

**FINANCIAL STATEMENT**

**2014-2015**

**RELIANCE MEDIAWORKS (MAURITIUS)  
LIMITED**

# Chokshi and Co. LLP

**Chartered Accountants**

Regd. Add. 101-102, Kshamalaya,  
37, Sir V. Thackersey Marg,  
Mumbai – 400020; India  
Email: chokshiandco@gmail.com

## INDEPENDENT AUDITOR'S CERTIFICATE

**To,  
The Management of  
Reliance Media Works Limited  
Mumbai, India**

### *Report on the Financial Statements*

We have audited the translation of accompanying financial statements of Reliance Media Works (Mauritius) Limited. ('the Company'), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting fraud and other regularities; 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 we are 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 Companies Act 2013 to the extent applicable, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Companies Act, 2013 and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. . 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.

In doing so we have also placed reliance upon the financial statements audited by Kemp Chatteris and management certified notes and policies.

# Chokshi and Co. LLP

## Chartered Accountants

Regd. Add. 101-102, Kshamalaya,  
37, Sir V. Thackersey Marg,  
Mumbai - 400020; India  
Email: chokshiandco@gmail.com

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 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 management, as well as evaluating the overall presentation of the financial statements.

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

### *Opinion*

In our opinion and to the best of our information and according to the explanations given to us, the 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 Loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **For Chokshi & Co. LLP**

Chartered Accountants

Registration Number: 131228W/W100044

Kalpen Chokshi

Partner

Membership No.: 135047

Place: Mumbai

Date: 20th July 2015

# Reliance MediaWorks (Mauritius) Limited

## Standalone Balance sheet as at March 31, 2015

	Note	As at March 31, 2015 (INR)	As at March 31, 2014 (INR)
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	1,550	1,550
(b) Reserves and surplus	3	(966,829,746)	(804,253,538)
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (net)		-	-
(c) Other long-term liabilities		-	-
(d) Long-term provisions		-	-
<b>3 Current liabilities</b>			
(a) Short-term borrowings	4	1,655,297,630	1,717,647,547
(b) Trade payable		94,889	102,752
(c) Other current liabilities	5	313,487,154	-
(d) Short-term provisions		-	-
		<b>1,002,051,477</b>	<b>913,498,311</b>
<b>II ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work in progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	6	999,180,869	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	7	-	-
(e) Other non-current assets		-	-
<b>2 Current assets</b>			
(a) Current Investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and bank balances	8	2,870,608	14,642,490
(e) Short-term loans and advances	9	-	898,855,821
(f) Other current assets		-	-
		<b>1,002,051,477</b>	<b>913,498,311</b>

Significant accounting policies 1

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

As per report on financial statements of even date attached.

**For Chokshi & Co LLP**  
Chartered Accountants  
Firms' Registration No: 131228W/W100044

**For Reliance MediaWorks Limited**

**Kalpen Chokshi**  
Partner  
Membership No: 135047  
Place : Mumbai  
Date : July 20, 2015

**Sandip Dhotre**  
Authorised Signatory

Place : Mumbai  
Date : July 20, 2015

# Reliance MediaWorks (Mauritius) Limited

Statement of standalone Profit and loss  
for the year ended March 31, 2015

		For the year ended March 31, 2015	For the eighteen months ended March 31, 2014
	Note	(INR)	(INR)
<b>I. Revenue from operations</b>		-	-
<b>II. Other income</b>		-	-
<b>III. Total revenue</b>		-	-
<b>IV. Expenses</b>			
Bank charges		61,729	451,358
Legal and professional fees		111,991	203,580
Directors fees		728,163	-
Foreign exchange loss	10	306,201,449	94,270,256
Other expenses	11	34,092,633	-
<b>Total expenses</b>		341,195,965	94,925,194
<b>V. (Loss) before exceptional and extra ordinary item and tax (III- IV)</b>		(341,195,965)	(94,925,194)
<b>VI. Exceptional items</b>			
Loss on sale of non current investments /other provisions		-	34,422,465
<b>VII. (Loss) before extra ordinary item and tax (V- IV)</b>		(341,195,965)	(129,347,659)
<b>VIII. Extraordinary items</b>		-	-
<b>IX. Profit / (loss) before tax (VII-VIII)</b>		(341,195,965)	(129,347,659)
<b>X. Tax expenses</b>			
Current tax		-	-
Deferred tax (credit)/ charge		-	-
Short / (excess) provision for earlier years		-	-
<b>Loss after tax (IX-X)</b>		(341,195,965)	(129,347,659)
Basic Earning per share		(341,196)	(129,348)
Diluted earning per share		(341,196)	(129,348)

Significant accounting policies 1  
The accompanying notes form an integral part of the financial statements.  
As per report on financial statements of even date attached.

