

VALUABLE DIGITAL SCREENS PRIVATE LTD.

53/1, Media Info Tech Park,
Road No. 7, Nr. Akruti Trade Centre,
Andheri (East),
Mumbai 400093.

AUDITED FINANCIAL STATEMENTS FOR FINANCIAL YEAR - 2017-18

M/s. Shetty Naik & Associates Chartered Accountants

31, Madhuban Industrial Estate, Plot No. 30,
Off Mahakali Caves Road, Near Paper Box Industry,
Andheri East, Mumbai -400093.

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INDEPENDENT AUDITORS' REPORT

To the Members of Valuable Digital Screens Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **M/s Valuable Digital Screens Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2018, the statement of profit and loss, including the statement of Other Comprehensive Income, the cash flow statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the State of Affairs, financial performance including other comprehensive income and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind As financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment,



including the assessment of the risks of material misstatement of the Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2018;
- (b) in the case of the Statement of Profit and Loss, of the Loss of the Company including other comprehensive income for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note II of the financial statements, which describes that in spite of erosion of net worth, the accounts of the company have been prepared on a going concern basis primarily due to commitment of financial support of the holding Company.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.





- c) The balance sheet, the statement of profit and loss including the Statement of Other Comprehensive Income and the cash flow statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018, from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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.

For SHETTY NAIK & ASSOCIATES

Chartered Accountants

ICAI Reg. No.:124851W

CA. JAGDISH SHETTY

Partner

Membership No: 111936

Place: Mumbai

Dated: 26th May 2018



ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

1. (a) According to information and explanations given to us, the Company has maintained proper records showing particulars, including quantitative details. Since the asset base of the company majorly comprises of moving vans, situation details of such assets are not present in Fixed Asset Register.

(b) The fixed assets were physically verified during the year by the management at reasonable intervals, which in our opinion are reasonable. According to information and explanations given to us, no material discrepancies were noticed on such verification by the management.

(c) According to information and explanations given to us, and on the basis of our examination of the records of the Company, the company does not own any immovable property and hence the said sub-clause is not applicable in its case.
2. The company is primarily involved in the movie screening and providing advertisement services. Accordingly, the company does not hold any physical inventories. Thus, the paragraph 3(ii) of the order is not applicable.
3. According to information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company during the year.
4. According to information and explanations given to us, the Company has granted unsecured loans covered under the provisions of 186 of the Act exceeding the limits prescribed under Sec. 186(2). The company has passed the special resolution as per the provisions of the Sec.186(2) & has made requisite disclosure in Note No. 30 to the financial statements.
5. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under during the year.
6. According to the information and explanations given to us, the requirement for maintenance of cost records specified by the Central Government under Section 148(1) of the Act is not applicable to the Company during the year.
7. (a) According to the information and explanation given to us, the Company has been generally regular in depositing the undisputed statutory dues including income tax, sales tax, service tax, value added tax, cess and other material statutory dues as applicable to the appropriate authorities. No undisputed amounts payable in respect of aforesaid statutory dues were



outstanding as on the last day of the financial year for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax and value added tax which have not been deposited on account of any dispute.
8. Based on the audit procedures and on the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of loans to banks. Accordingly, the provisions of clause 3(viii) of the Order are not applicable to the Company during the year.
9. According to the information and explanations given to us, the Company has not raised moneys by way of public offer (including debt instruments) during the year, except the term loan already obtained from the bank in earlier year. From the examination of books and related records, we are of the opinion that the term loans have been applied for the purpose for which the term loan has been obtained by the company.
10. According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanation given to us, the Company has not paid any managerial remuneration to its directors, including managing director and whole-time director and its manager. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
12. The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. The provisions of Section 177 of the Act relating to Audit Committee are not applicable to the Company during the year. According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with related parties are in compliance with Section 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.





15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, the provisions of clause 3(xv) of the Order are not applicable.
16. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For SHETTY NAIK & ASSOCIATES

Chartered Accountants

ICAI Reg. No.:124851W

CA. JAGDISH SHETTY

Partner

Membership No: 111936

Place: Mumbai

Dated: 26th May 2018



ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

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

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

We have audited the internal financial controls over financial reporting of Valuable Digital Screens Private Limited ("the Company") as of 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

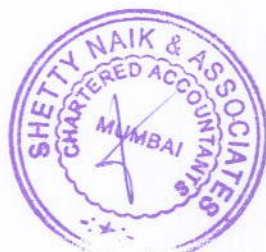
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by Institute of Chartered Accountants of India.

