



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF AYNGARAN INTERNATIONAL MEDIA PRIVATE LIMITED**

Report on the Financial Statements

1. We have audited the accompanying financial statements of **AYNGARAN INTERNATIONAL MEDIA PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2015 and the Statement of Profit and Loss for the year then ended and the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical



requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

4. 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:

- (i) in case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2015
- (ii) in case of the Statement of Profit and Loss, of the loss for the year ended on that date and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

5. As required by the Companies (Auditor's Order) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.





6. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except with respect to adhering to actuarial valuation as provided under AS-15 : Employee Benefits.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Chennai  
Date : 27.05.2015

For S.Ravi & Associates  
Chartered Accountants

Firm Reg. No. : 0092018

  
S. Ravi  
Proprietor

Membership No. : 204618



**Annexure Referred to in Paragraph (5) of our Report of Even Date**

1. In respect of Fixed Assets:
  - a. The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
  - b. As explained to us, all the assets have been physically verified by the management during the year in accordance with a programme of verification, the frequency whereof is reasonable. According to the information and explanations given to us no material discrepancies have been noticed on such verification.
2. In respect of Inventories:
  - a. The management has conducted physical verification of inventory at reasonable intervals.
  - b. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c. The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification. However, there is no closing stock at the end of the financial year.
3. According to the information and explanations given to us, the company has not granted to or taken any loans from companies, firms or other parties listed in the Register maintained U/S 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
5. The company has not accepted any deposit from the public.





6. To the best of our knowledge and as explained to us, the central government has not prescribed maintenance of cost records under of sub-section (1) of section 148 of the Act for the products of the company.

7. In respect of statutory dues:

a. The company has been generally regular in depositing undisputed statutory dues, including Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty and any other statutory dues with the appropriate authorities during the period, although some delays were noticed.

b. According to the information and explanations given to us, there are no disputed amounts payable in respect of Income-Tax, Wealth Tax, Customs Duty and Excise Duty. However, according to the information and explanations given to us, the following dues of Central Sales Tax has not been deposited by the Company on account of disputes :

Name of the Statute	Nature of Dues	Amount (in Rs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	1,33,41,636	April 2012 to March 2013	The Company is in the process of filing an appeal before the Appellate Deputy Commissioner of Commercial Taxes, Chennai

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

8. The company's accumulated losses at the end of the financial year are more than 50% of its net worth. The company has not incurred cash losses during the current financial year nor during the preceding financial year.

9. The company has not taken any loans from Banks or financial Institutions or from Debenture holders.



10. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
11. The company did not have any term loans outstanding during the year.
12. According to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the course of our audit.

For S. RAVI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Registration No.009261S)



S. RAVI  
Proprietor  
Membership No: 204618



Place: Chennai  
Date: 27.05.2015.



AYNGARAN INTERNATIONAL MEDIA PRIVATE LIMITED

NO.147/11, THIRD FLOOR, RAJPARIS TRIMENT TOWERS

G.N.CHETTY ROAD, T.NAGAR, CHENNAI - 600 017

**CASH FLOW STATEMENT**

		FOR THE YEAR ENDED 31-03-2015	FOR THE YEAR ENDED 31-03-2014
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit / (Loss) before tax from continuing operations	(17,859,218)	(18,798,815)
	Profit / (Loss) before tax from discontinuing operations	-	-
	Profit before tax	(17,859,218)	(18,798,815)
	Non-cash adjustment to reconcile profit before tax to net cash flows	-	-
	Share of (profit)/loss from investment in partnership firm	-	-
	Depreciation/amortization on continuing operation	-	-
	Adjustment for Depreciable Value as per Companies Act 2013	291,261,120	101,326,907
	Depreciation/amortization on discontinuing operation	(569,598)	-
	Impairment/other write off on tangible/intangible assets pertaining to continuing operation	-	-
	Impairment/other write off on tangible/intangible assets pertaining to discontinued operation	-	-
	Loss/(profit) on sale of fixed assets	-	-
	Provision for diminution in value of investments in subsidiary company	-	-
	Provision for diminution in value of investments (current plus other long term)	-	-
	Employee stock compensation expense	-	-
	Unrealized foreign exchange loss	-	-
	Premium on forward exchange contract amortized	3,102,624	7,368,445
	Amortization of ancillary cost	-	-
	Net gain on sale of current investments	-	-
	Interest expense	-	-
	Interest income	-	-
	Dividend income	-	(12,492,682)
	Operating profit before working capital changes	275,934,928	77,403,855
	<b>Movements in working capital :</b>		
	Increase/(decrease) in trade payables	78,326,088	(98,002,043)
	Increase / (decrease) in long-term provisions	50,624	47,458
	Increase / (decrease) in short-term provisions	(26,070)	(248,598)
	Increase/(decrease) in other current liabilities	(5,578,202)	22,965,429
	Increase/ (decrease) in other long-term liabilities	-	-
	Decrease/(increase) in trade receivables	(87,135,185)	62,833,693
	Decrease/(increase) in inventories	138,959	-
	Decrease / (increase) in long-term loans and advances	55,948,457	(21,103,009)
	Decrease / (increase) in short-term loans and advances	1,000	(16,999)
	Decrease/(increase) in other current assets	(229,041)	52,679,975
	Decrease / (increase) in other non-current assets	-	-
	Cash generated from /(used in) operations	317,431,559	96,559,762
	Direct taxes paid (net of refunds)	-	-
	<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>317,431,559</b>	<b>96,559,762</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of fixed assets, including intangible assets, CWIP and capital advances	(310,430,402)	(100,008,950)
	Proceeds from sale of fixed assets	-	-
	Proceeds of non-current investments	-	-
	Purchase of non-current investments	-	-



	Purchase of current investments	-	-
	Proceeds from sale/maturity of current investments	-	-
	Investments in bank deposits (having original maturity of more than three months)	-	-
	Redemption/maturity of bank deposits (having original maturity of more than three months)	-	-
	Purchase consideration for amalgamation (note 35)	-	-
	Interest received	-	-
	Dividends received from subsidiary company	-	-
	Dividends received	-	-
	Net cash flow from/(used in) investing activities (B)	(310,430,402)	(100,008,950)
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from issuance of share capital	-	-
	Proceeds from issuance of preference share capital	-	-
	Proceeds from long-term borrowings	-	-
	Repayment of long-term borrowings	-	-
	Proceeds from short-term borrowings	-	-
	Repayment of short-term borrowings	-	-
	Interest paid	-	-
	Interest income	-	12,492,682
	Dividends paid on equity shares	-	-
	Dividends paid on preference shares	-	-
	Tax on equity dividend paid	-	-
	Tax on preference dividend paid	-	-
	Net cash flow from/(used in) in financing activities (C)	-	12,492,682
	Net increase/(decrease) in cash and cash equivalents (A + B + C)	7,001,157	9,043,494
	Effect of exchange differences on cash & cash equivalents held in foreign currency	(3,102,624)	(7,368,445)
	Cash and cash equivalents at the beginning of the year	2,089,939	414,890
	<b>Cash and cash equivalents at the end of the year</b>	<b>5,988,472</b>	<b>2,089,939</b>
	Components of cash and cash equivalents		
	Cash on hand	7,160	13,635
	Cheques/ drafts on hand	-	-
	With banks- on current account	5,981,311	2,076,303
	- on deposit account	-	-
	- unpaid dividend accounts*	-	-
	- unpaid matured deposits*	-	-
	- unpaid matured debentures*	-	-
	<b>Total cash and cash equivalents (note 12)</b>	<b>5,988,472</b>	<b>2,089,939</b>
	Summary of significant accounting policies		