**For Chokshi & Co LLP**  
Chartered Accountants  
Firms' Registration No: 131228W/W100044

**For Reliance MediaWorks Limited**

Kalpen Chokshi  
Partner  
Membership No: 135047  
Place : Mumbai  
Date : July 20, 2015

Sandip Dhotre  
Authorised Signatory

Place : Mumbai  
Date : July 20, 2015

# Reliance MediaWorks (Mauritius) Limited

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

	For the year ended March 31, 2015	For the eighteen months ended March 31, 2014
	(INR)	(INR)
<b>A. Cash flow from operating activities</b>		
Net loss before tax	(341,195,965)	(129,347,659)
Adjustment for:		
Impairment of loan to group entities	-	34,422,465
Unrealised foreign exchange (gain) / loss	-	94,270,256
<b>Operating profit before working capital changes</b>	<b>(341,195,965)</b>	<b>(654,938)</b>
Adjustment for:		
Increase in long term loans and advances	-	452,525
Receivable against sale of non-current investment	-	27,826,525
Increase/(decrease) in trade payable	(7,863)	(6,090,851)
Decrease in short term loans and advances		
Adjustment for foreign exchange		
<b>Operating loss before working capital changes</b>	<b>(341,203,828)</b>	<b>21,533,261</b>
Taxes paid (net of refunds)	-	-
<b>Net cash used in operating activities (A)</b>	<b>(341,203,828)</b>	<b>21,533,261</b>
<b>B. Cash flow from investing activities</b>		
Investment made	(999,180,869)	27,826,525
Adjustment in foreign exchange	-	-
<b>Net cash generated from investing activities (B)</b>	<b>(999,180,869)</b>	<b>27,826,525</b>
<b>C. Cash flow from financing activities</b>		
Loan given to fellow subsidiaries (net)	898,855,821	(229,201,433)
Loan given to/(received from) subsidiary	-	-
Loan from holding company	(62,349,917)	-
Increase in other payables	313,487,154	-
Adjustment in foreign exchange	178,619,757	82,892,007
<b>Net cash flow from financing activities (C)</b>	<b>1,328,612,815</b>	<b>(146,309,426)</b>
<b>Net increase / (decrease) in cash and cash equivalent (A+B+C)</b>	<b>(11,771,882)</b>	<b>(96,949,640)</b>
Cash and cash equivalents as at beginning of the period	14,642,490	111,592,130
Cash and cash equivalents as at end of the period	2,870,608	14,642,490

The accompanying notes form an integral part of the financial statements.  
As per report on financial statements of even date attached.

**For Chokshi & Co LLP**  
Chartered Accountants  
Firms' Registration No: 131228W/W100044

**For Reliance MediaWorks Limited**

**Kalpen Chokshi**  
Partner  
Membership No: 135047  
Place : Mumbai  
Date : July 20, 2015

**Sandip Dhotre**  
Authorised Signatory

Place : Mumbai  
Date : July 20, 2015

# RELIANCE MEDIAWORKS (MAURITIUS) LIMITED

## Notes to the financial statements for the year ended March 31, 2015

### Background

Reliance MediaWorks (Mauritius) Limited (“the Company”) was incorporated on March 20, 2008 and is a wholly owned subsidiary of Reliance MediaWorks Limited. The Company is primarily engaged in the business of film exhibition in Mauritius.

The Company has made investment in Lowry Digital Imaging Services Inc. (90%) and in Digital Domain- Reliance LLC (30%) in the current Financial Year.

The Company has maintained the records in the Local Currency of the said foreign jurisdiction and consequently the financial statements have been restated in Indian Rupee in accordance with the Generally Accepted Accounting Principles in India.

