

**FINANCIAL STATEMENT**

**2014-2015**

**BIG SYNERGY MEDIA LIMITED**

**MUKUL & GANESH**  
**CHARTERED ACCOUNTANTS**

GF 15 Hans Bhawan, 1, Bahadurshah Zafar Marg, New Delhi-110002, India  
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**INDEPENDENT AUDITORS' REPORT**

**To the Members of  
Big Synergy Media Limited**

**Report on the Financial Statements**

We have audited the accompanying Standalone financial statements of Big Synergy Media Limited ("The Company"), which comprise the Balance Sheet as at 31st March, 2015, the Profit and Loss Statement and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility For the 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 financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 2 of the Companies (Accounts) Rules, 2014.

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

**Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 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 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 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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the annexure a statement on the matters specified in paragraph 3 and 4 of the said order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet and the Profit and Loss Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

**MUKUL & GANESH**  
**CHARTERED ACCOUNTANTS**

Continuation Sheet ...

- e) On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- I. The Company does not have any pending litigations which would impact its financial position; and
  - II. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.

**For Mukul & Ganesh**  
**Chartered Accountants**  
**FRN 003094N**

Place: Mumbai  
Date: 8<sup>TH</sup> June, 2015

**(Y. Ganesh)**  
**Partner**  
M. No. 081994

**Annexure to the Auditor's Report**

**The annexure referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2015, we report that:-**

- i) a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets;
- b) All the assets have been physically verified by the management during the year and there is a regular programme of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its business. The discrepancies noticed on physical verification wherever material have been dealt with in the books;
- ii) a) The Management has conducted physical verification of stocks held at regular interval;
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business;
- c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records wherever material have been dealt with in the books properly;
- iii) The company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, sub clause (a) and (b) of clause (iii) of Paragraph 3 of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company;
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system;
- v) The Company has not accepted any deposits covered under the provisions of sections 73 or 76 the Companies Act, 2013;

**MUKUL & GANESH**  
**CHARTERED ACCOUNTANTS**

Continuation Sheet.....

- vi) Maintenance of cost records has not been prescribed for the company;
- vii) a) The company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, provident fund, employees' state insurance, service tax etc.;
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax were in arrears, as at 31<sup>st</sup> March, 2015;
- c) According to the information and explanations given to us, there are no dues of amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder;
- viii) The company has no accumulated losses and has not incurred any cash losses during the current financial year and in the immediately preceding financial year;
- ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or Bank;
- x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from any bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company;
- xi) The company has not taken any term loans during the year. Accordingly clause (xi) of the order is not applicable;
- xii) According to the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the year.

**For Mukul & Ganesh**  
**Chartered Accountants**  
**FRN 003094N**

Place: Mumbai  
Date: 8<sup>th</sup> June, 2015

(V. Ganesh)  
Partner  
M. No. 081994

# Big Synergy Media Limited

4,Zamrudpur Community Centre,3rd Floor,Kailash Colony Extension,New Delhi-110048,Delhi

## Balance sheet

As at 31 March 2015

	Note	As at March 31, 2015	As at March 31, 2014
<b>EQUITIES AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a)	1	1,000,000	1,000,000
(b)	2	214,947,973	238,812,260
<b>Non-current liabilities</b>			
(a)	3	1,796,903	1,660,762
(b)		-	-
<b>Current liabilities</b>			
(a)	4	1,400,554	1,400,554
(b)	5	61,379,787	52,055,759
(c)	6	32,254,221	18,736,563
(d)	8	79,916,082	-
		<u>392,695,520</u>	<u>313,665,898</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a)			
(a)	7	4,374,704	8,378,641
(b)	9	3,500,000	3,500,000
(c)	10	6,743,725	5,982,506
(d)	11	76,595,196	68,581,050
<b>Current assets</b>			
(a)	12	174,156,693	152,592,432
(b)	13	31,524,635	7,944,842
(c)	14	6,251,623	11,910,383
(e)	15	81,180,461	40,159,449
(f)	16	3,469,707	12,690,995
(d)	17	4,898,776	1,925,600
		<u>392,695,520</u>	<u>313,665,898</u>

The accompanying notes are an integral part of the financial statements.