Ayngaran International Media Private Limited

K.KARUNAMOORTHY  
DIRECTOR

SUNIL LULLA  
DIRECTOR

PLACE: *Chennai*  
DATE: *27.05.2015*

As per our report of even date  
For S.Ravi & Associates  
Chartered Accountants

S.RAVI  
Proprietor





AYNGARAN INTERNATIONAL MEDIA PVT. LTD.				
BALANCE SHEET AS AT 31st March 2015				
Particulars	Note No.	(in Rupees)	(in Rupees)	31-
		AS ON 31-03-2015	AS ON 03-2014	
<b>I. EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' funds</b>				
(a) Share capital	1	219,000	219,000	
(b) Reserves and surplus	2	(69,414,428)	(27,675,704)	
(c) Money received against share warrants		-	-	
<b>2 Share application money pending allotment</b>		-	-	
<b>3 Non-current liabilities</b>				
(a) Long-term borrowings		-	-	
(b) Deferred tax liabilities (Net)		-	-	
(c) Other Long term liabilities		-	-	
(d) Long-term provisions	3	610,488	559,864	
<b>4 Current liabilities</b>				
(a) Short-term borrowings		-	-	
(b) Trade payables	4	255,589,817	177,263,729	
(c) Other current liabilities	5	242,791,814	248,370,016	
(d) Short-term provisions	6	309,569	335,639	
<b>TOTAL</b>		<b>430,106,261</b>	<b>399,072,545</b>	
<b>II. ASSETS</b>				
<b>Non-current assets</b>				
<b>1 (a) Fixed assets</b>	7			
(i) Tangible assets		1,270,643	2,663,519	
(ii) Intangible assets		31,756,250	11,194,091	
(iii) Capital work-in-progress		-	-	
(iv) Intangible assets under development		-	-	
(v) Content Advances		270,099,576	326,048,033	
(b) Non-current investments	8	1,020,000	1,020,000	
(c) Deferred tax assets (net)	9	-	23,309,908	
(d) Long-term loans and advances		-	-	
(e) Other non-current assets		-	-	
<b>2 Current assets</b>				
(a) Current investments		-	-	
(b) Inventories	10	-	138,960	
(c) Trade receivables	11	111,145,165	24,009,980	
(d) Cash and cash equivalents	12	5,988,471	2,089,939	
(e) Short-term loans and advances	13	577,300	578,300	
(f) Other current assets	14	8,248,857	8,019,816	
<b>TOTAL</b>		<b>430,106,261</b>	<b>399,072,545</b>	

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Ayngaran International Media Pvt Ltd

K. Karunamoorthy  
Director

Sunil Lulla  
Director

PLACE: Chennai

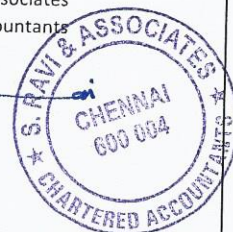
DATE: 27.05.2015

For S.Ravi & Associates  
Chartered Accountants

FRN: 009261S

S.RAVI  
Proprietor

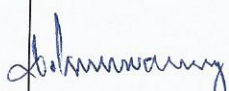
M.No: 204618

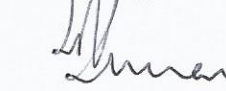


AYNGARAN INTERNATIONAL MEDIA PVT. LTD.				
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015				
	Particulars	Refer Note No.	(in Rupees) 31-Mar-15	(in Rupees) 31-Mar-14
I.	Revenue from operations	15	602,855,514.71	106,148,623.55
II.	Other income	16	-	12,492,682.00
III.	<b>Total Revenue (I + II)</b>		<b>602,855,514.71</b>	<b>118,641,305.55</b>
IV.	Expenses:			
	Purchases / operating expenses	17	255,320,971.00	8,027,621.19
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	18	138,959.28	-
	Employee benefits expense	19	2,025,542.00	3,476,743.00
	Finance costs		-	-
	Depreciation and amortization expense	7	291,261,119.57	101,326,907.19
	Other expenses	20	71,968,140.44	24,608,849.12
	<b>Total expenses</b>		<b>620,714,732.29</b>	<b>137,440,120.50</b>
	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>(17,859,217.58)</b>	<b>(18,798,814.95)</b>
V.	Exceptional items		-	-
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>(17,859,217.58)</b>	<b>(18,798,814.95)</b>
VIII.	Extraordinary Items		-	-
IX.	<b>Profit before tax (VII- VIII)</b>		<b>(17,859,217.58)</b>	<b>(18,798,814.95)</b>
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred Tax Liability / (Asset)		-	(6,042,664.00)
	(3) Wealth Tax		-	-
	<b>Profit (Loss) for the period from continuing operations (VII- VIII)</b>		<b>(17,859,217.58)</b>	<b>(12,756,150.95)</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
	<b>Profit/(loss) from Discontinuing operations (after tax) (XII- XIII)</b>		<b>-</b>	<b>-</b>
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>(17,859,217.58)</b>	<b>(12,756,150.95)</b>
XVI	Earnings per equity share:			
	(1) Basic		(815.49)	(582.47)
	(2) Diluted		(815.49)	(582.47)

The accompanying notes are an integral part of the financial statements

For Ayngaran International Media Pvt Ltd

  
 K. Karunamoorthy  
 Director

  
 Sunil Lulla  
 Director

PLACE: Chennai

DATE: 27.05.2015

As per our report of even date

For S.Ravi & Associates

Chartered Accountants

FRN: 009261S

S.RAVI

Proprietor

M.No: 204618





**AYNGARAN INTERNATIONAL MEDIA PRIVATE LIMITED**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

**NOTE – 1**

**Basis for preparation of financial statements**

**a. Basis of Accounting**

The financial statements have been prepared under historical cost convention on accrual basis and in accordance with the generally accepted accounting principles and Accounting Standards referred to in section 133 of Companies Act 2013( which has superseded section 211 of the Companies Act, 1956).

**b. Use of Estimates**

The preparation of financial statements in conformity with Generally accepted accounting policies (GAAP) in India, requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities during the period reported. Difference between the actual results and estimates are recognized in the period in which the results are known \ materialized.

**NOTE – 2**

**Significant accounting policies**

**1. Fixed Assets & Depreciation /Amortization**

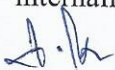
**A. Tangible Assets**

Fixed assets are stated at cost less accumulated depreciation. Cost includes purchase cost and all incidental expenses to bring the asset to their present location and condition.

Depreciation is provided on written down value method at the rates and in the manner prescribed under schedule II to the companies Act, 2013.

**B. Intangible Assets**

Intangible assets include rights emanating from cinematograph films comprising of theatrical rights, audio and video rights, satellite and variety of electronic / digital rights etc with varied terms of exploitation like territory, period etc and which are stated at costs less accumulated amortization. The company does not have any internally generated intangible assets during the period under review.



Cost of film and other rights comprises original purchase price. Cost is ascertained on the basis of specific identification wherever possible. In case of composite / multiple rights acquired for a consolidated amount, cost is allocated to each principal right based on the management's best estimates.

The individual film forecast method is used to amortize the cost of film and other rights acquired. Under this Method, costs are amortized in the proportion that gross revenues realized bearing to management's estimate of the total gross revenues expected to be received. If estimates of the total revenues and other events or changes in circumstances indicate that the realizable values of any rights are less than its unamortized cost, a loss is recognized for the excess of unamortized cost over the film and other rights realizable value. While doing so the management also takes into account various factors embedded in the rights like its territory and period of rights etc.

In respect of payments towards unrealized films, the same are classified under capital advances except where the revenues are recognized as per terms of the agreement.

## 2. Revenue Recognition

### a. Sale of Film Rights

Sale of new film rights is recognized on effective delivery of materials or as per terms of the sale agreements.

Sale of old film rights is recognized when rights are sold as per the sale agreements.

### b. Sale of Audio, Home Video and Satellite rights / Sale of Film Prints, VCD/DVD/Audio CD, Audio Cassettes and Royalty income.

The Sale of audio / Home video, digital and satellite rights are recognized when they are sold. Sale of Film Prints, VCDs/DVDs/Audio CDs/Audio Cassettes is accounted on delivery to customers as per agreement/arrangement. Royalty incomes from sale of DVD / CD are accounted on accrual basis of income. Royalty income from radio / other public media stations is accounted for on accrual basis of accounting wherever specific information about its accrual is available with the company or unconditionally received at the company.

