (funded) (Indian Assured Lives Mortality) 2006-08 Ult	Year ended March 31, 2015 Gratuity (funded) (Indian Assured Lives Mortality) 2006-08 Ult
Mortality Table		
Discount rate (per annum)	<b>7.84% to 8.05%</b>	7.81% to 7.95%
Expected rate of return on plan assets (per annum)	<b>7.50% to 8.00%</b>	7.50% to 8.00%
Rate of escalation in salary (per annum)	<b>7.00% to 10.00%</b>	5.00% to 7.00%

### VII. Other disclosures

Particulars	Year ended March 31, 2016	Year ended March 31, 2015	Eighteen month period ended March 31, 2014	Eighteen month period ended September 30, 2012	Year ended March 31, 2011
Present value of plan liabilities	<b>5.32</b>	<b>21.53</b>	<b>20.84</b>	<b>24.39</b>	<b>28.79</b>
Fair value of plan assets	<b>12.44</b>	<b>9.64</b>	<b>8.90</b>	<b>21.56</b>	<b>29.77</b>
Surplus /(Deficit) of the plan	<b>7.13</b>	<b>11.89</b>	<b>(11.94)</b>	<b>(2.83)</b>	<b>0.98</b>
Experience adjustments on plan liabilities [loss / (gain)]	<b>(16.87)</b>	<b>3.31</b>	<b>5.98</b>	<b>(11.27)</b>	<b>1.24</b>
Experience adjustments on fair value of plan assets [(loss) / gain]	<b>0.04</b>	<b>0.27</b>	<b>0.15</b>	<b>(1.22)</b>	<b>(0.33)</b>

Above information given to the extent details available in the financial statements of subsidiaries and joint ventures.

The estimates for rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The expected rate of return on plan assets is determined considering several applicable factors mainly, the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan asset management.

40. The Company's net worth has eroded, however, having regard to financial support from its promoters and further restructuring exercise being implemented 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 assets and liabilities.

41. On July 2, 2014, the Company has entered into a binding term sheet with Prime Focus Limited to sell the film and media services business for a net consideration of ₹ 3,500 after considering assignment of debt of ₹ 2,000. Subsequently, the Company entered into a Business Transfer Agreement ('BTA') with Prime Focus Limited for the sale of the business and the business was transferred effective closing of April 7, 2015.

As of March 31, 2015, pending transfer of the business total assets pertaining to the film and media services business have been treated as held for disposal and the provisional gain thereon has not been accounted in the previous year.

During the year Company has completed the transfer of business to Prime Focus Limited. As agreed Company has transferred net assets of ₹ 3,370.47 As agreed Prime Focus Limited has issued its shares amounting to ₹ 3,500 at the price of ₹ 52 per share to the Company. Pending receipt of approval, the Company has not transferred assets pertaining to Studio business. Accordingly it has also not assigned debts of ₹ 2,000 to Prime Focus. The profit of ₹ 129.53 on transfer of film & media business has been disclosed as an exception item.

Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

The amounts of revenue and expenses pertaining to the film and media services business are:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>I. Revenue from operations</b>	<b>6.95</b>	728.90
<b>II. Other income</b>	<b>3.88</b>	19.78
<b>III. Total revenue (I+II)</b>	<b>10.83</b>	748.68
<b>IV. Expenses</b>		
Direct operational expenses	<b>0.25</b>	157.38
Employee benefits expense	<b>6.80</b>	581.07
Finance cost (net)	<b>0.93</b>	48.83
Depreciation and amortisation expense	<b>250.17</b>	929.21
Other expenses	<b>4.33</b>	872.42
<b>Total expenses</b>	<b>262.48</b>	2,588.91
<b>V. (Loss) before exceptional items and tax (III- IV)</b>	<b>(251.65)</b>	(1,840.23)
<b>VI. Exceptional items</b>	<b>129.53</b>	-
<b>VII. (Loss) for the year from discontinuing film and media services operations</b>	<b>(122.12)</b>	(1,840.23)

The amounts of assets and liability pertaining to the film and media services business are:

Particulars	As at March 31, 2016	As at March 31, 2015
Carrying amount of assets relating to the discontinued operations	<b>1,452.16</b>	5,724.33
Carrying amount of liabilities relating to the discontinued operations (Excluding value of loan of ₹ 2,000 to be assigned)	-	(849.34)
Net assets/(liabilities) relating to the discontinued operations	-	4,874.99