As per report on financial statements of even date attached.

For **Mukul & Ganesh**  
Chartered Accountants

For and on behalf of the Board

**V. Ganesh**  
Partner  
Membership No: 81994  
Firm No:003094N

**Siddhartha Basu**  
Managing Director

**Anita Kaul Basu**  
Chairperson and Wholetime Director

Mumbai  
Date:-08 June 2015

**Mohan Umrotkar**  
Director

**Neha Salia**  
Company Secretary

Mumbai  
Date:-08 June 2015

# Big Synergy Media Limited

4, Zamrudpur Community Centre, 3rd Floor, Kailash Colony Extension, New Delhi-110048, Delhi

## Statement of profit and loss

for the year ended 31 March 2015

	Note	for the year ended March 31, 2015	for the year ended March 31, 2014
<b>I. Revenue</b>	18	634,833,121	446,164,834
<b>II. Other income</b>	19	15,208,168	16,278,979
<b>III. Total Revenue</b>		<u>650,041,289</u>	<u>462,443,813</u>
<b>IV. Expenses</b>			
Equipment hire charges		90,621,694	79,701,854
Set expenses		28,262,314	16,672,039
Professional & technical fees		148,962,950	104,615,940
Research expenses		8,449,050	3,630,165
Production expenses		127,303,337	52,536,201
Unit transportation		23,831,083	21,755,911
Video tapes		1,174,012	1,106,213
Personnel costs	20	57,377,216	54,492,053
Administrative expenses	21	66,924,660	46,209,795
Interest	22	4,286	135,611
Depreciation	7	2,552,336	1,449,729
<b>Total expenses</b>		<u>555,462,938</u>	<u>382,305,511</u>
<b>V. Profit before exceptional and extra ordinary item and tax (III- IV)</b>		94,578,351	80,138,302
<b>VI. Exceptional items</b>		-	-
<b>VII. Profit before extra ordinary item and tax (V- IV)</b>		94,578,351	80,138,302
<b>VIII. Extraordinary items</b>		-	1,600,000
<b>IX. Profit before tax (VII-VIII)</b>		94,578,351	78,538,302
<b>X. Tax Expenses</b>			
Current tax		39,600,000	29,430,000
Deferred tax (credit)/ charge		(761,219)	(2,761,536)
Short / (Excess) provision for earlier years		(1,197,868)	95,640
<b>Profit for the year (IX-X)</b>		56,937,438	51,774,198
Basic / diluted earnings per share (refer note iii) Rs.		5,694	5,177

The accompanying notes are an integral part of the financial statements.

As per report on financial statements of even date attached.

For **Mukul & Ganesh**

Chartered Accountants

For and on behalf of the Board

**V. Ganesh**

Partner

Membership No: 81994

Firm No:003094N

Mumbai

Date:-08 June 2015

**Siddhartha Basu**

Managing Director

**Mohan Umrotkar**

Director

**Anita Kaul Basu**

Chairperson and Wholetime Director

**Neha Salia**

Company Secretary

Mumbai

Date:-08 June 2015



# Big Synergy Media Limited

4, Zamrudpur Community Centre, 3rd Floor, Kailash Colony Extension, New Delhi-110048, Delhi

