

FINANCIAL STATEMENT

2017-2018

**RELIANCE MEDIAWORKS FINANCIAL SERVICES PRIVATE
LIMITED**

Independent Auditors' Report

To The Members of
Reliance MediaWorks Financial Services Private Limited

We have audited the accompanying financial statements of **Reliance MediaWorks Financial Services Private Limited** ('the Company') which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) specified under Section 133 of the Act. 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 Ind AS 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 the matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS 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 management and Board of Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2018; its Loss, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

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 sub-section (11) Section 143 of Act, we give in the "Annexure A", a statement on the matters specified in paragraph 3 and 4 of the 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, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the applicable Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018 from being appointed as Director in terms of section 164(2) of the Act;
 - f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g. 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) There are no ongoing litigations as at the reporting date that would have a material impact on its financial position;
 - ii) Based upon the assessment made by the Company, there are no long-term contracts resulting in 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 Mahendra & Co.
Chartered Accountants
Regn.No.509293C

Swati Garg
Partner
Membership No. 424192

Place: Mumbai
Date: August 27, 2018

ANNEXURE A TO THE AUDITORS' REPORT

Referred to in our Report of even date on Accounts of **Reliance MediaWorks Financial Services Private Limited** for year ended March 31, 2018

- i)
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the management during the year and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets.
 - c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) As explained to us, inventories have been physically verified during the year by the management and in our opinion the frequency of verification is reasonable. Discrepancies noticed on physical verification of the inventories between the physical inventories and book records were not material, having regard to the size of the operations of the Company and the same have been properly dealt with.
- iii) In our opinion and according to the information and explanations given to us, the Company has granted unsecured loans to companies covered in the register maintained pursuant to section 189 of the Act. According to the information and explanations given to us, the repayment of loan is on demand and the terms and conditions are not prima facie, prejudicial to the interest of the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with 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 from the public.
- vi) According to the information and explanations given to us, no cost records have been prescribed by the Central Government of India under section 148(1) of the Act.
- vii)
 - (a) Based on our examination of the books and records, the Company has generally been regular in depositing with appropriate authority undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, Goods and Service Tax, cess and other material statutory dues, wherever applicable, during the year. Further no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
 - (b) As per the information and explanations given to us, there are no disputed statutory dues pending to be deposited with the respective authorities by the Company.
- viii) The Company has not raised any funds from financial institutions or banks or by issue of debentures during the year, hence, question of repayment of dues to them does not arise.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x) 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 course of our audit.
- xi) The Company has not paid any managerial remuneration. Hence paragraph 3(xi) of the Order is not applicable.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Mahendra & Co.
Chartered Accountants
Regn.No.509293C

Swati Garg
Partner
Membership No. 424192

Place: Mumbai
Date: August 27, 2018

ANNEXURE B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Section 143(3)(i) of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting ('Financial Controls') of **Reliance MediaWorks Financial Services Private Limited** ("the Company") in conjunction with our audit of the Company for the year ended March 31, 2018.

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Financial Controls based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 Financial Controls are 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 Financial Controls includes obtaining an understanding of Financial Controls, 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 Financial Controls 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 Financial Controls includes those policies and procedures that (1) pertain to 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 Financial Controls, 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 Financial Controls to future periods are subject to the risk that the Financial Controls 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, the Company has, in all material respects, an adequate Financial Controls system and such Financial Controls are operating effectively as at March 31, 2018, based on the Financial Controls 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 ICAI.

For Mahendra & Co.
Chartered Accountants
Regn.No.509293C

Swati Garg
Partner
Membership No. 424192

Place: Mumbai
Date: August 27, 2018

Reliance MediaWorks Financial Services Private Limited

Balance Sheet as at March 31, 2018

Particulars	Note	As at March 31, 2018 ₹	As at March 31, 2017 ₹
ASSETS			
1 Non-current Assets			
(a) Investments in Subsidiaries, Associates and Joint Ventures	3	9,04,73,20,635	9,04,73,20,635
(b) Other Non Current Assets	4	<u>11,42,943</u>	<u>980</u>
		<u>9,04,84,63,577</u>	<u>9,04,73,21,615</u>
2 Current Assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	5	3,29,23,795	1,50,33,825
(ii) Bank Balance Other Than Cash and Cash Equivalents above	6	80,00,000	15,02,00,000
(iii) Loans	7	12,92,54,604	12,48,04,604
(iv) Other Financial Assets	8	38,69,564	3,08,292
(b) Other Current Assets	4	<u>4,98,88,980</u>	<u>25,540</u>
		<u>22,39,36,943</u>	<u>29,03,72,261</u>
TOTAL ASSETS		<u>9,27,24,00,520</u>	<u>9,33,76,93,876</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	9	1,05,01,00,000	1,00,000
(b) Other Equity	10	<u>(1,04,71,97,397)</u>	<u>(56,78,638)</u>
		<u>29,02,603</u>	<u>(55,78,638)</u>
Liabilities			
1 Non current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	<u>8,06,49,15,590</u>	<u>9,04,74,00,000</u>
		<u>8,06,49,15,590</u>	<u>9,04,74,00,000</u>
2 Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	12	15,29,32,423	29,02,95,350
(ii) Other Financial Liabilities	13	1,02,37,15,817	50,19,448
(b) Other Current Liabilities	14	<u>2,79,34,087</u>	<u>5,57,716</u>
		<u>1,20,45,82,327</u>	<u>29,58,72,514</u>
TOTAL EQUITY AND LIABILITIES		<u>9,27,24,00,520</u>	<u>9,33,76,93,876</u>