### Basis of Accounting

The accompanying financial statements of the Company have been prepared in accordance with the Accounting principles Generally Accepted in India. Information presented in the financial statements in Indian Rupees (local currency for the Parent Company) and notes has been prepared by the management based on the local currency (Mauritian Rupees) financial statements of the Company, as on March 31, 2015 with comparative figures for the period 18 months ended March 31, 2014. The management of the parent Company “Reliance Media Works Limited” has decided to consider the operations of Reliance Media Works (Mauritius) Limited as being nonintegral and rationale for the same to its operations in India as per the AS – 11 (Revised) “The Effects of Changes in Foreign Exchange Rates”, accordingly and all exchange differences arising on translation have been transferred to the “Foreign Currency Translation Reserve” in the Balance Sheet.

### 1. Significant Accounting Policies

#### a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (‘GAAP’) in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates

b) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The amount recognized as sales is exclusive of all taxes.

c) Income-tax expense comprises current tax expense and deferred income tax computed in accordance with the relevant provisions of the Mauritius taxation laws 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 Mauritius tax laws. 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 recognised 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 recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and

# RELIANCE MEDIAWORKS (MAURITIUS) LIMITED

## Notes to the financial statements for the year ended March 31, 2015

written down/up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

### **d) Provisions and contingencies**

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

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

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

### **e) Foreign currency transactions**

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognized in the statement of profit and loss of the period. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognized in the statement of profit and loss.

### **f) Foreign currency translation**

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

Subsidiaries which are classified as integral: Translation of the local currency financials of integral operations is performed in respect of assets and liabilities other than fixed assets, using the exchange rate in effect at the balance sheet date and for revenue and expense items other than the depreciation costs, using average exchange rate during the reporting period. Net exchange difference resulting from the above translation of the financial statements of integral foreign subsidiaries is recognised in the statement of profit and loss. Fixed assets are translated at exchange rates on the date of the transaction and depreciation on fixed assets is translated at exchange rates used for translation of the underlying fixed assets.

Subsidiaries which are classified as non-integral: Translation of local currency financials of non-integral operations wherein the translation of the local currency balances of the assets and liabilities are translated at the exchange rate in effect at the balance sheet date and for revenue and expense items at the average exchange rate during the reporting period. Net exchange differences resulting from the above translation of the financial statements is accumulated in a ‘Foreign currency translation reserve’, disclosed as Reserves and surplus.



**RELIANCE MEDIAWORKS (MAURITIUS) LIMITED**  
**Notes to the financial statements for the year ended March 31, 2015**

**g) Impairment**

At each end of the reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any, and the carrying amount of the asset is reduced to its recoverable amount.

**h) Significant Accounting Policies followed by the Company are in line with the accounting policies followed by the parent company viz. Reliance MediaWorks Ltd.**

# Reliance MediaWorks (Mauritius) Limited

## Notes to the financial statements

as at March 31, 2015

	As at March 31, 2015 (INR)	As at March 31, 2014 (INR)
<b>2 Share capital</b>		
<i>Authorised</i>		
*10,000,000 shares of MUR 1 each	15,500,000	15,500,000
<i>Issued, subscribed and paid-up capital</i>		
*1000 shares of MUR 1 each	1,550	1,550
* Face value of the shares denominated in MUR	1,550	1,550

Note 2(a) Reconciliation of the shares outstanding at the beginning and at the end of the period

Particulars	March 31, 2015		March 31, 2014	
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Shares issued as at beginning of the period	1,000	1,550	1,000	1,550
Share issued during the period	-	-	-	-
Buyback/ forfeiture/ reduction shares	-	-	-	-
Shares issued as at end of the period	1,000	1,550	1,000	1,550

Note 2(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of MUR 1 per share. Each equity holder entitle to one vote per share. The Company declares and pays dividends in MUR. 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 2(c) Shares in respect of each class of company held by its holding company or its ultimate holding company including shares held by subsidiaries

Particulars	%	As at March 2015		As at March 2014	
		Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
Reliance MediaWorks Limited	100	1,000	1,550	1,000	1,550

### 3 Reserves and surplus

#### Profit & loss account

At the beginning of the period	(804,253,538)	(674,905,879)
Add: Loss for the period as per statement of profit & loss	(341,195,965)	(129,347,659)
Less: Appropriations	-	-
	(1,145,449,503)	(804,253,538)

#### Foreign currency translation reserve

At the beginning of the period	-	-
For the current year	178,619,757	-
At the end of the period	178,619,757	-
	(966,829,746)	(804,253,538)