### c. Revenue From Theatrical Distribution/ Exhibition Of Films

In case of own exhibition through theatres, revenue comprises proceeds from sale of tickets, net of taxes and exhibitors share and is recognized on the basis of box office reports received from various exhibitors. In case of distribution, the sale

*2.12.*

*[Signature]*





price agreed with the distributors for the areas as per agreement is recognized. Overflow from the Distributors is accounted for as and when due.

### 3. Inventories

- a. Positive raw stocks are valued at cost. Prints/tapes are valued at cost till its release. Stock of DVDs/ VCDs/Audio CDs/Cassettes/prints of released films, are valued at lower of cost and net realizable value.
- b. The Stock of film and other rights are valued either at cost or at net realizable value whichever is less. Where principal rights, generally theatrical, satellite Media and Electronic rights, have been sold, stock of residual rights are valued at values estimated by the management. All kind of films and other rights are reviewed by the management at the end of each year to determine fall in the values if any, based on expected future reliability of such rights.

### 4. Investments

Investments in Un Quoted Shares are stated at cost. Long-term investments are carried at cost and provision is made when in the management's opinion there is a decline, other than temporary, in the carrying value of such investments. There are no current investments in the company.

### 5. Foreign Currency Transactions

- a. Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.
- b. Monetary items denominated in foreign currencies at the year end are restated at year end rates.
- c. Non-Monitory foreign currency items if any are carried at cost.
- d. Any income / expenses on account of exchange difference either on settlement or on transaction is recognized in the profit and loss account except those relating to receipt of advances for export of film/ other rights taken from Ayngaran International (Mauritius) Limited which is governed by letter of agreement executed between the parties to the effect that the exchange difference shall be borne by Ayngaran International (Mauritius) Limited.

### 6. Impairment

The company reviews the carrying values of tangible and intangible assets for any possible impairment at each balance sheet date. An impairment loss is recognized

*20.11*

*[Signature]*



when the carrying amount of an asset exceeds its recoverable amount. The recoverable value is the higher of the asset's net selling price and value in use.

#### 7. Taxes on Income

Provision for income tax is made on the basis of estimated taxable income for the year at current rates. Tax expense comprise of current tax including MAT and Deferred Tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of income tax payable / recoverable in respect of the taxable income / loss for the reporting period including MAT. Deferred tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax assets is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future. However where there is unabsorbed depreciation or carried forward loss under taxation loss, deferred tax assets are recognized only if there is virtual certainty of realization of assets. Deferred Tax asset has not been provided for the current year considering the huge accumulated losses.

#### 8. Advances for Purchase of Film/other Rights

Advances are paid to producers, owners, distributors or other authorized persons of the films in terms of the agreements/ arrangements entered into with them. All advances are reviewed by the management periodically, considering the fact of each case, to determine the recoverability, etc.

#### 9. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

#### 10. Employee Benefits

Defined Contribution Plan: The Company's contribution to Provident Fund is recognized in revenue accounts. Provision made for gratuity and leave encashment are disclosed in Notes to accounts.

#### 11. Borrowing costs

The borrowing costs are capitalized as part of the cost of a qualifying asset when it will result in future economic benefits to the company. Other borrowing costs are recognized as an expense in the period in which they are incurred.

*[Handwritten signature]*





**NOTES TO ACCOUNTS**

**Note 1 - Share capital**

**a) Authorised, issued, subscribed and paid up share capital**

Particulars	Par Value Per Share	As on 31st March 2015		As on 31st March 2014	
		Number	Amount (Rs.)	Number	Amount (Rs.)
<b>Authorised</b> Equity Shares	10	500,000	5,000,000.00	500,000	5,000,000.00
<b>Issued, subscribed and fully paid up</b> Equity Shares	10	21,900	219,000.00	21,900	219,000.00
<b>Total</b>		<b>21,900</b>	<b>219,000.00</b>	<b>21,900</b>	<b>219,000.00</b>

**b) Terms/Rights attached to shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividends, if any, proposed by Board of Directors is subject to approval by the Shareholders. All shares rank pari passu on repayment of capital in the event of liquidation.

**c) Shares in the Company held by Holding/Ultimate Holding Company and/or their Subsidiaries/Associates**

Name of Shareholder	As on 31st March 2015		As on 31st March 2014	
	No. of Shares held	Amount (Rs.)	No. of Shares held	Amount (Rs.)
Holding Company - Ayngaran International (Mauritius) Ltd	21,899.00	218,990.00	21,899	218,990

**d) Shares in the company held by each shareholder holding more than 5 percent shares**

Name of Shareholder	As on 31st March 2015		As on 31st March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ayngaran International (Mauritius) Limited	21,899.00	100.00%	21,899	100.00%

**Note 2 - Reserves and Surplus**

Particulars	As on 31st March 2015	As on 31st March 2014
<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>		
Opening balance	(27,675,703.76)	(14,919,552.81)
(+) Deferred Tax Asset (earlier years) written back	(23,309,908.00)	
(+) Net Profit/(Net Loss) for the year	(17,859,217.58)	(12,756,150.95)
(-) Adjustments for Depreciable Value	(569,598.25)	
<b>Closing Balance</b>	<b>(69,414,427.59)</b>	<b>(27,675,703.76)</b>
<b>Total</b>	<b>(69,414,427.59)</b>	<b>(27,675,703.76)</b>



**NOTES TO ACCOUNTS**

**Note 3 - Long term provisions**

Particulars	As on 31st March 2015	As on 31st March 2014
Provision for employee benefits Gratuity (unfunded)	610,488.00	559,864.00
<b>Total</b>	<b>610,488.00</b>	<b>559,864.00</b>

**Note 4 - Trade Payables**

Particulars	As on 31st March 2015	As on 31st March 2014
Sundry Creditors	255,589,817.30	177,263,729.03
<b>Total</b>	<b>255,589,817.30</b>	<b>177,263,729.03</b>

**Note 5 - Other Current Liabilities**

Particulars	As on 31st March 2015	As on 31st March 2014
Current maturities of long-term borrowings		
Interest payable	-	-
Other Payables -		
Duties & Taxes Payable	1,489,187.00	1,621,535.00
Trade / security deposits received	650,000.00	650,000.00
Advances from Customer	240,429,408.39	245,942,116.35
Book overdraft		
Sundry Creditors for Office Expenses	113,219.00	46,365.00
Sundry Creditors Others	110,000.00	110,000.00
<b>Total</b>	<b>242,791,814.39</b>	<b>248,370,016.35</b>

**Note 6 - Short Term Provisions**

Particulars	As on 31st March 2015	As on 31st March 2014
Provision for employee benefits	309,569.00	335,639.00
Provision for Income Tax	-	-
<b>Total</b>	<b>309,569.00</b>	<b>335,639.00</b>





JAYNGARAN INTERNATIONAL MEDIA PRIVATE LIMITED  
147/11, III FLOOR, RAJ PARIS TRIMENI TOWERS  
G N CHETTY ROAD, T NAGAR,  
CHENNAI - 600017

Note 7 - FIXED ASSETS

Sl. No.	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
		Balance as at 1 April 2014	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at 31st March 2015	Balance as at 1 April 2014	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31st March 2015	Balance as at 31 March 2014
a	Fixed Assets											
	Furniture and Fixtures	4,362,257	-	-	-	4,362,257	3,112,444	468,688.31	-	-	781,125	1,249,813
	Office equipment	1,236,628	(462,528)	-	-	774,099	738,274	29,655.69	-	-	6,170	498,354
	Computers, Data Processing Machines and Softwares	3,844,632	(107,070)	-	-	3,737,562	3,452,417	60,510.36	-	-	224,635	392,215
	Vehicles	3,610,924	-	-	-	3,610,924	3,087,787	264,424.21	-	-	258,713	523,137
	Total	13,054,440	(569,598)	-	-	12,484,842	10,390,921	823,278.57	-	-	1,270,642	2,663,519
b	Film Rights	1,511,235,199	311,000,000	-	-	1,822,235,199	1,500,041,108	290,437,841	-	-	31,756,250	11,194,091
	Total	1,511,235,199	311,000,000	-	-	1,822,235,199	1,500,041,108	290,437,841	-	-	31,756,250	11,194,091
c	Capital Work In Progress											
	Total	-	-	-	-	-	-	-	-	-	-	-
d	Intangible assets under Development											
	Total	1,524,289,639	310,430,402	-	-	1,834,720,041	1,510,432,029	291,261,120	-	-	33,026,892	13,857,610