The accompanying notes form an integral part of the financial statements

1 to 33

As per our Report of even date
For Mahendra & Co.
 Chartered Accountants
 Firm Regn.No.: 509293C

For and on behalf of the Board of Directors

Swati Garg
 Partner
 Membership No.: 424192

Satish Kadakia
 Director
 DIN: 07004001

Mohan Umrotkar
 Director
 DIN: 02282548

Place: Mumbai
 Date : August 27, 2018

Place: Mumbai
 Date : August 27, 2018

Reliance MediaWorks Financial Services Private Limited

Statement of Profit and Loss for the year ended March 31, 2018

Particulars	Note	Year ended	Period ended
		March 31, 2018	March 31, 2017
		₹	₹
Revenue			
Revenue from Operations	15	27,31,000	1,43,46,250
Other Income	16	1,83,55,542	9,796
TOTAL		2,10,86,542	1,43,56,046
Expenses			
Purchases of traded goods	17	27,40,000	1,43,91,250
Finance Costs	18	1,02,22,86,617	55,77,164
Other Expenses	19	3,75,78,683	66,270
TOTAL		1,06,26,05,300	2,00,34,684
Profit / (Loss) before tax		(1,04,15,18,759)	(56,78,638)
Total Comprehensive Income		(1,04,15,18,759)	(56,78,638)
Earnings per Equity Share (Face value of ₹ 10/- each)			
- Basic and Diluted	20	(719.10)	(567.86)

The accompanying notes form an integral part of the financial statements

1 to 33

As per our Report of even date
For Mahendra & Co.
 Chartered Accountants
 Firm Regn.No.: 509293C

For and on behalf of the Board of Directors

Swati Garg
 Partner
 Membership No.: 424192

Satish Kadakia
 Director
 DIN: 07004001

Mohan Umrotkar
 Director
 DIN: 02282548

Place: Mumbai
 Date : August 27, 2018

Place: Mumbai
 Date : August 27, 2018

Statement of Changes in Equity

A. Equity Share Capital (Refer Note 9)

Particulars	Amount (₹)
Balance as at 1st April, 2016	-
Changes in equity share capital during the year	1,00,000
Balance as at 31st March, 2017	1,00,000
Changes in equity share capital during the year	1,05,00,00,000
Balance as at 31st March, 2018	1,05,01,00,000

B. Other Equity (Refer Note 10)

Particulars	Reserve and Surplus
	Retained Earnings
Balance as at 1st April, 2016	-
Profit for the year	(56,78,638)
Balance as at 31st March, 2017	(56,78,638)
Profit / (Loss) for the year	(1,04,15,18,759)
Balance as at 31st March, 2018	(1,04,71,97,397)

As per our Report of even date
For Mahendra & Co.
Chartered Accountants
Firm Regn.No.: 509293C

For and on behalf of the Board of Directors

Swati Garg
Partner
Membership No.: 424192

Satish Kadakia
Director
DIN: 07004001

Mohan Umrotkar
Director
DIN: 02282548

Place: Mumbai
Date : August 27, 2018

Place: Mumbai
Date : August 27, 2018

Reliance MediaWorks Financial Services Private Limited

Cash flow Statement for the year ended March 31, 2018

Particulars	Year ended	Period ended
	March 31, 2018	March 31, 2017
	₹	₹
A Cash flow from operating activities:-		
Profit before Tax	(1,04,15,18,759)	(56,78,638)
Adjustment for :		
Interest Income	(1,83,55,542)	(9,796)
Interest Expense	1,02,22,86,617	55,77,164
Operating profits before working capital changes	(3,75,87,683)	(1,11,270)
(Increase) / Decrease in Financial Assets & other Assets	(5,34,24,712)	(3,33,832)
Increase / (Decrease) in Financial Liabilities & other Liabilities	90,87,09,813	29,58,72,514
Cash generated from operation	81,76,97,418	29,54,27,412
Interest on taxes paid	-	-
Taxes paid (net of refunds)	(11,41,963)	(980)
Net cash flow used in operating activities (A)	81,65,55,455	29,54,26,432
B Cash flow from investing activities:-		
Purchase of investments	-	(9,04,73,20,635)
(Investment)/Redemption in Fixed Deosit with Banks (net)	14,22,00,000	(15,02,00,000)
Inter corporate loans given	(44,50,000)	(12,48,04,604)
Interest income	1,83,55,542	9,796
Net cash flow used in investing activities (B)	15,61,05,542	(9,32,23,15,443)
C Cash flow from financing activities		
Inter corporate loan received / (repaid)	(98,24,84,410)	9,04,74,00,000
Increase in Equity share capital	1,05,00,00,000	1,00,000
Interest Expense	(1,02,22,86,617)	(55,77,164)
Net cash flow from financing activities (C)	(95,47,71,027)	9,04,19,22,836
Net increase/(decrease) in cash and cash equivalent - (A + B + C)	1,78,89,970	1,50,33,825
Cash and cash equivalents as at beginning of the year	1,50,33,825	-
Cash and cash equivalents as at end of the year (Refer note below)	3,29,23,795	1,50,33,825
	1,78,89,970	1,50,33,825