## Cash flow for the year ended March 31, 2015

Particulars	For the Year ended	For the Year ended
	March 31, 2015	March 31, 2014
	Amount	Amount
<b>A</b>		
<b><u>Cash flow from operating activities:-</u></b>		
Net Profit before Tax	94,578,351	80,138,302
Adjustment for :		
Depreciation	2,552,336	1,449,729
Assests W/off	1,192,041	-
Interest income and dividend income	(13,247,325)	(12,412,829)
Bad debts written off	5,532,628	129,270
Interest expenses	4,286	135,611
<b>Operating profits before working capital changes</b>	<b>90,612,317</b>	<b>69,440,083</b>
(Decrease) in inventories	5,658,760	9,217,186
(Increase) / Decrease in sundry debtors	(41,021,012)	75,497,577
Decrease / (Increase) in loans & Advances	4,513,541	28,247,897
Increase / (Decrease) in trade and other current liabilities	22,977,827	(98,029,872)
Cash generated from operation	82,741,433	84,372,870
Taxes paid (net of refunds)	(46,000,213)	(44,654,643)
<b>Net cash flow used in operating activities ( A )</b>	<b>36,741,220</b>	<b>39,718,227</b>
<b>B</b>		
<b><u>Cash flow from investing activities:-</u></b>		
Purchase of fixed assets	(626,082)	(664,749)
Purchase of investments	36,162,163	(2,994,691)
Interest income	9,033,203	10,867,642
<b>Net cash flow used in investing activities ( B )</b>	<b>44,569,283</b>	<b>7,208,202</b>
<b>C</b>		
<b><u>Cash flow from financing activities</u></b>		
Interest expenses	(4,286)	(135,611)
Dividend (including Dividend Tax ) Paid	-	(72,536,900)
<b>Net cash flow from financing activities ( C )</b>	<b>(4,286)</b>	<b>(72,672,511)</b>
Net increase in cash and cash equivalent - ( A + B + C )	81,306,217	(25,746,082)
Cash and cash equivalents as at beginning of the year	92,850,476	178,338,514
Cash and cash equivalents as at end of the year (Refer note 1 below)	174,156,693	152,592,432
	<b>81,306,217</b>	<b>(25,746,082)</b>
Notes :		
1) Cash and cash equivalents at year end comprises:		
Cash on hand	491,412	213,464
Balance with banks		
-Deposit accountns	173,644,527	149,209,035
-Current accountns	20,755	3,169,933
	<b>174,156,693</b>	<b>152,592,432</b>

For **Mukul & Ganesh**  
Chartered Accountants

For and on behalf of the Board

V. Ganesh  
Partner  
Membership No: 81994  
Firm No:003094N

**Siddhartha Basu**  
Managing Director

**Anita Kaul Basu**  
Chairperson and Wholetime Director

**Mohan Umrotkar**  
Director

**Neha Salia**  
Company Secretary

Mumbai  
Date:-08 June 2015

Mumbai  
Date:-08 June 2015

# Big Synergy Media Limited

4, Zamrudpur Community Centre, 3rd Floor, Kailash Colony Extension, New Delhi-110048, Delhi

## Notes to the financial statements (Continued)

As at 31 March 2015

(Currency : Indian Rupees)

Note No		Figures for the reporting period March 31, 2015 3	Figures for the reporting period March 31, 2014 4
1	Share Capital		
	<i>Authorised</i>		
	20,000 (2014: 20,000) Equity Shares of Rs. 100/- each	2,000,000	2,000,000
	1,200,000 (2014: 1,200,000) 7% Preference Shares of Rs.100/- each	<u>120,000,000</u>	<u>120,000,000</u>
	<i>Issued, subscribed and paid-up capital</i>		
	10,000 (2014: 10,000 ) Equity Shares of Rs. 100/- each fully paid up	1,000,000	1,000,000
	<b>Total</b>	<u><u>1,000,000</u></u>	<u><u>1,000,000</u></u>

### Reconciliation of the equity shares outstanding at the beginning and at the end of the year

<i>Issued, subscribed and paid-up capital</i>	31 March 2015		31 March 2014	
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
<i>Shares issued as at beginning of the year</i>	10,000	1,000,000	10,000	1,000,000
<i>Shares issued as at end of the year</i>	10,000	1,000,000	10,000	1,000,000

### Terms/ rights attached to equity shares

The Company has equity shares having par value of Rs. 100 per share. Each equity holder entitle to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed 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.