The cash flows of the film and media services business are:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Net cash flow attributable to the discontinued business</b>		
Cash flow from operating activities	<b>0.55</b>	124.56
Cash flow from investing activities	-	(1324.49)
Cash flow from financing activities	-	1388.13

42. On November 5, 2014, the Board of Directors of the Company have proposed a sale of certain identified properties and common infrastructure on a going concern basis pertaining to the theatrical exhibition business of the Company to its Subsidiary i.e. Cinema Ventures Private Limited for a consideration of ₹ 6,445 (Net of ₹ 255 received from landlords directly whose cinemas are not transferred to CVPL) which shall be discharged partially through assignment of debt of the Company. Subsequently, a Business Transfer Agreement ('BTA') was entered into by the Company for the transfer of its business to the Subsidiary on December 14, 2014. Also, on December 15, 2014, the Company entered into a Share Purchase Agreement ('SPA') with Carnival Films Private Limited for transfer of the Company's shareholding in the Subsidiary for a consideration of ₹ 22.54. The consideration for the sale of the business to Subsidiary and the sale of shares of the Subsidiary is higher than the book value of assets proposed to be transferred, hence no accounting treatment was given in respect of the same as of March 31, 2015. Subsequently on July 31, 2015 Company has concluded the transaction and received the entire consideration. All the assets and liabilities pertaining to theatrical exhibition business have been transferred to Cinema Ventures Private Limited. The Consideration of ₹ 6,445 has been partly paid in cash and partly by way of assignment of debt of the Company. The profit on account of transfer of business aggregating to ₹ 4,138.75 has been disclosed as an exceptional item

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

The gross value of the assets (net of accumulated depreciation) of the theatrical exhibition business which was transferred is ₹ 3,319.18 and the liabilities is ₹ 1,012.93. Further as a part of the transaction, Company has assigned Bank loan of ₹ 3,830 And finance lease obligation of ₹ 1,460.06 to transfer Cinema Venture Private Limited (formerly known as Reliance MediaVentures Private Limited).

The amounts of revenue and expenses pertaining to the theatrical exhibition business are:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>I. Revenue from operations</b>	<b>1,719.62</b>	3,577.79
<b>II. Other income</b>	<b>10.19</b>	55.75
<b>III. Total revenue (I+II)</b>	<b>1,729.81</b>	3,633.54
<b>IV. Expenses</b>		
Direct operational expenses	752.40	1,604.23
Employee benefits expense	78.95	286.14
Finance cost (net)	-	206.00
Depreciation and amortisation expense	214.95	735.45
Other expenses	755.74	1,847.16
<b>Total expenses</b>	<b>1,802.04</b>	4,678.98
<b>V. (Loss) before exceptional items and tax (III- IV)</b>	<b>(72.23)</b>	(1,045.44)
<b>VI. Exceptional items</b>	<b>3,628.93</b>	(553.31)
<b>VII. Profit / (Loss) for the year from discontinuing theatrical exhibition business</b>	<b>3,556.70</b>	(1,598.75)

The amounts of assets and liability pertaining to the theatrical exhibition business are:

Particulars	As at March 31, 2016	As at March 31, 2015
Carrying amount of assets relating to the discontinued operations	-	5,951.50
Carrying amount of liabilities relating to the discontinued operations	-	(2600.76)
Net assets / (liabilities) relating to the discontinued operations	-	3,350.74

The cash flows of the theatrical exhibition business are:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Net cash flow attributable to the discontinued business</b>		
Cash flow from operating activities	142.72	(465.59)
Cash flow from investing activities	7.83	(66.08)
Cash flow from financing activities	-	(184.49)

### 43. Exceptional items includes:

#### I. Current year ended March 31, 2016

- Profit on transfer of film and media services business to Prime Focus Limited of ₹ 129.53 (The amount during the year ended March 31, 2015 was ₹ 203.80) (Refer note 41).
- Profit on transfer of the theatrical Exhibition business to Cinema Ventures Private Limited of ₹ 4,138.75.
- Profit and sale of Long Terms investments ₹ 22.44
- Loss on disposal of assets which are not being transferred to Cinema Ventures Private Limited of ₹ 295.58.
- Provision for doubtful advances, deposits, Capital work in progress of the property under development ₹ 236.69

#### II. Previous year ended March 31, 2015 - None



Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

44. Pursuant to the Group adopting the useful life of fixed assets as indicated in Part C of Schedule II of the Companies Act, 2013 coming into effect from April 1, 2014, depreciation charge for the previous year ended March 31, 2015 is higher by ₹ 180.10. Further, for assets whose useful life as of April 1, 2014 was nil pursuant to the adoption of revised useful life were ₹ 52.34, which have been fully depreciated and included as expense for the previous year. In case Big Synergy Media Limited ₹ 0.89 charged to opening balance of retained earnings of previous year.