Note :

1) Cash and cash equivalents at year end comprises:

- Cash on hand

- Balance with Banks in Current accounts

-

-

3,29,23,795

1,50,33,825

3,29,23,795

1,50,33,825

The above Statement of cash flow should be read in conjunction with accompanying notes 1 to 33

As per our Report of even date

For Mahendra & Co.

Chartered Accountants

Firm Regn.No.: 509293C

For and on behalf of the Board of Directors

Swati Garg

Partner

Membership No.: 424192

Place: Mumbai

Date : August 27, 2018

Satish Kadakia

Director

DIN: 07004001

Place: Mumbai

Date : August 27, 2018

Mohan Umrotkar

Director

DIN: 02282548

1. Corporate Information

Reliance MediaWorks Financial Services Private Limited ('RMFSL' or 'the Company') was incorporated on March 10, 2017 as a private limited company under the provisions of the Companies Act, 2013. The Company is engaged in to carry on the business of an investment company and invest, buy, sell, transfer deal in and dispose of any shares, stocks, debentures, debenture stock bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature whether incorporated or otherwise; and where so ever constituted or carrying on business of immovable property and rights directly or indirectly connected therewith and or billion, including gold, silver and other precious metals and/ or precious stones such as diamonds, rubies and/ or any other asset.

2. Basis of Preparation and Significant Accounting Policies

2.1 Basis of Preparation and Presentation

a) Compliance with Ind AS

- i) The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act 2013 (the Act) read with relevant rules. The Company is in the first phase of Ind AS Implementation. The previous years figures for 2016-17 have been restated as per Ind AS.
- ii) For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 ('the Act'), read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).
- iii) These financial statements are the first financial statements of the Company under Ind AS. Refer note 27 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

b) Historical cost convention

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which are measured at fair value (refer accounting policy regarding financial instruments).

Company's financial statements are presented in Indian Rupees which is also its functional currency.

2.2 Summary of Significant Accounting Policies

a) Current versus non-current classification

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

b) Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ in the principal market for the asset or liability, or
- ▶ in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

c) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The following specific recognition criteria must also be met before revenue is recognized:

- i) Interest income is recognized using the effective interest method for financial assets and for others it is recognized on a time proportion basis considering the amount outstanding and the rate applicable. Interest income is included under the head "Other Income" in the statement of profit and loss.

d) Income Taxes

i) Current Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

e) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

f) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares, provided the number of shares to be issued is material.

g) Statement of Cash Flows

Cash flows are reported using the indirect method, where by profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

h) Cash and Cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial Recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at Fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at the FVTOCI if it is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets carried at fair value through profit and loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit and loss.

(iv) Investments in subsidiaries

Investments in subsidiaries are carried at cost. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Investments in subsidiaries recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Investment in subsidiaries.

(v) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Impairment of Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit or loss.

2.3 Key Accounting Estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

a) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the period of overdues, the amount and timing of anticipated future payments and the probability of default.

b) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of resources resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

Notes annexed to and forming part of the Financial statements

Note 3 : Investments in subsidiaries, associates and joint ventures

Particulars	Face Value	March 31, 2018		March 31, 2017	
		Unit	Amount	Unit	Amount
Investments carried at Cost					
(A) Equity Investments in Subsidiary Companies (Unquoted)					
Reliance MediaWorks Theatres Limited	10	50,000	5,00,000	50,000	5,00,000
Big Synergy Media Limited*	100	5,100	13,53,00,000	5,100	13,53,00,000
(* Transaction has been completed by the parties on March 30, 2017 but the procedural formalities for share transfer has been completed on April 7, 2017)					
Total (A)			13,58,00,000		13,58,00,000
(B) Investment in Associate Company (Quoted)					
Prime Focus Limited	1	10,49,39,361	8,87,86,20,635	10,49,39,361	8,87,86,20,635
Total (B)			8,87,86,20,635		8,87,86,20,635
(C) Investment in Joint Venture (Unquoted)					
Divya Shakti Marketing Private Limited	10	1,00,000	3,29,00,000	1,00,000	3,29,00,000
Total (C)			3,29,00,000		3,29,00,000
			9,04,73,20,635		9,04,73,20,635

The carrying value and market value of quoted and unquoted investments are as below:

	March 31, 2018		March 31, 2017	
	Market Value	Book Value	Market Value	Book Value
Subsidiaries:				
Aggregate carrying value of quoted investments	-	-	-	-
Aggregate carrying value of unquoted investments	13,58,00,000	13,58,00,000	13,58,00,000	13,58,00,000
Associate:				
Aggregate carrying value of quoted investments	8,87,86,20,635	8,87,86,20,635	8,87,86,20,635	8,87,86,20,635
Aggregate carrying value of unquoted investments	-	-	-	-
Joint Venture:				
Aggregate carrying value of quoted investments	-	-	-	-
Aggregate carrying value of unquoted investments	3,29,00,000	3,29,00,000	3,29,00,000	3,29,00,000

Note 4 : Other Non Current & Current Assets

Particulars	March 31, 2018		March 31, 2017	
	Current	Non Current	Current	Non Current
Advance income tax & tax deducted at sources	-	11,42,943	-	980
Balances with government authorities	4,98,88,980	-	25,540	-
	4,98,88,980	11,42,943	25,540	980

Note 5 : Cash and Cash Equivalents

Particulars	March 31, 2018	March 31, 2017
Balances with Banks		
In Current Accounts	3,29,23,795	1,50,33,825
Cash on Hand	-	-
	3,29,23,795	1,50,33,825

Note 6 : Bank Balance Other Than Cash and Cash Equivalents

Particulars	March 31, 2018	March 31, 2017
Bank Deposits With Original Maturity of More Than 3 Months But Less Than 12 Months	80,00,000	15,02,00,000
	80,00,000	15,02,00,000

Note 7 : Loans

Particulars	March 31, 2018	March 31, 2017
<i>(Unsecured, considered good)</i> (Refer Note No. 26)		
Inter Corporate Deposits Given (Related Parties)	6,17,35,800	5,72,85,800
Others	6,75,18,804	6,75,18,804
	12,92,54,604	12,48,04,604

Notes annexed to and forming part of the Financial statements**Note 8 : Other Financial Assets**

Particulars	March 31, 2018	March 31, 2017
Interest Accrued on Bank Deposits	3,64,850.00	-
Interest Accrued on Inter corporate deposits	35,04,714.00	3,08,292.00
	38,69,564.00	3,08,292.00

Note 9 : Equity Share Capital

Particulars	March 31, 2018		March 31, 2017	
	Number	Amount	Number	Amount
Authorised Equity Shares of ₹ 10/- each	11,00,00,000	1,10,00,00,000	10,000	1,00,000
Issued, Subscribed & fully paid up Equity Shares of Rs. 10/- each	10,50,10,000	1,05,01,00,000	10,000	1,00,000
	10,50,10,000	1,05,01,00,000	10,000	1,00,000

Notes :**(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year**

Particulars	March 31, 2018		March 31, 2017	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	10,000	1,00,000	-	-
Shares issued during the year	10,50,00,000	1,05,00,00,000	10,000	1,00,000
Shares outstanding at the end of the year	10,50,10,000	1,05,01,00,000	10,000	1,00,000

(b) Equity Shares held by the shareholders holding more than 5% shares in the Company

Name of the Shareholder	March 31, 2018		March 31, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Reliance MediaWorks Limited	10,50,10,000	100	10,000	100

(c) Equity Shares held by the holding company/ultimate holding company

Name of the Shareholder	March 31, 2018		March 31, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Reliance MediaWorks Limited	10,50,10,000	100	10,000	100

Rights, preference and restrictions attached to the equity shares

The Company has equity shares having par value of Rs. 10 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.

Note 10 : Other Equity

Particulars	March 31, 2018	March 31, 2017
Retained Earnings		
Balance as per last Balance sheet	(56,78,638)	-
Profit / (Loss) for the Year	(1,04,15,18,759)	(56,78,638)
Balance at the end	(1,04,71,97,397)	(56,78,638)
	(1,04,71,97,397)	(56,78,638)

Note 11 : Borrowings

Particulars	March 31, 2018	March 31, 2017
Debentures		
Non-Convertible Debentures (Secured)	6,24,25,15,590	-
Inter-Corporate Deposits		
From related parties (Unsecured) (Refer Note No.26)	1,82,24,00,000	9,04,74,00,000
	8,06,49,15,590	9,04,74,00,000

Non-Convertible Debentures (Secured)

The Redeemable Non-Convertible Debentures are secured by pledge of all shares of Prime Focus Limited with a carrying value of Rs. 8,87,86,20,635 (31 March 2017: 8,87,86,20,635, April 1, 2016: Nil) alongwith corporate guarantee by a promoter and first charge on Equity share capital of the Company. The same are repayable by March 28 2023.

Inter-Corporate Deposit from related parties (Unsecured)

Unsecured loan from related party is repayable March 30, 2020 and carries an interest rate of 11.25% p.a. as at March 31, 2018.