Details of shareholders who held more than 5% of equity share in the Company

	31 March 2015		31 March 2014	
	No of Shares	% holding in the class	No of Shares	% holding in the class
Mrs. Anita Kaul Basu	980	10%	980	10%
Mr. Siddhartha Basu	1715	17%	1715	17%
Siddhartha Basu HUF	735	7%	735	7%
Reliance MediaWorks Limited	5100	51%	5100	51%

2	Reserves and Surplus	As at March 31, 2015		As at March 31, 2014	
	<b>Capital redemption reserve</b>				
	At the commencement of the year	<u>120,000,000</u>		<u>120,000,000</u>	
		<b>120,000,000</b>		<b>120,000,000</b>	
	<b>General reserve</b>				
	At the commencement of the year	30,600,000		30,600,000	
	Add: Transfer from Profit & Loss Account	<u>14,500,000</u>		<u>-</u>	
		<b>45,100,000</b>		<b>30,600,000</b>	
	<b>Profit &amp; loss account</b>				
	Opening balance	88,212,260		36,438,062	
	Add/Less : Profit/(loss) for the year	56,937,438		51,774,198	
	Less: Transitional Depreciation	<u>(885,643)</u>		<u>-</u>	
	<b>Appropriation</b>	<u>144,264,055</u>		<u>88,212,260</u>	
	Transfer to General Reserve	14,500,000		-	
	Dividend on Equity shares	66,600,000		-	
	Dividend tax payable on Equity shares dividend	<u>13,316,082</u>		<u>-</u>	
	<b>Profit and loss - available for appropriation</b>	<u><b>49,847,973</b></u>		<u><b>88,212,260</b></u>	
		<u><b>214,947,973</b></u>		<u><b>238,812,260</b></u>	

## Big Synergy Media Limited

4, Zamrudpur Community Centre, 3rd Floor, Kailash Colony Extension, New Delhi-110048, Delhi

As at 31 March 2015

(Currency : Indian Rupees)

	As at March 31, 2015	As at March 31, 2014
<b>3 Long-term provisions</b>		
Provision for employee benefits :		
Gratuity	1,796,903	1,660,762
	<u>1,796,903</u>	<u>1,660,762</u>
<b>4 Short-term borrowings</b>		
<i>Unsecured</i>		
Loan from related parties		
-Fellow subsidiary	1,400,554	1,400,554
	<u>1,400,554</u>	<u>1,400,554</u>
<b>5 Trade payables</b>		
Trade payables	61,379,787	52,055,759
	<u>61,379,787</u>	<u>52,055,759</u>
<b>6 Other current liabilities</b>		
Advance from customers	8,926,214	7,756,129
<b>Other payables</b>		
Expense payable	17,404,351	8,135,412
Others	5,923,656	2,845,022
	<u>32,254,221</u>	<u>18,736,563</u>
<b>8 Short-term provisions</b>		
Proposed dividend - Equity shares	66,600,000	-
Tax on proposed dividend - Equity shares	13,316,082	-
	<u>79,916,082</u>	<u>-</u>
<b>9 Non-Current investments</b>		
Templetation India India SIP Growth 828.237 unit (2014:828.237 Unit), Net Assets Value:Rs2873.8473 (2014:2568.8344 NAV),	2,000,000	2,000,000
Birla Sunlife Bond Fund Retail Growth 73575.577 unit (2014:73575.577 Unit), Net Assets Value:Rs N.A.V 24.4426 (2014:21.2163 NAV)	1,500,000	1,500,000
	<u>3,500,000</u>	<u>3,500,000</u>
<b>10 Deferred tax asset</b>		
<i>Arising on account of timing difference in:</i>		
Carring value of fixed/other assets(net)	6,160,720	5,443,672
Provision for gratuity	583,005	538,834
<b>Net deferred tax asset / (liability)</b>	<u>6,743,725</u>	<u>5,982,506</u>
<b>11 Long Term Loans and Advances</b>		
Unsecured, considered good;		
Deposits	9,110,954	8,626,528
Others	398,509	1,707,816
Advance income tax & tax deducted at sources (Net of Provision for tax)	67,085,733	58,246,706
	<u>76,595,196</u>	<u>68,581,050</u>