45. Goodwill on consolidation

Particulars	March 31, 2016	March 31, 2015
Opening balance of Goodwill	517.90	517.90
Transferred pursuant to sale of film and media services business (Refer note 41)	465.63	-
	52.27	517.90

46. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the entities	Net assets i.e., total assets minus total liabilities As at March 31, 2016		Share of profit or loss For the year ended March 31, 2016	
	As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount profit or (loss)
Reliance MediaWorks Limited	94%	(15,565.48)	91%	(1,971.25)
<b>Subsidiaries</b>				
<b>Indian</b>				
Reliance MediaWorks Theatres Limited	-	(46.99)	5%	(108.08)
Big synergy Media Limited	(1%)	228.17	(1%)	12.22
Gener8 India Media Services Limited (formerly known as Reliance MediaWorks Entertainment Services Limited)	-	-	5%	(110.19)
Reliance Media Consultant Private Limited	-	-	-	0.44
Cinema Ventures Private Limited (formerly known as Reliance MediaVentures Private Limited)	-	-	-	(0.01)
Reliance MediaWorks Creative Services Limited	-	-	-	0.01
<b>Foreign</b>				
Global MediaWorks (UK) Limited	7%	(1,195.18)	1%	(26.89)
Reliance MediaWorks (USA) Inc.	25%	(4,123.42)	12%	(251.87)
Reliance MediaWorks (Netherland) B.V.	-	(0.42)	-	(0.02)
Reliance MediaWorks (Mauritius) Limited	-	-	(4%)	81.64
Reliance Lowry Digital Imaging Services Inc.	-	-	-	(5.36)
<b>Joint Venture</b>				
<b>Indian</b>				
Divya Shakti Marketing Private Limited	-	(5.70)	-	(1.07)
Swanston Multiplex Cinemas Private Limited	-	(0.58)	-	(0.10)
<b>Associate</b>				
Prime Focus Limited	(26%)	4,277.68	52%	(1,131.35)
		(16,431.92)		(3,511.88)
Console Elimination		171.07		1,354.98
<b>Total</b>	<b>100.00%</b>	<b>(16,602.99)</b>	<b>100.00%</b>	<b>(2,156.90)</b>

# Reliance MediaWorks Limited

## Notes to the consolidated financial statements for the year ended March 31, 2016

(Currency : ₹ in millions)

Name of the entities	Net assets i.e., total assets minus total liabilities As at March 31, 2015		Share of profit or loss For the year ended March 31, 2015	
	As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount profit or (loss)
Reliance MediaWorks Limited	123.88%	(13,575.84)	92.83%	(6,933.76)
<b>Subsidiaries</b>				
<b>Indian</b>				
Reliance MediaWorks Theatres Limited	(0.56%)	61.52	1.18%	(88.14)
Big synergy Media Limited	(1.97%)	215.95	(0.76%)	56.94
Gener8 India Media Services Limited (formerly known as Reliance MediaWorks Entertainment Services Limited)	9.21%	(1,009.41)	8.16%	(609.78)
Reliance Media Consultant Private Limited	0.00%	(0.01)	0.00%	(0.03)
Cinema Ventures Private Limited (formerly known as Reliance MediaVentures Private Limited)	0.00%	(0.06)	0.00%	(0.08)
Reliance MediaWorks Creative Services Limited	0.00%	(0.01)	0.01%	(0.50)
<b>Foreign</b>				
Global MediaWorks (UK) Limited	10.66%	(1,168.29)	1.27%	(94.84)
Reliance MediaWorks (USA) Inc.	33.39%	(3,659.21)	(7.52%)	561.61
Reliance MediaWorks (Netherland) B.V.	0.24%	(26.65)	(0.06%)	4.39
Reliance MediaWorks (Mauritius) Limited	8.82%	(966.83)	4.57%	(341.20)
<b>Joint Venture</b>				
<b>Indian</b>				
Divya Shakti Marketing Private Limited	0.08%	(9.27)	0.01%	(0.42)
Swanston Multiplex Cinemas Private Limited	0.01%	(0.97)	(0.01%)	0.79
<b>Associate</b>				
Prime Focus Limited	(83.76%)	9,180.51	0.32%	(24.22)
	100.00%	(10,958.57)	100.00%	(7,469.25)

47. Previous year amounts have been re-grouped / re-arranged as necessary to conform to the current year's classification.