**NOTES TO ACCOUNTS**

**Note 8 - Non-current investments**

Particulars	As on 31st March 2015	As on 31st March 2014
<b>Investments (At cost):</b>		
Trade		
Investment in equity instruments of subsidiaries (unlisted and unquoted)		
Investment in Ayngaran Anak Media Private {102,000 (Previous Year 102,000) equity shares of Rs 10 each, fully paid-up}	1,020,000.00	1,020,000.00
<b>Total</b>	<b>1,020,000.00</b>	<b>1,020,000.00</b>

**Note 9 - Deferred tax Asset**

Particulars	As on 31st March 2015	As on 31st March 2014
<b>Deferred Tax liability arising on account of</b>		
Block of Assets		3,965,539.00
Disallowance u/s 43B	-	744.00
Others		-
Gross deferred tax liability	-	<b>3,966,283.00</b>
<b>Deferred Tax asset arising on account of</b>		
Block of Assets	-	
Gratuity and Leave Encashment		198,124.00
Carry forward losses		26,599,008.00
Others		479,059.00
iv. Provision for warranties	-	-
v. Provisions for litigations	-	-
vi. Others	-	-
Gross deferred tax asset	-	<b>27,276,191.00</b>
Net Deferred Tax Asset/(Liability) for the year		<b>23,309,908.00</b>
Add: Opening balance of Deferred Tax Asset/(Liability)		
Less: Deferred Tax Asset (earlier years) reversed		
<b>Total</b>	<b>-</b>	<b>23,309,908.00</b>

**Note 10 - Inventories**

Particulars	As on 31st March 2015	As on 31st March 2014
Finished goods	-	69,594.31
Finished goods - Film Rights TV- Export	-	
Stock-in-trade	-	-
Raw Material	-	69,364.97
<b>Total</b>	<b>-</b>	<b>138,959.28</b>





Total	21.8
-------	------



**NOTES TO ACCOUNTS**

**Note 11 - Trade Receivables**

Particulars	As on 31st March 2015	As on 31st March 2014
<b>Overdue for a period exceeding 6 months (net)</b>		
Unsecured, considered good	24,317,065.79	23,113,872.11
<b>Others</b>		
Unsecured, considered good	86,828,099.25	896,108.00
<b>Total</b>	<b>111,145,165.04</b>	<b>24,009,980.11</b>

Trade receivables include debts due from

Particulars	As on 31st March 2015	As on 31st March 2014
Directors		
Other officers of the Company		
Firms in which any director is a partner		
Private companies in which any director is a director or member	2,476,512.00	2,121,756.00
<b>Total</b>	<b>2,476,512.00</b>	<b>2,121,756.00</b>

**Note 12 - Cash and cash equivalents**

Particulars	As on 31st March 2015	As on 31st March 2014
<b>a. Balances with banks -</b>		
i. On current accounts	5,981,310.54	2,076,302.68
ii. On deposit accounts -		
iii. In earmarked accounts -		
Balances held as margin money or guarantees		
<b>b. Cash on hand</b>	<b>7,160.00</b>	<b>13,635.00</b>
<b>Total</b>	<b>5,988,470.54</b>	<b>2,089,937.68</b>





**NOTES TO ACCOUNTS**

**Note 13 - Short Term Loans and Advances**

Particulars	As on 31st March 2015	As on 31st March 2014
(a) Loans and advances to related parties Unsecured, considered good		
(b) Security deposits Unsecured, considered good		
(c) Loans and advances to employees Unsecured, considered good	51,000.00	52,000.00
(d) Advances receivable/recoverable in cash /kind Unsecured, considered good	526,300.00	526,300.00
<b>Total</b>	<b>577,300.00</b>	<b>578,300.00</b>

**Note: Short-term loans and advances include amounts due from:**

Particulars	As on 31st March 2015	As on 31st March 2014
Directors Other officers of the Company Firms in which any director is a partner Private companies in which any director is a director or member		
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 14 - Other Current Assets**

Particulars	As on 31st March 2015	As on 31st March 2014
Interest accrued Prepaid-expenses Corporate taxes (net)	8,248,856.82	8,019,815.65
<b>Total</b>	<b>8,248,856.82</b>	<b>8,019,815.65</b>



Note 8 - Non-current investments

Details of Other Investments													
B. Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/	No. of Shares / Units		Quoted / Unquoted	Partly Paid /	Extent of Holding (%)		Amount		Whether stated at Cost	If Answer to Column (9) is	
			31st March 2015	31st March 2015			31st March 2015	31st March 2015	31st March 2015	31st March 2015			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
(a)	Investment Properties												
(b)	Investment in Equity Instruments	Subsidiary	102,000.00	102,000.00	Unquoted	Fully paid	51%	51%	1020000	1020000	Yes	NA	
(c)	Investments in Preference Shares												
(d)	Investments in Government or Trust securities												
(e)	Investments in Debentures or Bonds												
(f)	Investments in Mutual Funds												
(g)	Investments in partnership firms*												
(h)	Other non-current investments (specify nature)												
Total									1,020,000.00	1,020,000.00			

* G. Investment in	(Name of the Firm)	Share of Capital
Name of the Partners		
Partner 1		
Partner 2		
Total Capital		





AYNGARAN INTERNATIONAL MEDIA PRIVATE LIMITED  
147/11, III FLOOR, RAJ PARIS TRIMENI TOWERS  
G N CHETTY ROAD, T NAGAR,  
CHENNAI - 600017

NOTES TO ACCOUNTS

Note 15 - Revenue from operations

Particulars	For the Year ended 31st March 2015 (Rs.)	For the Year ended 31st March 2014 (Rs.)
Sale/ Distribution/ Exhibition of Film and Other rights	602,855,514.71	106,148,623.55
<b>Total</b>	<b>602,855,514.71</b>	<b>106,148,623.55</b>

Note 16 - Other Income

Particulars	For the Year ended 31st March 2015 (Rs.)	For the Year ended 31st March 2014 (Rs.)
Interest Income	-	12,492,682.00
<b>Total</b>	<b>-</b>	<b>12,492,682.00</b>

Note 17 - Purchases / Operating Expenses

Particulars	For the Year ended 31st March 2015 (Rs.)	For the Year ended 31st March 2014 (Rs.)
Film rights cost	252,280,000.00	991,090.73
Home Entertainment products related cost	-	-
Print & digital distribution cost	1,767,968.00	4,102,597.16
Processing and other direct cost	679,715.00	2,305,233.00
Shipping, Packing & Forwarding Expenses	529,730.00	546,692.50
Selling & distribution expenses	63,558.00	82,007.80
<b>Total</b>	<b>255,320,971.00</b>	<b>8,027,621.19</b>

*Abhinav*

*[Signature]*



AYNGARAN INTERNATIONAL MEDIA PRIVATE LIMITED  
147/11, III FLOOR, RAJ PARIS TRIMENI TOWERS  
G N CHETTY ROAD, T NAGAR,  
CHENNAI - 600017

NOTES TO ACCOUNTS

Note 18 - Changes in Inventories

Particulars	For the Year ended 31st March 2015 (Rs.)	For the Year ended 31st March 2014 (Rs.)
<b>Inventories at the end of the year of -</b>		
Finished goods	-	69,594.31
Finished goods - Film Export TV Rights	-	-
Stock-in-trade	-	-
Raw Material	-	69,364.97
	-	<b>138,959.28</b>

<b>Inventories at the beginning of the year of -</b>		
Finished goods	69,594.31	69,594.31
Work-in-progress	-	-
Stock-in-trade	-	-
Raw Material	69,364.97	69,364.97
	<b>138,959.28</b>	<b>138,959.28</b>
<b>Total</b>	<b>138,959.28</b>	-

Note 19 - Employee benefits expense

Particulars	For the Year ended 31st March 2015 (Rs.)	For the Year ended 31st March 2014 (Rs.)
Salaries and wages	1,729,363.00	3,155,071.00
Contributions to provident and other funds	98,874.00	92,791.00
Staff welfare expenses	197,305.00	228,881.00
<b>Total</b>	<b>2,025,542.00</b>	<b>3,476,743.00</b>