Notes annexed to and forming part of the Financial statements

Note 12 : Trade Payables

Particulars	March 31, 2018	March 31, 2017
Total Outstanding dues of Micro & Small enterprises	-	8,56,204
Total Outstanding dues of Others	15,29,32,423	28,94,39,146
	15,29,32,423	29,02,95,350

Note 13 : Other Financial Liabilities - Current

Particulars	March 31, 2018	March 31, 2017
Interest Accrued and Due on Borrowing	1,02,37,15,817	50,19,448
	1,02,37,15,817	50,19,448

Note 14 : Other Current Liabilities

Particulars	March 31, 2018	March 31, 2017
Statutory Dues Payable	2,79,34,087	5,57,716
	2,79,34,087	5,57,716

Note 15 : Revenue from Operations

Particulars	Year Ended March 31, 2018	Period Ended March 31, 2017
Trading Income - Sale of Gold	27,31,000	1,43,46,250
	27,31,000	1,43,46,250

Note 16 : Other Income

Particulars	Year Ended March 31, 2018	Period Ended March 31, 2017
Interest Income On -		
Bank Deposits	94,42,031	-
Loan to related parties	36,61,580	9,796
Loan to others	53,61,931	-
	1,83,55,542	9,796

Note 17 : Purchase of traded goods

Particulars	Year Ended March 31, 2018	Period Ended March 31, 2017
Stock of Gold		
Inventory at the beginning of the year	-	-
Add: Purchases	27,40,000	1,43,91,250
	27,40,000	1,43,91,250
Less: Inventory at the end of the year	-	-
Cost of traded goods sold	27,40,000	1,43,91,250

Note 18 : Finance Costs

Particulars	Year Ended March 31, 2018	Period Ended March 31, 2017
Interest on term loans and debentures	81,91,780	-
Interest on other loans	1,01,35,29,247	55,77,164
	1,02,17,21,027	55,77,164
Finance charges	5,65,590	-
	1,02,22,86,617	55,77,164

Note 19 : Other expenses

Particulars	Year Ended March 31, 2018	Period Ended March 31, 2017
Rates and Taxes	1,48,46,100	-
Audit fees (excluding taxes)	12,500	12,500
Legal and professional fees	2,03,82,508	22,500
Preliminary Expenses written off	-	31,270
Bad debts written off	23,37,274	-
Miscellaneous expenses	301	-
	3,75,78,683	66,270

Reliance MediaWorks Financial Services Private Limited
Notes annexed to and forming part of the Financial statements

Note 20 : Earning per share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2018	March 31, 2017
Profit for Basic & Diluted earning per share(a)	(1,04,15,18,759)	(56,78,638)
Weighted average number of equity shares (b)	14,48,356	10,000
Face value per share (₹)	10	10
Basic/Diluted earning per share (₹) (a/b)	(719)	(568)

Note 21 : Dues to micro and small suppliers

Under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED), certain disclosures are required to be made relating to micro and small enterprise. On the basis of the information and records information available with the Company, the following disclosures are made for the amounts due to the MSME.

Particulars	March 31, 2018	March 31, 2017
Principal amount due to any supplier as at the year end	-	8,56,204
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.	-	-

Reliance MediaWorks Financial Services Private Limited

Notes annexed to and forming part of the Financial statements

Note 22 : Fair values

Fair value measurement include the significant financial instruments stated at amortised cost in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

Fair value measurements

The carrying value and fair value of financial instruments by categories as of March 31, 2018 are as follows :

Particulars	At amortised costs	At fair value through profit and loss	at fair value through OCI	Total carrying value	Total fair value
Financial assets					
Cash and Cash Equivalents	3,29,23,795	-	-	3,29,23,795	3,29,23,795
Bank Balance Other Than Cash and Cash Equivalents above	80,00,000	-	-	80,00,000	80,00,000
Loans	12,92,54,604	-	-	12,92,54,604	12,92,54,604
Other Financial Assets	38,69,564	-	-	38,69,564	38,69,564
	17,40,47,963	-	-	17,40,47,963	17,40,47,963
Financial liabilities					
Borrowings	8,06,49,15,590	-	-	8,06,49,15,590	8,06,49,15,590
Trade Payables	15,29,32,423	-	-	15,29,32,423	15,29,32,423
Other Financial Liabilities	1,02,37,15,817	-	-	1,02,37,15,817	1,02,37,15,817
	9,24,15,63,830	-	-	9,24,15,63,830	9,24,15,63,830

The carrying value and fair value of financial instruments by categories as of March 31, 2017 are as follows :

Particulars	At amortised costs	At fair value through profit and loss	at fair value through OCI	Total carrying value	Total fair value
Financial assets					
Cash and Cash Equivalents	1,50,33,825	-	-	1,50,33,825	1,50,33,825
Bank Balance Other Than Cash and Cash Equivalents above	15,02,00,000	-	-	15,02,00,000	15,02,00,000
Loans	12,48,04,604	-	-	12,48,04,604	12,48,04,604
Other Financial Assets	3,08,292	-	-	3,08,292	3,08,292
	29,03,46,721	-	-	29,03,46,721	29,03,46,721
Financial liabilities					
Borrowings	9,04,74,00,000	-	-	9,04,74,00,000	9,04,74,00,000
Trade Payables	29,02,95,350	-	-	29,02,95,350	29,02,95,350
Other Financial Liabilities	50,19,448	-	-	50,19,448	50,19,448
	9,34,27,14,798	-	-	9,34,27,14,798	9,34,27,14,798