As per our report of even date.

**For Chaturvedi & Shah**  
Chartered Accountants  
Firms' Reg No. : 101720W

**Parag D. Mehta**  
Partner  
Membership No: 113904

Mumbai  
August 31, 2016

For and on behalf of the Board

**Shubhadarshini Ghosh**  
Director

**Mohan Umrotkar**  
Chief Financial Officer

**Satish Kadakia**  
Whole-time Director

**Neelam Samant**  
Company Secretary

Mumbai  
August 31, 2016

Notes to the consolidated financial statements for the year ended March 31, 2016

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of companies (Accounts) Rules, 2014)

**PART 'A': Subsidiaries**

(Currency : ₹ in millions)  
Foreign Currencies in '000

Sr. No	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period	Reporting currency & exchange rate	Share capital	Reserve & surplus	Total assets	Total liabilities	Investments	Turnover	Profit / (Loss) before tax	Provision for taxation	Profit after taxation	Proposed dividend	% of shareholding
1	Reliance MediaWorks Theatres Limited	May 19, 2003	March 31, 16	INR	0.50	(47.49)	33.97	80.96	28.93	7.75	(108.23)	(0.15)	(108.08)	-	100.00
2	Big Synergy Media Limited	January 12, 2007	March 31, 16	INR	1.00	227.17	280.75	52.58	18.60	178.33	11.61	(0.61)	12.22	-	51.00
3	Reliance MediaWorks Creative Services Limited	July 19, 2014	March 31, 16	INR	0.50	(0.50)	-	-	-	-	(0.01)	-	(0.01)	-	100.00
4	Global MediaWorks (UK) Limited	May 19, 2006	March 31, 16	INR	0.85	(1,196.03)	0.62	1,201.45	-	-	(26.89)	-	(26.89)	-	100.00
			March 31, 16	GBP	10.00	(12,579.05)	65.87	12,634.92	-	-	26.25	-	26.25	-	-
5	Reliance MediaWorks (USA) Inc.	May 19, 2006	March 31, 16	INR	1.32	(4,124.74)	714.60	4,838.02	-	-	(251.87)	-	(251.87)	-	100.00
			March 31, 16	US\$	20.00	(62,328.54)	10,798.31	73,106.85	-	-	(3,858.88)	-	(3,858.88)	-	-

Exchange rate as of March 31, 2016 : USD = ₹ 66.1774 GBP = ₹ 95.0893 EUR = ₹ 75.1513 MUR = ₹ 1.8761

Name of Subsidiaries which are yet to commence operations - Nil

Name of Subsidiaries which liquidated or sold during the year - Reliance MediaWork Entertainment Services Limited (currently known as Gener8 India Media Services Limited) Reliance MediaWorks (Mauritius) Limited, Cnema Venture Private Limited, Reliance MediaWorks (Netherlands) B.V. and Reliance Media Consultant Private Limited ceased to be subsidiaries of the Company

**PART "B" : Associates / Joint Ventures**

Sr. No	Name of Associates / Joint ventures	Latest audited Balance sheet Date	Date on which the Associate or Joint venture was associated or acquired	Shares of Associates / Joint Ventures held by the company on the year end		Description of how there is significant influence	Reason why the associate / joint venture is not consolidated	Network to Shareholding as per latest audited balance sheet	Profit / (Loss) for the year	
				No	Amount investment in Associate / Joint venture				Extend of Holding %	Considered in consolidation
	<b>Associate</b>									
1	Prime Focus Limited	March 31, 16	January 20, 2015	104,939,361.00	5,456.85	Refer Note A	-	3,352.10	(1,131.35)	-
	<b>Joint Ventures</b>									
1	Divyashakti Marketing Private Limited	March 31, 16	May 14, 2004	100,000.00	32.90	Refer Note A	-	(5.70)	(1.07)	-
2	Swanston Multiplex Cinemas Private Limited	March 31, 16	September 1, 2005	1,015,000.00	82.51	Refer Note A	-	(0.58)	(0.10)	-

Name of associates / joint ventures which are yet to commence operations - Nil

Name of associates / joint ventures which have been liquidated or sold during the year - Nil

Note A - There is significant influence due to percentage (%) of Share Capital.