*[Handwritten signature]*

*[Handwritten signature]*





AYNGARAN INTERNATIONAL MEDIA PRIVATE LIMITED  
147/11, III FLOOR, RAJ PARIS TRIMENI TOWERS  
G N CHETTY ROAD, T NAGAR,  
CHENNAI - 600017

NOTES TO ACCOUNTS

Note 20 - Other expenses

Particulars	For the Year ended 31st March 2015 (Rs.)	For the Year ended 31st March 2014 (Rs.)
Power and fuel	120,070.00	185,260.00
Advertisement Charges	247,349.00	-
Rent including lease rentals	674,160.00	1,685,400.00
Repairs and maintenance	355,206.00	294,797.00
Insurance	34,863.00	39,545.00
Communication Expenses	519,135.00	604,344.00
Travelling and conveyance	226,348.00	753,958.60
Printing and stationery	27,066.00	35,087.00
Business promotion	6,100.00	75,605.00
Subscription and membership fees	66,473.00	9,983.00
Registration fees	50,000.00	-
Legal and professional	192,871.00	84,200.00
Payments to auditors	280,900.00	280,900.00
Bad Debts - Written off	65,927,108.00	12,851,393.00
Bank Charges	22,118.44	7,042.00
Tds Refund Due Ay 2008-09 Short receipt	-	42,484.00
Donation	-	100,000.00
Net loss on foreign currency transactions and translation (other than considered as finance cost)	3,102,624.00	7,368,444.58
Office & other expenses	115,749.00	190,405.94
<b>Total</b>	<b>71,968,140.44</b>	<b>24,608,849.12</b>

*[Handwritten signature]*

*[Handwritten signature]*



## Notes to Accounts

### NOTE – 21

#### Related party Transactions

In accordance with the requirements of AS – 18 “Related Party Disclosure” issued by the ICAI, the details of related party and the transactions with them are given below:

Sl No	Nature of relationship	Name of the related Parties
1	Ultimate Holding Company	Eros International Plc
2	Holding Company	Ayngaran International (Mauritius) Ltd
3	Subsidiary company	Ayngaran Anak Media private Limited
4	Fellow Subsidiary Company	Ayngaran International (UK) Limited
5	Key Management Personnel	Mr. K.Karunamoorthy Mr. Sunil Lulla Mr. S Venkatesh
6	Entity having common control / in which a director is interested	Ayngaran international films Pvt Ltd
7	Entity having common control / in which a director is interested	Eros International Media Ltd
8	Entity having common control / in which a director is interested	Eros International Films Pvt Ltd
9	Company owned by key management personnel	Ayngaran International

Particulars	Ayngaran International Mauritius Ltd	Ayngaran International UK Limited	Eros International Media Ltd	Ayngaran Anak media Pvt ltd	Ayngaran International	Ayngaran international films Pvt Ltd	EROS International films Pvt Ltd	Total
Sale of film rights	25,76,00,030 (5,57,624)	Nil (Nil)	2,25,00,000 (Nil)	Nil (Nil)	Nil (Nil)	Nil (6,50,00,000)	Nil (Nil)	28,01,00,030 (6,55,57,624)
Sale of film prints/ others	Nil (Nil)	27,17,332 (47,27,738)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	27,17,332 (47,27,738)
Royalties & other income.	Nil (Nil)	Nil ( Nil )	Nil (Nil)	3,94,173 (6,28,759)	Nil (Nil)	Nil (Nil)	Nil (Nil)	3,94,173 (6,28,759)





Sale of DVD/CD /others	Nil (Nil)	Nil ( Nil )	Nil (Nil)	Nil Nil	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil ( Nil )
Purchase of film Rights/ Audio CD, VCD, DVDs	Nil (Nil)	47,80,000 ✓ (4,84,200)	Nil ( Nil )	Nil (Nil)	Nil (Nil)	(Nil) (Nil)	Nil (Nil)	47,80,000 ✓ (4,84,200)
Purchase of Banners	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil ✓ (Nil) ✓
Rent paid	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	6,74,160 ✓ (16,85,400) ✓	Nil (Nil)	6,74,160 ✓ (16,85,400) ✓
Advances given / paid	Nil (Nil)	Nil (Nil)	Nil (10,33,30,000)	Nil (Nil)	Nil (Nil)	11,25,000 ✓ (30,99,403)	 ( Nil )	11,25,000 ✓ (10,64,29,403)
Advance received/ recovered/ others	Nil (Nil)	15,41,56,592 ✓ (1,29,70,856)	1,60,00,000 ✓ (Nil)	Nil (Nil)	Nil (Nil)	12,35,000 ✓ (5,82,56,139)	Nil (Nil)	17,13,91,592 ✓ (7,12,26,995) ✓
Reimbursement of Expenses – Paid	Nil (Nil)	1,45,801 ✓ (29,62,074)	Nil (Nil)	Nil (Nil)	Nil (Nil)	1,300 (Nil)	Nil (Nil)	1,47,101 ✓ (29,62,074) ✓
Reimbursement of Expenses – Received	Nil (Nil)	Nil (Nil)	19,185 ✓ (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	19,185 ✓ (Nil) ✓



Closing Balances outstanding as on 31-03-2015

(In Rs.)

Particulars	Ayngaran International Mauritius Ltd	Ayngaran International UK Limited	Eros International Media Ltd	Ayngaran Anak media Pvt Ltd	Ayngaran International	Ayngaran International Films Pvt Ltd	EROS International Films Pvt Ltd	Total
Debit	15,56,05,264 (Nil)	Nil (Nil)	Nil (Nil)	24,76,512 (21,21,756)	Nil (Nil)	10,84,40,246 (10,92,23,106)	Nil (Nil)	26,65,22,022 (11,13,44,862)
Credit	Nil (10,19,94,767)	24,04,29,408 (8,12,83,839)	7,38,32,223 (8,03,13,038)	Nil (Nil)	31,27,216 (30,13,025)	Nil (Nil)	Nil (Nil)	31,73,88,847 (26,66,04,669)

Note: Previous year figures are shown in Brackets.

**NOTE - 22**

(i) Sundry Debtors include following amount due from subsidiaries and companies under the same management:

Name of the Party	In Rs	
	As at 31 March 2015	As at 31 March 2014
Ayngaran Anak Media Private Limited	24,76,512	21,21,756
Ayngaran International ( Mauritius) Limited	15,56,05,264	-

(ii) Sundry Creditors include the following amounts payable to Companies under the same management:

Name of the Party	In Rs	
	As at 31 March 2015	As at 31 March 2014
Ayngaran International	31,27,216	30,13,025

(iii) Advances for films/ others to companies under same management:

Name of the Party	In Rs	
	As at 31 March 2015	As at 31 March 2014
Ayngaran International Films P Ltd	10,84,40,246	10,92,23,106

(iv) Advances received for exports from holding companies, Subsidiaries and companies under the same management and outstanding at year end as follows:

Name of the Party	In Rs	
	As at 31 March 2015	As at 31 March 2014
Ayngaran International (Mauritius) Limited	-	10,19,94,767
Ayngaran International UK Limited	24,04,29,408	8,12,83,839
Eros International Media Limited	7,38,32,223	8,03,13,038

*[Signature]*

*[Signature]*





**NOTE – 23**  
**SEGMENT INFORMATION**

a. Primary Segment information

The company is predominantly engaged in Media and related business being trading in film and related rights and Theatrical distribution.

b. Secondary Segment information

Particulars	Outside India	With In India	Total
Revenue by geographical market including other income	26,18,33,326 (68,43,546)	34,10,22,189 (11,17,97,760)	60,28,55,515 (11,86,41,306)
Carrying amount of segment assets ( Excluding Deferred Tax Asset)	16,61,17,011 (6,41,08,760)	26,39,89,250 (31,16,53,877)	43,01,06,261 (37,57,62,637)

c. Notes regarding segment information

Assets and addition to fixed assets

All the assets and additions to fixed assets of the company except for certain debtors, advances and creditors are located in India.