## Big Synergy Media Limited

4, Zamrudpur Community Centre, 3rd Floor, Kailash Colony Extension, New Delhi-110048, Delhi

### Notes to the financial statements (Continued)

As at 31 March 2015

(Currency : Indian Rupees)

	As at March 31, 2015	As at March 31, 2014
<b>12 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	491,412	213,464
<i>Balances with scheduled banks</i>		
- in current accounts	20,755	3,169,933
- in fixed deposit accounts	109,327,218	89,467,079
	<u>109,839,385</u>	<u>92,850,476</u>
Other bank balances		
- in fixed deposit account maturing more than three months	64,317,308	59,741,956
	<u>64,317,308</u>	<u>59,741,956</u>
	<u>174,156,693</u>	<u>152,592,432</u>
<b>13 Current investments</b>		
SCB Liquid Plus Dividend Reinvestment Plan	31,524,635	7,944,842
	<u>31,524,635</u>	<u>7,944,842</u>
<b>14 Inventories</b>		
Tapes in stock	82,957	647,999
Work in progress for television content	6,168,666	11,262,384
	<u>6,251,623</u>	<u>11,910,383</u>
<b>15 Trade receivables</b>		
Unsecured, considered good;		
Debts outstanding for a period exceeding six months from the date they are due for payments	-	19,858,337
Other debts	81,180,461	20,301,112
Unsecured, considered doubtful;		
Debts outstanding for a period exceeding six months from the date they are due for payments	17,500,004	-
Other debts		
Provision for doubtful debts	(17,500,004)	-
	<u>81,180,461</u>	<u>40,159,449</u>
<b>16 Short-term loans and advances</b>		
Loans and advances to related parties	-	3,624,999
<b>Others</b>		
Other loans and advances		
To Suppliers	869,754	211,887
To Staff	31,000	20,000
To Others	2,568,953	8,834,109
	<u>3,469,707</u>	<u>12,690,995</u>
<b>17 Other current assets</b>		
Interest accrued on fixed deposits	4,898,776	1,925,600
	<u>4,898,776</u>	<u>1,925,600</u>

## Big Synergy Media Limited

4, Zamrudpur Community Centre, 3rd Floor, Kailash Colony Extension, New Delhi-110048, Delhi

### Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency : Indian Rupees)

	for the year ended March 31, 2015	for the year ended March 31, 2014
<b>18 Revenue</b>		
Programme sales	634,833,121	446,164,834
	<u>634,833,121</u>	<u>446,164,834</u>
<b>19 Other income</b>		
Interest income from:		
-Bank and other deposits	13,247,325	12,412,829
Profit on sale of long term investments	-	1,372,495
Miscellaneous income	1,960,842	2,493,655
	<u>15,208,168</u>	<u>16,278,979</u>
<b>20 Personnel costs</b>		
Salaries, wages and bonus	54,946,179	52,328,718
Contribution to provident and other funds	2,032,158	1,828,309
Gratuity	398,879	335,026
	<u>57,377,216</u>	<u>54,492,053</u>
<b>21 Other operating and general administrative expenses</b>		
Bank charges	12,157	12,733
Business promotion	115,852	321,115
Rent	13,628,276	14,339,648
Rates and Taxes, excluding taxes on income	50,610	50,435
Travelling and conveyance	1,370,599	1,539,901
Insurance	558,700	22,033
Auditor remuneration (Including internal auditor remuneration)	1,200,000	1,000,000
Legal and professional fees	18,271,717	20,731,618
Bad debts written off	5,532,628	129,270
Provision for Bad & Doubtful Debts	17,500,004	-
Assets W/off	1,192,041	-
Miscellaneous expenses	1,118,229	437,929
Electricity charges	1,983,733	2,177,732
Printing & stationery	562,126	741,778
Telephone expenses	1,081,062	1,107,324
Facility maintenance charges	2,131,409	2,856,765
Repairs and maintenance	615,517	741,514
	<u>66,924,660</u>	<u>46,209,795</u>
<b>22 Interest</b>		
Other Interest	4,286	135,611
	<u>4,286</u>	<u>135,611</u>