### 4 Short-term borrowing

#### Loans and advance from related parties (unsecured)

Loan from Holding company		
Reliance MediaWorks Limited	1,655,297,630	1,717,647,547
	1,655,297,630	1,717,647,547

### 5 Other current liabilities

Others, payable for purchase of investments	313,487,154	-
	313,487,154	-

Reliance MediaWorks (Mauritius) Limited  
Notes to the financial statements (Continued)

as at March 31, 2015

	As at March 31, 2015 (INR)	As at March 31, 2014 (INR)
<b>6 Non-current investments</b>		
Investment in equity instruments (Unquoted) Reliance Lowry Digital Imaging Services Inc. 900 equity shares of \$ 1 each (Wholly owned Subsidiary)	189,034,218	-
Investment in Digital Domain-Reliance LLC	810,146,651	-
	<u>999,180,869</u>	<u>-</u>
<b>7 Long-term loans and advances</b>		
Unsecured, considered good;		
Security deposits	13,612,838	16,454,984
Less: Provision for the same	<u>(13,612,838)</u>	<u>(16,454,984)</u>
	<u>-</u>	<u>-</u>
<b>8 Cash and bank balances</b>		
Cash and cash equivalents		
Balance with non scheduled banks - HSBC bank	<u>2,870,608</u>	<u>14,642,490</u>
<b>9 Short term loans &amp; Advances</b>		
Capital advances	16,343,227	19,755,435
Less: Provision for the same	<u>(16,343,227)</u>	<u>(19,755,435)</u>
Receivable against sale of investment	-	-
Loans and advances to related parties		
- subsidiary	-	-
- fellow subsidiaries	30,118,467	898,855,821
Less: Provision for the same	<u>(30,118,467)</u>	<u>-</u>
	<u>-</u>	<u>898,855,821</u>
<b>10 Foreign exchange loss</b>		
Foreign currency translation	-	108,331,032
Other foreign exchange losses (net)	<u>306,201,449</u>	<u>(14,060,776)</u>
	<u>306,201,449</u>	<u>94,270,256</u>
<b>11 Other Expenses</b>		
General Expenses	7,429	-
Provisions for loans given to fellow subsidiaries	<u>34,085,204</u>	<u>-</u>
	<u>34,092,633</u>	<u>-</u>

RELIANCE MEDIAWORKS (MAURITIUS) LIMITED  
Notes to the financial statements for the year ended March 31, 2015

NOTES TO ACCOUNTS

12. Note for translation of financial statement

Accounts of the body corporate (incorporated in Mauritius), a subsidiary of Reliance MediaWorks Ltd, (a company incorporated in India), originally audited by overseas auditors pursuant to law of the country of its incorporation, have been made out as per requirement of Generally Accepted Accounting Principles in India.

Modification of accounts warranted under the exercise predominantly related to

- (a) Translation of treatment of various heads of accounts,
- (b) Presentation of accounts in terms of schedule III of Companies Act, 2013, including disclosure of necessary information, to the extent practicable and possible.

13. Segment reporting

As of March 31, 2015 the Company operates primarily in one business segment pertaining of exhibition of movies. Hence provisions of segment disclosure are not applicable to the Company.

14. Earnings per share

Particulars	Year ended March 31, 2015	Eighteen month period ended March 31, 2014
Loss for the current period		
INR	(341,188,536)	(129,347,659)
MUR	(175,386,021)	(10,639,714)
No. of equity shares	1,000	1,000
Loss per share		
INR	(341,189)	(129,348)
MUR	(175,386)	(10,640)

15. Related party transactions

Parties where control exists

Ultimate Parent Company

- Reliance Land Private Limited

Parent Company

- Reliance MediaWorks Limited

Subsidiary Companies

- Lowry Digital Imaging Services Inc.

Fellow Subsidiary Companies

- Global MediaWorks (UK) Limited
- Reliance MediaWorks (USA) Inc.