Segment assets and liabilities

Segment assets include all operating assets used by a segment comprising of fixed assets (including intangible assets), Investments, debtors, cash and bank, interest accrued, inventories and loans and advances, where directly identifiable, while most assets can be directly attributable to individual segments, the carrying amount of certain assets used jointly is allocated to the segments on a reasonable basis. Segment liabilities include all operating liabilities of the segment comprising of creditors and other liabilities.

*[Handwritten signature]*



**NOTE – 24****Deferred Tax Liability/ (Asset):**

Particulars	As on 31-03-2015	As on 31-03-2014
a. Deferred Tax Liability / (Asset) on account of change in Rate of Income tax .	-	-
b. Deferred Tax liability / (Asset) on account of difference between book and tax base of fixed assets and others	-	(2,27,737)
c. Deferred Tax (Asset) on account provision for gratuity	-	(15,398)
d. Deferred Tax (Asset) on account of leave encashment	-	28,300
e. Deferred Tax Liability / (Asset) on account of eligible IT loss	-	(58,27,829)
f. Deferred Tax Liability/ (Asset) on account of Preliminary Expenses Written Off	-	Nil
Net Deferred Tax Liability (Asset) provided during the year	-	(60,42,664)
Opening Balance of Deferred Tax liability / (Asset)	(2,33,09,908)	(1,72,67,244)
Deferred Tax (Asset) (earlier years) written back	(2,33,09,908)	-
Closing Balance of Deferred Tax liability/ (Asset)	-	(2,33,09,908)

Note : Deferred Tax Asset provided till the last previous year has been written back to Reserves & Surplus considering the huge accumulated losses of the Company.

**NOTE – 25****Contingent Liabilities:**

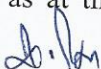
Contingent liability : A CST demand of Rs.1.33 crores has been raised by the Commercial Taxes Department for FY 2012-13 and the company is in the process of filing an appeal against the same.

**NOTE – 26**

Balances of certain sundry debtors, advances paid and received and sundry creditors in respect of certain films/ entities are subject to confirmation/reconciliation and subsequent adjustment, if any.

**NOTE – 27**

Based on the information available with the company, there are no dues payables as at the year end to Micro, Small and Medium enterprises as defined in The







Micro, Small & Medium Enterprises Development Act, 2006. This information has been relied upon by the statutory auditors of the Company.

**NOTE – 28**

**Foreign Exchange Earnings/ Outgo:**

Earnings by way of Exports (FOB)  
(on accrual basis) : Rs. 26.29 Lakhs(PY: Rs. 49.65 Lakhs)

Forex outgo on account of Imports  
(on accrual basis) : Rs. 47.80 Lakhs (PY: Rs. NIL)

**NOTE – 29**

Auditors' Remuneration (including service tax) has been classified as under:  
(Amount in Rs.)

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Statutory Audit	2,13,484	2,13,484
Tax Audit	33,708	33,708
Other Services	33,708	33,708

**NOTE – 30**

**EARNINGS PER SHARE (EPS)**

In compliance of Accounting Standard – 20 on “Earnings Per Share” issued by the Institute of Chartered Accountants of India, the elements considered for calculation of Earnings Per share (Basic and Diluted) are as under:

Particulars	March 2015	March 2014
Net Profit / ( Loss) after Tax	(1,78,59,218)	(1,27,56,151)
Weighted Average Number of Equity Shares	21,900	21,900
Earnings Per Share ( Basic and Diluted)	815.49	582.47
Face Value per share	10	10

**NOTE – 31**

**Employee Benefits**

The relevant disclosures in pursuance of Accounting Standard [AS 15 (revised) 2005] “Employee Benefits” notified by the Companies Act, 1956 are as follows:

- i) The Company has recognized, in the Revenue Accounts the following expense under defined contribution plan.

*[Signature]*

*[Signature]*



(Amount in Rs.)		
Benefit (Contribution to)	Year ended 31 March 2015	Year ended 31 March 2014
Provident Fund	98,762	92,581
Labour Welfare Fund	112	210
<b>Total</b>	<b>98,874</b>	<b>92,791</b>

ii) The Company has made provision for Gratuity as per the Payment of Gratuity act, 1972.

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Provision for Gratuity	50,624	47,458
<b>Total</b>	<b>50,624</b>	<b>47,458</b>

iii) The Company has made provision for Leave Encashment as per the Payment

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Provision for Leave Encashment	36,300	(87,224)
<b>Total</b>	<b>36,300</b>	<b>(87,224)</b>

#### **NOTE – 32**

##### **Operating Leases**

The Company has operating lease agreements / arrangements for office facilities which are renewable on a yearly basis, cancelable at its option.

#### **NOTE – 33**

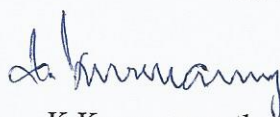
Estimated amount of contracts remaining to be executed on capital accounts and not provided for – Rs. NIL.

#### **NOTE – 34**

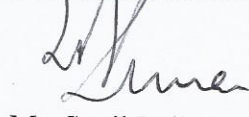
##### **Previous Year Figures**

Previous year figures have been reclassified/ regrouped wherever necessary.

For and on behalf of the Board of Directors



K Karunamoorthy  
Director



Mr. Sunil Lulla  
Director

Place: Chennai

Date: 27.05.2015.

For S.Ravi & Associates

Chartered Accountants

FRN: 009261S

  
S.Ravi

Proprietor/ M.No.204618





AYNGARAN INTERNATIONAL MEDIA PRIVATE LIMITED  
NO.147/11, THIRD FLOOR, RAJPARI TRIMENT TOWERS  
G.N.CHETTY ROAD, T.NAGAR,  
CHENNAI - 600 017

Sub Schedules to Notes to Accounts - Balance Sheet

Note 3		
Long Term Provisions		
	Amount in Rs 31-Mar-2015	Amount in Rs 31-Mar-2014
Provision for Gratuity	610,488.00	559,864.00
<b>Total</b>	<b>610,488.00</b>	<b>559,864.00</b>
Note 4		
Current Trade Payables		
Related party creditors		
Eros International Media Limited	72,042,001.00	78,522,816.00
Ayngaran International	3,127,216.20	3,013,024.93
Other creditors		
A P International	4,944,057.50	4,944,057.50
Airlift Associates	-	-
AVM Productions	-	-
BSJ Exports	1,019,500.00	1,019,500.00
Connect Film India	-	-
Dhanalakshmi Offset Printers	27,651.00	27,651.00
DR Lotus Steel Distribution India Pvt Ltd	10,500,000.00	10,500,000.00
Essorr Publicities	251,846.00	251,934.00
Federal Express Corporation	-	-
Foto Industries	599,936.80	1,099,936.80
Feather Touch Entertainments	-	-
Five Star Trading	450,000.00	450,000.00
Four Frames Entertainment	29,000.00	29,000.00
G.V. Films Ltd	-	-
Gemini Industries & Imaging Ltd	2,229,701.00	2,229,701.00
Global Infotainment Private Limited	5,059,058.00	5,023,462.00
Jayam Audio	49,999.75	49,999.75
Jazz Cinemas Pvt. Limited	39,000,000.00	-
Kavithalaya Productions	1,000,000.00	1,000,000.00
Kodak india Pvt Ltd	2,017,387.20	2,017,387.20
Kailash Chand Jain & Co	49,635.00	49,635.00
Mercantile Shipping Services	1,155,813.00	938,271.00
Metro Films - Murattu Kalai	7,820,294.00	7,820,294.00
Unique Enterprises	-	319.00

*[Handwritten signature]*

*[Handwritten signature]*

AYNGARAN INTERNATIONAL MEDIA PRIVATE LIMITED  
NO.147/11, THIRD FLOOR, RAJPARI TRIMENT TOWERS  
G.N.CHETTY ROAD, T.NAGAR,  
CHENNAI - 600 017