## Big Synergy Media Limited

4, Zamrudpur Community Centre, 3rd Floor, Kailash Colony Extension, New Delhi-110048, Delhi

### Notes to the financial statements (Continued)

as at 31 March 2015

(Currency : Indian Rupees)

7	Tangible Assets	Intangible Assets (Software)	Furniture and fixtures(lease)	Office equipment	Plant and machinery	Furniture and fixtures	Computers	Vehicles	Buzzer System	Editing Machine	Total
	Opening Balance	276,054	9,694,054	3,878,757	32,000	1,014,452	7,654,164	4,849,579	156,824	649,231	28,205,115
	Add: Additions		-	583,107	-		42,975	-			626,082
	Other Adjustments										
	Sub total	276,054	9,694,054	4,461,864	32,000	1,014,452	7,697,139	4,849,579	156,824	649,231	28,831,197
	Less: Disposals	-	-	1,922,039	-	569,349	3,900	-	-	-	2,495,288
	Gross Block at year end (a)	276,054	9,694,054	2,539,825	32,000	445,103	7,693,239	4,849,579	156,824	649,231	26,335,909
	Less: Depreciation										
	Opening Depreciation	223,721	9,647,486	1,502,978	30,881	603,442	6,232,805	1,323,173	70,961	191,027	19,826,474
	Depreciation for the year	-	27,916	479,701	-	30,320	667,925	1,194,537	15,103	136,834	2,552,336
	Transitional Depreciation	-	-	515,504	1,119	1,535	348,893	-	18,592	-	885,643
	Depreciation for the asset sold	-	-	905,266	-	394,818	3,163	-	-	-	1,303,247
	Total accumulated depreciation (b)	223,721	9,675,402	1,592,918	32,000	240,478	7,246,459	2,517,710	104,656	327,861	21,961,205
	Net carrying value (a) - (b)	52,333	18,652	946,907	0	204,625	446,780	2,331,869	52,168	321,370	4,374,704

# Big Synergy Media Limited

## Schedules to the financial statements

For the year ending March 31, 2015

(Currency: Indian Rupees)

### **Background**

Big Synergy Media Limited (formerly known as Synergy Adlabs Media Limited ('Synergy' or 'the Company')) was incorporated on February 24, 1988 as a private limited company and is currently a public limited Company. The Company is primarily engaged in production for television content for sale to various broadcasters. The Company is subsidiary of Reliance MediaWorks Ltd, which owns 51% of the equity share capital of the Company.

### **A. Significant Accounting policies**

#### **i. Basis of Accounting**

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and in accordance with the Accounting Standards ('AS') notified in the Accounting Standard Rules, 2006. and the relevant provisions of the Companies Act, 2013 ('the Act'), to the extent applicable. The financial statements are presented in Indian Rupees.

#### **ii. Use of Estimates**

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

#### **iii. Fixed Assets and depreciation**

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

Depreciation on fixed assets is provided pro-rata to the period of use, under Straight Line Method, at the rates prescribed in Schedule II of the Companies Act, 2013, except in the case of leasehold improvements wherein they are depreciated over the primary period of the lease or the useful life of assets whichever is lower

#### **iv. Inventories**

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the First-in-first-out (FIFO) basis. Also include work in process (WIP) comprising of cost till date of the projects which is not billed.