Reliance MediaWorks Financial Services Private Limited
Notes annexed to and forming part of the Financial statements

Note 23 - Fair value Hierarchy

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

(a) Assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2018

Particulars	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets				
Investments	-	-	-	-

(b) Assets and liabilities for which fair value are disclosed at March 31, 2018

Particulars	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets				
Cash and Cash Equivalents	-	-	3,29,23,795	3,29,23,795
Bank Balance Other Than Cash and Cash Equivalents above	-	-	80,00,000	80,00,000
Loans	-	-	12,92,54,604	12,92,54,604
Other Financial Assets	-	-	38,69,564	38,69,564
Financial liabilities				
Borrowings	-	-	8,06,49,15,590	8,06,49,15,590
Trade Payables	-	-	15,29,32,423	15,29,32,423
Other Financial Liabilities	-	-	1,02,37,15,817	1,02,37,15,817

(a) Assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2017

Particulars	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets				
Investments	-	-	-	-

(b) Assets and liabilities for which fair value are disclosed at March 31, 2017

Particulars	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets				
Cash and Cash Equivalents	-	-	1,50,33,825	1,50,33,825
Bank Balance Other Than Cash and Cash Equivalents above	-	-	15,02,00,000	15,02,00,000
Loans	-	-	12,48,04,604	12,48,04,604
Other Financial Assets	-	-	3,08,292	3,08,292
Financial liabilities				
Borrowings	-	-	9,04,74,00,000	9,04,74,00,000
Trade Payables	-	-	29,02,95,350	29,02,95,350
Other Financial Liabilities	-	-	50,19,448	50,19,448

Reliance MediaWorks Financial Services Private Limited
Notes annexed to and forming part of the Financial statements

Note 24 : Financial Risk Management

The Company's risk management is carried out by a treasury department (company treasury) under policies approved by board of directors. Treasury team identifies, evaluates and hedges financial risk in close co-operation with the company's operating units. The Management of the Company provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk and credit risk, use of derivative financial instrument and non-derivative financial instrument, and investments of excess liquidity.

(i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company is engaged in production of Television Content/Web Series

The Company does not have any significant exposure to credit risk.

(ii) Cash and Cash Equivalents & Other Financial Asset

The Company held cash and cash equivalents & other financial assets with credit worthy banks aggregating ₹ 4,09,23,795, ₹ 16,52,33,825 and ₹ Nil as at March 31, 2018, March 31,2017 and April 01,2016 respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

(iii) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The Company is not exposed to any significant currency risk and equity price risk.

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to any interest rate risk

Liquidity Risk - Table

The table below analyses the Company's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2018	Less than 1 year	More than 1 year	Total
Borrowings	-	8,06,49,15,590	8,06,49,15,590
Trade payables	15,29,32,423	-	15,29,32,423
Other financial liabilities	1,02,37,15,817	-	1,02,37,15,817
Total Non-Derivatives	1,17,66,48,240	8,06,49,15,590	9,24,15,63,830
As at March 31, 2017	Less than 1 year	More than 1 year	Total
Borrowings	-	9,04,74,00,000	9,04,74,00,000
Trade payables	29,02,95,350	-	29,02,95,350
Other financial liabilities	50,19,448	-	50,19,448
Total non-derivatives	29,53,14,798	9,04,74,00,000	9,34,27,14,798

Note 25: Capital Risk Management

The Company considers the following components of its Balance Sheet to be managed capital:

Total equity – share capital and retained earnings,

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the group is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's aim to translate profitable growth to superior cash generation through efficient capital management.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditor, and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Reliance MediaWorks Financial Services Private Limited
Notes annexed to and forming part of the Financial statements

Note 26: Related Party Disclosure

As per Ind AS-24 " Related Party Disclosure" the Company's related parties and transactions with them in the ordinary course of business are disclosed below :

(A) Parties where control exists

Ultimate holding Company
 Reliance Land Private Limited

Holding Company
 Reliance MediaWorks Limited

Other related parties with whom transactions have taken place during the year

(B) Subsidiaries (including Fellow subsidiaries)

Big Synergy Media Limited (w.e.f. March 30, 2017)
 Reliance MediaWorks Theatres Limited (w.e.f. March 30, 2017)

(C) Joint Venture

Divya Shakti Marketing Private Limited (w.e.f. March 30, 2017)

(D) Associate

Prime Focus Limited (w.e.f. March 30, 2017)

Details of transactions and closing balance :