**RELIANCE MEDIAWORKS (MAURITIUS) LIMITED**  
**Notes to the financial statements for the year ended March 31, 2015**

- Reliance MediaWorks (Netherlands) B.V.
- Reliance MediaWorks Theatres Limited
- Big Synergy Media Limited
- Reliance MediaWorks Entertainment Services Limited
- Reliance MediaWorks Creative Services Limited (w.e.f. June 20, 2013)
- Big Cinemas Entertainment LLC
- Big Cinemas Entertainment (DE) LLC
- Big Cinemas Laurel LLC
- Big Cinemas Falls Church LLC
- Big Cinemas Norwalk LLC
- Big Cinemas Galaxy LLC
- Big Cinemas Sahil LLC
- Big Cinemas SAR LLC
- Phoenix Big Cinemas Management LLC
- Big Cinemas Phoenix LLC
- Big Cinemas Exhibition LLC
- Big Cinemas IMC LLC
- Big Pictures USA Inc.
- Reliance Media & Marketing Communications LLC
- Reliance Media Works VFX Inc.

RELIANCE MEDIAWORKS (MAURITIUS) LIMITED  
Notes to the financial statements for the year ended March 31, 2015

The company has entered into following related party transactions during the current year

Particulars	31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
	MUR	INR	MUR	INR
Investment in associate company.	471,28,9500	810,146,650	-	-
Purchase of investment from fellow subsidiary.	109,967,550	189,034,218	-	-
Advance given to fellow subsidiary	-	-	59,096,312	229,201,433
Payable to fellow subsidiary	1,82,366,000	3,134,871,547	-	-
Loan payable to parent company	962,942,193	1,655,297,630	826,626,665	1,717,647,547
Advance receivable from fellow subsidiary	-	-	432,578,960	898,855,821
Provision for Loans and Advances to Fellow Subsidiaries	17,520,923	30,118,467	-	-

**16. Foreign exchange exposure**

The Company has financial assets and financial liabilities denominated in foreign currencies. Consequently, the Company is exposed to the risk that the carrying amounts of these foreign currency denominated assets and liabilities may change due to fluctuations in foreign exchange rates.

The Company is exposed to foreign exchange risk arising from currency exposure with respect to the United States Dollar (USD).

The currency profile of the Company's financial assets and liabilities is summarized as follows:

Particulars	Financial Assets		Financial Liabilities	
	March 2015 (USD)	March 2015 (USD)	March 2014 (USD)	March 2014 (USD)
USD	-	1,145,308,193	432,578,960	826,626,676

**17. Employee benefits**

The Company did not employ any personnel and, hence, incurred no wages, tax, salaries or related social security charges during the period under report, nor during the previous period.

**18. Investment in subsidiary**

The company has acquired 90% stake in Lowry Digital Imaging Services Inc. & 30% stake in Digital Domain- Reliance LLC from its fellow subsidiary RMW (USA) Inc. Loan given to RMW (USA) Inc. of USD 13.5 million is adjusted against this investment transaction.

**19. Going concern**

The shareholders of the Company have entered into a Business Transfer Arrangement where by the said entity is transferred on 7<sup>th</sup> April, 2015. Under the local statute of Mauritius i.e, Mauritius

**RELIANCE MEDIAWORKS (MAURITIUS) LIMITED**  
**Notes to the financial statements for the year ended March 31, 2015**

Companies Act, 2001 and the Financial reporting act 2004 the said accounts has been prepared on a going concern basis based on facilities shall not be recalled by providers of finance. As of 31<sup>st</sup> March 2015 there are no plans that the Company desires to cease business operations. Accordingly no adjustments are required to be made in the carrying value of Assets and Liabilities and accounts are prepared on going concern basis.

20. The Company has no lease obligations.
21. The classification regarding small scale industries as defined under Micro, Small and Medium Development Board, 2006 is not applicable to this company and the company has not classified its creditors on the basis of the definition of Micro, Small & Medium Development Board '2006.
22. **Income and expenditure in foreign currency**  
This being a body corporate incorporated in Mauritius, information relating to expenditure in Foreign currency is superfluous herein.
23. The Figures of the previous period comprise a period of 18 months (October 2012 to March 2014). Thus figures of current period and last period are not comparable.
24. The figures for the current period have been regrouped / rearranged wherever considered necessary to conform to the current period's presentation.

As per our report on financial statement of even date

**For Chokshi & Co LLP**  
**Chartered Accountants**  
**Firm Reg.No. 131228W/W100044**

**For Reliance MediaWorks Limited**

**Kalpen Chokshi**  
**Partner**  
**Membership No: 135047**  
**Place : Mumbai**  
**Date : July 20, 2015**

**Sandip Dhotre**  
**Authorised Signatory**  
**Place : Mumbai**  
**Date : July 20, 2015**