# Big Synergy Media Limited

## Schedules to the financial statements

For the year ending March 31, 2015

(Currency: Indian Rupees)

### v. Investments

Investments are classified in to Long term investments and current investments based on intent of management at the time of making the investment. Investments, intended to be held for more than one year, are classified as long-term investments.

Current investments are valued at lower of cost or market value. Long-term investments are valued at cost unless there is depreciation, other than temporary, in their value.

### vi. Revenue Recognition

Revenue is recognized to the extent that it is certain that the economic benefit will flow to the company and the revenue can be reliably measured. Program sales are accounted on the delivery of the tape to the channel.

Sales are recorded net of service tax.

**Interest :-** Interest is recognize on the basis of time proportion at the rate implicit in the transaction.

**Dividend :-** Dividend is recognize as income when right to received the same is confirmed.

### vii. 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 recognized for timing differences between the profits/ losses offered for income taxes and profits/ losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

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

### viii. 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 period.



# Big Synergy Media Limited

## Schedules to the financial statements

For the year ending March 31, 2015

(Currency: Indian Rupees)

### **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 Profit and Loss Account.

### **ix. Earning per share**

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

### **x. Provisions and Contingencies**

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

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

# Big Synergy Media Limited

## Schedules to the financial statements

For the year ending March 31, 2015

(Currency: Indian Rupees)

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.

### B. Notes forming part of the accounts

i. Auditors remuneration consists of

Particulars	Year ended March 31,2015	Year ended March 31,2014
Audit fees	8,25,000	750,000
Internal Audit fees	3,75,000	250,000
Service tax	1,48,320	1,23,600
<b>Total</b>	<b>13,48,320</b>	<b>11,23,600</b>

ii. Related Party Transactions under AS 18

#### **Significant Shareholders, Key Management Personnel and their relatives**

1. Reliance Mediaworks Ltd – Holding Company
2. Siddhartha Basu – Key Management Personnel
3. Anita Kaul Basu – Key Management Personnel
4. Aditya basu - Relatives of KMP

#### **Ultimate holding companies**

1. Reliance Land Pvt Ltd.

#### **Fellow subsidiary companies**

1. Global MediaWorks (UK) Limited
2. Reliance MediaWorks (USA), Inc.
3. Reliance MediaWorks (Netherlands) B.V.
4. Reliance MediaWorks (Mauritius) Limited
5. Reliance MediaWorks Theatres ltd
6. Reliance MediaWork Entertainment services ltd
7. Reliance MediaConsultant pvt ltd
8. Reliance MediaVentures pvt ltd
9. Adlabs Distributors and Exhibitors Ltd.

# Big Synergy Media Limited

## Schedules to the financial statements

For the year ending March 31, 2015

(Currency: Indian Rupees)

Transactions	Holding Company		Key Management personnel		Fellow subsidiary (Reliance MediaWorks Theatres Ltd)	
	Year ended March 31,2015	Year ended March 31,2014	Year ended March 31,2015	Year ended 31 March 31,2014	Year ended March 31,2015	Year ended March 31,2014
Hiring of equipment	1,12,000	2,10,000	-	-	-	-
Professional fees Aditya Basu	-	-	3,68,666	1,35,000	-	-
Managerial Remuneration, Siddhartha Basu	-	-	70,50,002	4,200,000	-	-
Managerial Remuneration, Anita Kaul Basu	-	-	70,50,002	4,200,000	-	-
Closing balance	5,33,714.8	5,33,714.8	-	63,000	1,400,554	1,400,554

iii. Earnings per share

The Calculation of Earning per Share as required under Accounting Standards (AS)-20 is as under:-

	Particulars	Year ended March 31,2015	Year ended March 31,2014
a)	Profit after Tax	5,69,37,438	5,17,74,198
b)	Dividend on preference shares including tax thereon	-	-
c)	(Loss)/Profit after tax attributable to equity shareholders(a-b)	5,69,37,438	5,17,74,198
d)	No. of equity shares of face value of Rs.100/- each	10,000	10,000
c)	Earnings Per Share (c/d)	5,694	5,177

# Big Synergy Media Limited

## Schedules to the financial statements

For the year ending March 31, 2015

(Currency: Indian Rupees)

iv. Defined Contribution Plan

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

Particulars	Year ended March 31,2015	Year ended March 31,2014
Employers contribution to Provident fund and other funds	20,32,158	18,28,309

v. 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.