Particulars	March 31, 2018 & March 31, 2017			
	Ultimate Holding Company	Holding Company	Subsidiaries (Incl. fellow subsidiaries)	Joint Venture
A. Transactions during the year :				
Interest income				
Reliance MediaWorks Theatres Limited	-	-	35,51,580	-
	-	-	9,796	-
Reliance Land Private Limited	30,24,657	-	-	-
	-	-	-	-
Divya Shakti Marketing Private Limited	-	-	-	23,37,274
	-	-	-	-
Doubtful Interest Income receivable from Company written off				
Divya Shakti Marketing Private Limited	-	-	-	23,37,274
	-	-	-	-
Interest expense				
Reliance Land Private Limited	1,01,05,04,589	-	-	-
	50,19,448	-	-	-
Expenses/ liabilities incurred by the Company on our behalf				
Reliance MediaWorks Limited	-	-	-	-
	-	68,770	-	-
Received towards Equity share Capital				
Reliance MediaWorks Limited	-	1,05,00,00,000	-	-
Reliance MediaWorks Limited	-	1,00,000	-	-
Inter Corporate deposits received from the Company				
Reliance Land Private Limited	-	-	-	-
	9,04,74,00,000	-	-	-
Inter Corporate deposits repaid to the Company (Including interest payable)				
Reliance Land Private Limited	7,22,50,00,000	-	-	-
	780	-	-	-

Purchase of Investements from the Company				
Reliance MediaWorks Limited	-	-	-	-
	-	16,87,00,000	-	-
Payment made for Purchase of Investements from the Company				
Reliance MediaWorks Limited	-	-	-	-
	-	16,87,00,000	-	-
Payment made for outstanding liabilities by the Company on our behalf				
Reliance MediaWorks Limited	-	15,04,33,754	-	-
	-	68,770	-	-
Reimbursement of payments made by the Company on our behalf				
Reliance MediaWorks Limited	-	15,04,33,754	-	-
	-	68,770	-	-
Inter Corporate deposits given to the Company				
Reliance Land Private Limited	80,00,00,000	-	-	-
	-	-	-	-
Divya Shakti Marketing Private Limited	-	-	-	44,50,000
	-	-	-	-
Inter Corporate deposits repaid by the Company				
Reliance Land Private Limited	80,30,24,657	-	-	-
	-	-	-	-
Assets transferred by the Company under Novation agreement				
Reliance MediaWorks Limited	-	-	-	-
	-	29,02,04,080	-	-
Liabilities transferred by the Company under Novation agreement				
Reliance MediaWorks Limited	-	-	-	-
	-	29,02,72,850	-	-

Particulars	March 31, 2018, March 31, 2017			
	Ultimate Holding Company	Holding Company	Subsidiaries (Incl. fellow subsidiaries)	Joint Venture
B. Balances at the year end :				
Inter corporate Deposit payable to the Company (Including interest)				
Reliance Land Private Limited	2,83,79,24,037	-	-	-
	9,05,24,19,448	-	-	-
Inter corporate Deposit / other receivable from the Company (including interest)				
Reliance MediaWorks Theatres Limited	-	-	3,90,20,514	-
	-	-	3,58,24,092	-
Divya Shakti Marketing Private Limited	-	-	-	2,62,20,000
	-	-	-	2,17,70,000
Big Synergy Media Limited	-	-	1,48,89,915	-
	-	-	1,48,89,915	-

Reliance MediaWorks Financial Services Private Limited
Notes annexed to and forming part of the Financial statements

Note 27: First time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the period ended March 31, 2017. In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP or IGAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its previous GAAP financial statements, including the financial statements as at and for the period ended March 31, 2017.

A.1 Ind AS optional exemptions

A1.1. Deemed cost

Ind AS 101 permits a first-time adopter to measure all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS at fair value or Previous GAAP carrying value and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. Accordingly The Company has elected to use Previous GAAP carrying value as deemed cost for property, plant and equipment.

A.2 Ind AS mandatory exceptions

A2.1 Estimates

The Company's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

A2.2 Classification and measurement of financial assets

Ind AS 101 requires the Company to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires the Company to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Effect of Ind AS Adoption on Balance Sheet as at 31st March, 2017 and 1st April, 2016

Particulars	Notes to first-time adoption	As at March 31, 2017		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS				
1 Non-current Assets				
(a) Investments in Subsidiaries, Associates and Joint Ventures		9,04,73,20,635	-	9,04,73,20,635
(b) Other Non Current Assets		980	-	980
		9,04,73,21,615	-	9,04,73,21,615
2 Current Assets				
(a) Financial Assets				
(i) Cash and Cash Equivalents		1,50,33,825	-	1,50,33,825
(ii) Bank Balance Other Than Cash and Cash Equivalents		15,02,00,000	-	15,02,00,000
(iii) Loans		12,48,04,604	-	12,48,04,604
(iv) Other Financial Assets		3,08,292	-	3,08,292
(b) Other Current Assets		25,540	-	25,540
		29,03,72,261	-	29,03,72,261
TOTAL ASSETS		9,33,76,93,876	-	9,33,76,93,876
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital		1,00,000	-	1,00,000
(b) Other Equity		(56,78,638)	-	(56,78,638)
		(55,78,638)	-	(55,78,638)
LIABILITIES				
1 Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		9,04,74,00,000	-	9,04,74,00,000
		9,04,74,00,000	-	9,04,74,00,000
2 Current Liabilities				
(a) Financial Liabilities				
(i) Trade Payables		29,02,95,350	-	29,02,95,350
(ii) Other Financial Liabilities		50,19,448	-	50,19,448
(b) Other Current Liabilities		5,57,716	-	5,57,716
		29,58,72,514	-	29,58,72,514
TOTAL EQUITY AND LIABILITIES		9,33,76,93,876	-	9,33,76,93,876