For and on behalf of the Board

**Shubdarshini Ghosh**  
Director

**Satish Kadakia**  
Whole-time Director

**Mohan Umrotkar**  
Chief Financial Officer

**Neelam Samant**  
Company Secretary

Mumbai  
August 31, 2016

## Route Map to the AGM Venue

Venue : Reliance MediaWorks Limited, Film City Complex, Goregaon (East), Mumbai 400 065



Landmark : Film City Complex

Distance from Goregaon Station (East) : 5.6 km

Distance from Western Express Highway (Oberoi Mall) : 4.0 km

**THIS PAGE IS INTENTIONALLY LEFT BLANK**

**RELIANCE****MediaWorks****Reliance MediaWorks Limited**

Registered Office: Communication Centre, Film City Complex, Goregaon (East), Mumbai 400 065

CIN: U29299MH1987PLCO45446, Tel.: +91 22 3347 3600 Fax: +91 22 3347 3601

Website: www.reliancemediaworks.com, E-mail: investor.complaints@relianceada.com

**ATTENDANCE SLIP  
ANNUAL GENERAL MEETING**

*DP Id ./ Client Id.		Name and Address of the registered Shareholder
Regd. Folio No.		
No. of Share(s) held		

(\* Applicable for members holding share(s) in electronic form)

I / We hereby record my / our presence at the **29<sup>th</sup> Annual General Meeting** of the Members of Reliance MediaWorks Limited held on Friday, September 30, 2016 at 2:00 P.M. at Film City Complex, Goregaon (East), Mumbai 400 065.\_\_\_\_\_  
Member's / Proxy's Signature

Note: Please complete this and hand it over at the entrance of the hall.

----- ✂ ----- TEAR HERE ----- ✂ -----

**RELIANCE****MediaWorks****Reliance MediaWorks Limited**

Registered Office: Communication Centre, Film City Complex, Goregaon (East), Mumbai 400 065

CIN: U29299MH1987PLCO45446, Tel.: +91 22 3347 3600 Fax: +91 22 3347 3601

Website: www.reliancemediaworks.com, E-mail: investor.complaints@relianceada.com

**PROXY FORM****FORM NO. MGT-11**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s)		
Registered Address		
E-mail Id:		
*DP Id. / Client Id.		Regd. Folio No.

(\* Applicable for members holding share(s) in electronic form)

I / We, being the member(s) of ..... shares of the above named company, hereby appoint:

- (1) Name: ..... Address: .....  
E-mail Id: ..... Signature..... or failing him
- (2) Name: ..... Address: .....  
E-mail Id: ..... Signature..... or failing him
- (3) Name: ..... Address: .....  
E-mail Id: ..... Signature .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **29<sup>th</sup> Annual General Meeting** of the Company, to be held on Friday, September 30, 2016 at 2:00 P.M. at Film City Complex, Goregaon (East), Mumbai 400 065, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution no. and Matter of Resolution	For	Against
1. To consider and adopt: a) the audited financial statement of the Company for the financial year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon, and b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2016 and the report of the Auditors thereon.		
2. To appoint a Director in place of Ms. Shubhdarshini Ghosh (DIN: 07191985), who retires by rotation and being eligible, offers herself for re-appointment.		
3. To appoint Auditors and to fix their remuneration.		
4. To approve Private Placement of Non-Convertible Debentures and/or other Debt Securities.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Signature of the Shareholder(s) \_\_\_\_\_, Signature of Proxy holder(s) \_\_\_\_\_,

Affix  
Revenue  
Stamp

Note: This form of Proxy in order to effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

If undelivered please return to :

**Link Intime India Private Limited**  
**(Unit: Reliance MediaWorks Limited)**

C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (W.)  
Mumbai - 400 078, Maharashtra, India

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

Tel : + 91 22 2594 6970

Fax : + 91 22 2594 6969

E-mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)