Sub Schedules to Notes to Accounts - Balance Sheet

Nandu Poster Publicity	23,859.00	23,859.00
NPC Systems		
NFDC		
Overnite Express Ltd		
Prasad Video Digital	166,921.00	166,921.00
Prasad Film Laboratories		
Ravichandran		
Real Image Media Technologies Pvt. Ltd.		80,788.00
RS Infotainment Pvt Ltd	4,500,000.00	4,500,000.00
Sri Sai Raam Creations	29,800,000.00	-
Sri Sathya Sai Movies	4,497,385.00	20,497,385.00
Sea Air Logistics	-	-
Allocable cost - Soorya Productions	100,000.00	100,000.00
Sri Ram Studio	22,995.00	22,995.00
S Ravi and Associates (Audit Fees Payable)	642,137.00	252,810.00
Sri Vallammal Exports	3,547,531.00	3,547,531.00
Sri Surya Movies	-	-
Sri Sathya Sai Movies	-	-
The Accord Metropolitan	-	-
Tarasing & Sons	206,837.25	506,837.25
The Safire Cine Printograph		
Techno Power Services		
The Safire Offset Printers	317,589.00	123,221.00
TNT India Pvt Ltd		
Thandavam Print Cost Payable		
United India Exports	24,912,444.60	22,962,444.60
V Creation		
VS Network Int'l Courier Services Pvt Ltd	-	12,926.00
<b>Total (A)</b>	<b>220,110,795.30</b>	<b>171,784,707.03</b>
<b>Advances Received for which value still to be given in cash or Kind.</b>		
<b>Related party Advances</b>		
Ayngaran International (Mauritius) Ltd.- S.D	-	164,658,277.14
Ayngaran International ( UK) Ltd	240,429,408.39	81,283,839.21
<b>Other advances</b>		
Anak Exports Private Limited	-	-
Bharathan Films	1,004,850.00	1,004,850.00
Chengalpaatu Theater Deposits	257,342.00	257,342.00
Bhoomi & Building Private Limited	30,000,000.00	-
Metronet Multimedia Pvt. Limited	-	-
Jupiter films trichy		
Mannan Films		
Shenbagamoorthy	2,366,000.00	2,366,000.00
Sri Balaji Enterprises	10,608.00	10,608.00
Theatre collections - Eros Films	1,790,222.00	1,790,222.00
Trident Movies		
VS Ecommerce Ventures P Limited		
Venkatesh.S (U.K)	50,000.00	50,000.00
<b>Total (B)</b>	<b>275,908,430.39</b>	<b>251,421,138.35</b>
<b>Total Trade Payables (A + B)</b>	<b>496,019,225.69</b>	<b>423,205,845.38</b>

*Handwritten signature*

*Handwritten signature*



Sub Schedules to Notes to Accounts - Balance Sheet

<b>Note 5</b>		
<b>Other Current Liabilities</b>		
<b>Deposits</b>		
Big Fm Radio - Deposits	150,000.00	150,000.00
Radio City - Deposits	100,000.00	100,000.00
Radio Midday West - Deposits	150,000.00	150,000.00
Theatre collections - Eros Films	-	-
Radio Mirchy Deposit	250,000.00	250,000.00
	<b>650,000.00</b>	<b>650,000.00</b>
<b>Expenses Payable</b>		
Building Maintenance Payable	-	6,365.00
Electricity Exp Payable	20,000.00	20,000.00
Expenses Payable Reimbursed	52,869.00	-
Professional Fees Payable	3,000.00	-
Other Expenses Payable	17,350.00	-
Telephone expenses payable	20,000.00	20,000.00
	<b>113,219.00</b>	<b>46,365.00</b>
Interest Payable	-	-
Outstanding Liabilities - payable to Directors	110,000.00	110,000.00
PF Admin charges payable	1,266.00	801.00
PF Payable	18,870.00	11,940.00
Professional for Tax Payable	5,735.00	23,660.00
Labour Welfare Fund - Payable	-	-
Service Tax Payable	164,022.00	1,395,649.00
TDS Payable	1,299,294.00	189,485.00
	<b>1,489,187.00</b>	<b>1,621,535.00</b>
<b>Other Current Liabilities (A+B)</b>	<b>1,712,406.00</b>	<b>1,777,900.00</b>
<b>Note 6</b>		
<b>Short Term Provisions</b>		
Salary Payable	108,830.00	171,200.00
Provision for Leave encashment	200,739.00	164,439.00
	<b>309,569.00</b>	<b>335,639.00</b>
<b>Note 11</b>		
<b>Current - Trade Receivables</b>		
<b>Related party debtors</b>		
Ayngaran Anak Media Pvt Ltd	2,476,512.00	2,121,122.00
Ayngaran Internationa - Mauritius Ltd	86,430,270.25	-
<b>Other debtors</b>		
Anjugam Films Pvt Ltd	15,806,180.00	15,806,180.00
Albert Theatre	241,560.00	241,560.00
Cinematix LLC	-	-
Devi Cine - Agastya	226,087.00	226,087.00
Entertainment Network India Ltd	-	-
Global Video Vision	2,056,230.00	2,056,230.00
Gopuram Films	-	-
Inox Theatre	55,306.00	-
JP Movies	247,946.00	247,946.00
Jinnah Creations - Trichy	505,000.00	505,000.00
Kajan - India Music Today	46,751.63	45,044.48
Mayajal	203,169.00	-
Media One Global Entertainment Ltd	643,160.00	643,160.00
Meena Movies, Madurai	-	-
Omkarfilms-Kerala	-	-
R India Music GmbH	1,309,045.50	1,261,245.30
Ravi Arts	-	-
Raviraja	-	-
Reliance Media Works Ltd	14,327.18	14,327.18
Saidai Raj Theatre	436,849.00	436,849.00
SPI Cinemas P Ltd	27,185.00	-
Sea Air Logistics	-	330.00
Sri Lakshmi Sreenivasa Pictures	-	-
Sri Money Movies-Trichy	-	-
Suara Networks (M) SDN.BHD	419,586.48	404,265.15
Trident Movies	-	-
Varnachitra Big Screen - Kerala	-	-
ZR & Z Realtors Pvt. Ltd - Drs	-	-
<b>Total</b>	<b>111,145,165.04</b>	<b>24,009,346.11</b>

26.11.11

Sub Schedules to Notes to Accounts - Balance Sheet

Note 7		
A. Content Advances		
Advances paid for film and other rights /under		
production		
Others		
Advance film Arjunan Kadhal - Forex a/c	816,130	816,130.00
Advance film Kalavadiya Pozhudugal - Forex a/c	816,130	816,130.00
Advance Krishna Leelai - Forex a/c	816,130	816,130.00
Advance M & E Rights - New films - Forex a/c	56,422,374	56,422,373.66
Ayngaran International (Mauritius) Ltd.- Forex loss	10,304,230	3,792,747.24
Ayngaran International Films Pvt Ltd	108,440,246.10	109,223,106.10
Advance for Mayabazaar Dubbing & Release work	27,510.00	27,510.00
Arjunan Kadhal	-	29,479,310.00
Almighty Combines	50,000.00	50,000.00
Boopathy Pandian Film - Kattan	-	5,000,000.00
Devuda Devuda	500,000.00	500,000.00
Dream Valley Corporation	4,050,000.00	4,050,000.00
Future Films	35,000.00	35,000.00
Gemini Films	6,500,000.00	6,500,000.00
Gnanam Films Pvt. Ltd.	-	-
Kanakaratna Movies	-	15,700,000.00
Lyca Productions Pvt Ltd	4,250,000.00	-
Metro Films Private Limited	1,399,950.00	1,399,950.00
Metronet Multimedia Pvt Ltd	-	-
Midas Touch Entertainment P Limited	3,000,000.00	3,000,000.00
Sivaji Productions	100,000.00	100,000.00
Sri Raj Lakshmi Film (P) Ltd.	-	-
Sri Surya Movies Advance Account	60,000,000.00	60,000,000.00
Raviraja	30,303.00	30,303.00
Ravishankar	115,000.00	115,000.00
Ravichandran	-	-
S.Kathiresan	-	-
Saravedi - Jinnah Creations	-	8,247,770.00
T.Srikanth	-	-
Tholaindhu Ponavargal - Madhavan	1,240,555.00	1,240,555.00
TDS recoverable -Kotak Mahindra	29,475.00	29,475.00
TDS Anjugam Films - Receivable in Future	1,756,243.00	1,756,243.00
Tinsel Movies pvt ltd	-	-
Vinay Rai	400,300.00	400,300.00
Naanum En Sandhiya	-	7,500,000.00
Rameshbabu.S	5,000,000.00	5,000,000.00
Vishnu Vardan	4,000,000.00	4,000,000.00
	270,099,575.61	326,048,033.00