C : Reconciliation total equity as at March 31, 2017

Particulars	As at March 31, 2017
Total equity (shareholder's funds) under Previous GAAP	(55,78,638)
Effect of transition to Ind AS	-
Total equity (shareholder's funds) as per Ind AS	(55,78,638)

D : Effect of Ind AS Adoption on the Statement of Profit and Loss for the year ended March 31, 2018

Particulars	Notes to first-time adoption	Year Ended March 31, 2018		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS
Revenue				
Revenue from operations		27,31,000	-	27,31,000
Other income		1,83,55,542	-	1,83,55,542
TOTAL		2,10,86,542	-	2,10,86,542
Expenses				
Purchases of traded goods		27,40,000	-	27,40,000
Finance Costs		1,02,22,86,617	-	1,02,22,86,617
Other Expenses		3,75,78,683	-	3,75,78,683
TOTAL		1,06,26,05,300	-	1,06,26,05,300
Loss for the year		(1,04,15,18,759)	-	(1,04,15,18,759)
Total Comprehensive Income for the year		(1,04,15,18,759)	-	(1,04,15,18,759)

Reconciliations

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

E : Reconciliation of Total Comprehensive Income

Particulars	31-Mar-18
Net profit as per Indian GAAP	(1,04,15,18,759)
Effect of transition to Ind AS	-
Net profit as per Ind AS	(1,04,15,18,759)

F: Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2017.

	Notes	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities		1,48,54,460	-	1,48,54,460
Net cash flow from investing activities		- 9,04,73,20,635	-	- 9,04,73,20,635
Net cash flow from financing activities		9,04,75,00,000	-	9,04,75,00,000
Net increase/(decrease) in cash and cash equivalents		1,50,33,825	-	1,50,33,825
Cash and cash equivalents as at April 1, 2016		-	-	-
Effects of exchange rate changes on cash and cash equivalents		-	-	-
Cash and cash equivalents as at March 31, 2017		1,50,33,825	-	1,50,33,825

Reliance MediaWorks Financial Services Private Limited
Notes annexed to and forming part of the Financial statements

Note 28

The Company is an Investment Company, engaged to buy, sell, transfer deal in and dispose of any shares, stocks, debentures, debenture stock bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature whether incorporated or otherwise; and where so ever constituted or carrying on business of immovable property and rights directly or indirectly connected therewith and or billion, including gold, silver and other precious metals and/ or precious stones such as diamonds, rubies and/ or any other asset, considered as the only segment. The Company's activities are restricted within India and hence, no separate geographical segment disclosure is considered necessary.

Note 29: Contingent Liabilities and Capital Commitments

(a) Contingent Liabilities: Rs. Nil (March 31,2017 ₹ Nil & April 01,2016 ₹ Nil)

(b) Capital and Other Commitments

Estimated amount of contracts remaining unexecuted on capital account not provided for (Net of Capital Advances) ₹ Nil (March 31,2017 ₹ Nil & April 01,2016 ₹ Nil)

Note 30: Disclosure under Section 186 (4) of the Companies Act, 2013

The Company has given following unsecured Intercorporate loans during the years -

Name of the loanee	Rate of Interest	Payment terms	March 31, 2018	March 31, 2017	April 01, 2016
Reliance MediaWorks Theatres Limited	10.00%	On demand	3,90,20,514	3,58,24,092	-
Divya Shakti Marketing Private Limited	10.00%	On demand	2,62,20,000	2,17,70,000	-

The above loans have been provided for meeting working capital requirements of the loanees.

Note 31 : Loans and Advances and Trade Payables are subject to confirmation and reconciliation. Consequential adjustments thereof, if any, will be given effect into the books of accounts in the year of such adjustment.

Note 32 : Since the company was incorporated on March 10, 2017, financial statement as on April 01, 2016 are not presented.

Note 33 : Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our Report of even date
For Mahendra & Co.
Chartered Accountants
Firm Regn.No.: 509293C

For and on behalf of the Board of Directors

Swati Garg
Partner
Membership No.: 424192

Satish Kadakia
Director
DIN: 07004001

Mohan Umrotkar
Director
DIN: 02282548

Place: Mumbai
Date : August 27, 2018

Place: Mumbai
Date : August 27, 2018