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

Particulars	Year ended March 31,2015	Year ended March 31,2014
Defined Benefit obligation at beginning of Year	28,09,481	24,05,658
Current Service Cost	4,46,284	4,84,614
Interest Cost	2,00,701	2,18,915
Actuarial (gain) / loss	-1,76,003	-2,99,706
Benefits paid	-4,79,372	-
Settlement cost	-	-
Defined Benefit obligation at year end	28,01,091	28,09,481

# Big Synergy Media Limited

## Schedules to the financial statements

For the year ending March 31, 2015

(Currency: Indian Rupees)

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

Particulars	Year ended March 31,2015	Year ended March 31,2014
Fair value of plan assets at beginning of the year	11,48,719	10,66,211
Expected return on plan assets	86,116	99,672
Employer Contribution	2,52,037	-
Benefits paid	-4,79,372	-
Actuarial (gain) / loss	-3,312	-17,164
Fair value of plan assets at year end	10,04,188	11,48,719
Actual return on plan assets	-	-

### III. Reconciliation of fair value of assets and obligations

Particulars	Year ended March 31,2015	Year ended March 31,2014
Gratuity (funded)		
Fair value of plan assets at the end of the year	-10,04,188	-11,48,719
Present value of obligation at the end of the year	28,01,091	28,09,481
Amount recognised in Balance Sheet as (net asset) / net liability	17,96,903	16,60,762

### IV. Expense recognised during the period (Under the head "Personnel Cost – Refer Schedule '19')

Particulars	Year ended March 31,2015	Year ended March 31,2014
Gratuity		
Current Service Cost	4,46,284	4,84,614
Interest Cost	2,00,701	2,18,915
Expected return on plan assets	-86,116	-99,672
Actuarial (gain) / loss	-1,72,691	-2,82,542
Past Service cost	-	-
Net Cost	3,88,178	3,21,315

# Big Synergy Media Limited

## Schedules to the financial statements

For the year ending March 31, 2015

(Currency: Indian Rupees)

- V. Investment details  
% invested as at year / period end

Nature of Investments	March 31,2015	March 31,2014
Insurance policies	100%	100%

- VI. Actuarial assumptions

Particulars	Gratuity (Funded)	Gratuity (Funded)
	March 31,2015	March 31,2014
Discount rate (per annum)	7.81%	9.10%
Expected rate of return on plan assets (per annum)	8%	9%
Rate of escalation in salary (per annum)	5%	5%

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.

- vi. Salary and wages include the directors remuneration of Rs. 1,41,00,003/-
- vii. The Company is engaged only in the business of production of Television serials.
- viii. Previous year figures have been re-grouped wherever necessary to make them comparable with current year's figures.

# Big Synergy Media Limited

## Schedules to the financial statements

For the year ending March 31, 2015

(Currency: Indian Rupees)  
As per our report of even date

**For Mukul & Ganesh  
Chartered Accountants**

**V. Ganesh  
Partner  
Membership No. 81994  
Firm No.003094N  
Mumbai  
Date:- June 08, 2015**

**For and on behalf of the Board**

**Siddhartha Basu  
Managing Director**

**Anita Kaul Basu  
Chairperson and Wholetime Director**

**Mohan Umrotkar  
Director**

**Neha Salia  
Company Secretary**

**Mumbai  
Date:- June 08, 2015**