*[Handwritten signature]*

*[Handwritten signature]*



AYNGARAN INTERNATIONAL MEDIA PRIVATE LIMITED  
NO.147/11, THIRD FLOOR, RAJPARIS TRIMENT TOWERS  
G.N.CHETTY ROAD, T.NAGAR,  
CHENNAI - 600 017

**Sub Schedules to Notes to Accounts - Balance Sheet**

<b>Advances recoverable in cash or in kind or for value to be Received</b>		
Aruna Theatres & Enterprises (P) Ltd	276,300.00	276,300.00
KRCD (India) Pvt Ltd - Caution deposit	250,000.00	250,000.00
Lotus Five Star Thandavam Print cost recoverable	-	-
	<b>526,300.00</b>	<b>526,300.00</b>
<b>Loans and Advances including related parties (A+B)</b>	<b>270,625,875.61</b>	<b>326,574,333.00</b>
<b>TDS Receivable - Including Refunds</b>		
Tax refund due for the AY 2009-2010	-	-
TDS - Suffered 2009 - 2010	155,668.00	155,668.00
Tax refund due for the AY 2010-2011	4,289,857.65	4,289,857.65
TDS - Suffered Ay 2011 - 2012	64,741.00	64,741.00
TDS - Suffered 2008 - 2009	-	-
TDS - Suffered 2012 - 2013	487,955.00	487,955.00
TDS - Suffered 2013 - 2014	2,169,955.00	2,169,955.00
TDS - Suffered 2014 - 2015	819,527.00	753,598.00
TDS - Suffered 2015 - 2016	163,112.17	-
FBT Refund Due - 2007 - 2008	98,041.00	98,041.00
TDS recoverable -Kotak Mahindra	-	-
TDS Anjugam Films - Receivable in Future	-	-
	<b>8,248,856.82</b>	<b>8,019,815.65</b>
<b>Staff Advance</b>		
- Roy Dinesh	35,000.00	35,000.00
- Kalpana	-	7,000.00
- Jawahar	6,000.00	-
- Krishnaswamy	10,000.00	10,000.00
	<b>51,000.00</b>	<b>52,000.00</b>
<b>Note 12</b>		
<b>Cash and Cash Equivalents</b>		
<b>Bank Accounts</b>		
IOB -8001	20,635.95	20,715.95
IOB-1533	5,929,861.59	2,023,943.73
IOB-6000	4,718.00	4,898.00
IOB-6001	5,105.00	5,235.00
IOB-6002	4,795.00	4,925.00
IOB-6003	5,707.00	5,837.00
IOB-6004	2,772.00	2,902.00
IOB-6005	7,716.00	7,846.00
	<b>5,981,310.54</b>	<b>2,076,302.68</b>

*[Signature]*

*[Signature]*

AYNGARAN INTERNATIONAL MEDIA PRIVATE LIMITED  
NO.147/11, THIRD FLOOR, RAJPARI TRIMENT TOWERS  
G.N.CHETTY ROAD, T.NAGAR,  
CHENNAI - 600 017

Sub Schedules to Notes to Accounts - Profit & Loss Account

	01-04-2014 to 31-03-2015	01-04-2013 to 31-03-2014
<b>Note 15</b>		
<b><u>SALES AND SERVICE INCOME</u></b>		
<u>Sale of Film Rights</u>		
Exports		
Local	257,600,030.00	557,624.25
<u>Sale of Audio/Digital and Home video rights</u>	216475000	67,550,000.00
Exports		
Local	1332000	-
<u>Sale of Satellite Rights</u>	22500000	-
Income from Theatre Exhibition		
<u>Sale of recorded CDs, DVDs, Prints and other materials</u>	100008762	26,904,436.00
Exports		
Local	2901296.2	5,565,310.57
Royalty income		
Total - Sales/Distribution/Exhibition of Films and other Rights	2038426.51	5,571,252.73
	<b>602,855,514.71</b>	<b>106,148,623.55</b>
<b>Note 16</b>		
<b><u>OTHER INCOME</u></b>		
Sundry Credits Written off		415,836.00
Interest Received on IT Refund		12,492,682.00
<b>Total</b>	<b>-</b>	<b>12,908,518.00</b>
<b>Note 17</b>		
<b><u>PURCHASES AND OTHER DIRECT COST</u></b>		
Purchase of Film and Media Rights		
Purchase of positive raw stock, digi prints, tapes etc	252,280,000.00	991,090.73
Purchase of Prints, Printing and processing and packing expenses	755,147.00	1,909,881.16
Freight and cargo and courier expenses	1,012,821.00	2,192,716.00
Theatre release and publicity expenses	529,730.00	546,692.50
Other operating and direct expenses	63,558.00	82,007.80
	679,715.00	2,305,233.00
	<b>255,320,971.00</b>	<b>8,027,621.19</b>
<b>Less: (Increase) / Decrease in Inventories - Raw Stock</b>		
Closing Stock		138,959.28
Opening Stock	138,959.28	138,959.28
	<b>138,959.28</b>	<b>-</b>



Sub Schedules to Notes to Accounts - Profit & Loss Account

	01-04-2014 to 31-03-2015	01-04-2013 to 31-03-2014
<b>Note 18</b>		
<b>Changes in inventories of finished goods</b>		
<u>Closing Stock</u>		
Home Entertainment Products	-	69,594.31
Prints/Raw Stock	-	69,364.97
Film Rights	-	-
	-	<b>138,959.28</b>
<u>Opening Stock</u>		
Home Entertainment Products	69,594.31	69,594.31
Prints/Raw Stock	69,364.97	69,364.97
Film Rights	-	-
	<b>138,959.28</b>	<b>138,959.28</b>
Net Change in Inventories	<b>138,959.28</b>	-
<b>Note 19</b>		
<b>EMPLOYEE EXPENSES</b>		
Salaries and Bonus	1,642,439.00	3,194,837.00
Leave encashment	36,300.00	(87,224.00)
Labour Welfare Fund Contribution	112.00	210.00
Staff Welfare	197,305.00	228,881.00
PF & Welfare Fund	98,762.00	92,581.00
Gratuity	50,624.00	47,458.00
<b>Total</b>	<b>2,025,542.00</b>	<b>3,476,743.00</b>
<b>Note 20</b>		
<b>OTHER EXPENSES</b>		
Office Rent	674,160.00	1,685,400.00
Advertisement Charges	247,349.00	-
Electricity Charges	120,070.00	185,260.00
Printing and Stationary	27,066.00	35,087.00
Telephone & Internet Exp.	519,135.00	604,344.00
Travelling and conveyance expenses	226,348.00	753,958.60
Repairs and maintenance - building and others	-	220,218.00
Insurance Charges	34,863.00	39,545.00
Business Promotion expenses	6,100.00	75,605.00
Membership & Subscription Fees	66,473.00	9,983.00
Registration Fees	50,000.00	-
Professional & Filing Fees	192,871.00	84,200.00
Foreign Exchange loss	3,102,624.00	7,368,444.58
Donation	-	100,000.00
Audit Fees	280,900.00	280,900.00
Bank charges	22,118.44	7,042.00
Tds Refund Due Ay 2008-09 Short receipt	-	42,484.00
<b>Total</b>	<b>5,570,077.44</b>	<b>11,492,471.18</b>
Repairs to buildings		
Repairs to machinery	117,730.00	220,218.00
Vehicle Maintenance	237,476.00	74,579.00
	<b>355,206.00</b>	<b>294,797.00</b>
Interest on TDS & Profession Tax & Service Tax & PF	32,425.00	113,721.00
Office Expenses	83,324.00	76,684.94
	<b>115,749.00</b>	<b>190,405.94</b>

*(Handwritten signature)*