For SHETTY NAIK & ASSOCIATES

Chartered Accountants

ICAI Reg. No.:124851W

CA. JAGDISH SHETTY

Partner

Membership No: 111936



Place: Mumbai

Dated: 26th May 2018

Balance Sheet as at 31st March 2018

Particulars	Notes	31 March 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
I. ASSETS				
Non-current assets				
Property, Plant and Equipment	1	118,615,888	150,676,297	182,439,267
Capital work-in-progress		8,618,424	1,725,070	-
Other Intangible assets	1	1,809,903	2,824,825	3,758,200
Investment in Subsidiaries, Associates and Joint venture		-	-	-
Financial Assets		-	-	-
(i) Investments		-	-	-
(ii) Loans		-	-	-
(iii) Others		-	-	-
Deferred tax assets		-	-	-
Other non-current assets	2	8,633,193	7,741,179	8,112,412
Total Non-Current Assets (A)		137,677,408	162,967,371	194,309,879
Current Assets				
Inventories		-	-	-
Financial Assets		-	-	-
(i) Investments		-	-	-
(ii) Trade receivables	3	32,764,049	19,014,129	27,179,641
(iii) Cash and cash equivalents	4	2,696,265	5,180,157	352,645
(iii) Bank balances other than (iii) above	5	556,894	-	2,038,282
(iv) Loans	6	8,438,261	7,851,698	14,030
(v) Others	7	1,175,863	427	295,203
Other current assets	8	33,975,084	34,578,050	23,139,123
Total Current Assets (B)		79,606,416	66,624,461	53,018,924
Total assets (A+B)		217,283,824	229,591,832	247,328,803
I. EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital	9	144,750	144,750	144,750
b) Other Equity	10	(409,043,396)	(270,920,534)	(99,885,674)
Total Equity (C)		(408,898,646)	(270,775,784)	(99,740,924)
Liabilities				
Non-current liabilities				
Financial Liabilities				
(i) Borrowings	11	47,312,920	60,058,871	99,719,594
(ii) Other financial liabilities		-	-	-
Provisions	12	1,290,420	720,463	916,103
Other non-current liabilities		-	-	-
Deferred Tax Liabilities (Net)	18	-	236,752	236,752
Total non-current liabilities		48,603,340	61,016,086	100,872,449
Current liabilities				
Financial Liabilities				
(i) Borrowings	13	446,523,559	335,296,400	137,355,536
(ii) Trade payables	14	34,723,806	13,534,616	47,047,006
(iii) Other financial liabilities	15	86,242,711	83,079,138	57,158,769
Provisions	16	180,867	79,006	642,106
Other current liabilities	17	9,908,186	7,362,370	3,993,861
Total current liabilities		577,579,129	439,351,530	246,197,278
Total Liabilities (D)		217,283,824	229,591,832	247,328,803
Total equity and liabilities (C+D)		217,283,824	229,591,832	247,328,803

Summary of significant accounting policies

II.

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

As per our report of even date

For Shetty Naik & Associates
Firm Registration No. 124851W
Chartered Accountants

JAGDISH SHETTY

Partner

Membership No: 111936

Place of Signature: Mumbai

Date: May 26, 2018

For and on behalf of the Board of Directors
of Valuable Digital Screens Private Limited

Dheepak Rangan
Director
CIN No.: 02832565

Pankaj Jaysinh Madhani
Director
DIN No.: 01564221



Valuable Digital Screens Private Limited

Statement of profit and loss for the year ended 31 March 2018

Statement of profit and loss	Notes	31 March 2018 Rupees	31 March 2017 Rupees
Revenue from operations	19	107,688,797	36,170,586
Other income	20	1,332,383	3,211,400
Total Income - (I)		109,021,180	39,381,986
Expenses			
Operating direct cost	21	99,324,078	75,878,297
Employee benefits expense	22	23,826,721	24,618,391
Other expenses	23	31,237,234	21,683,441
Total expenses - (II)		154,388,033	122,180,129
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		(45,366,853)	(82,798,143)
Depreciation and amortization expense		40,041,744	46,132,595
Finance costs	24	52,913,621	42,104,123
Profit/(Loss) before exceptional items and tax		(138,322,218)	(171,034,860)
Exceptional Items			
Profit/(Loss) before tax		(138,322,218)	(171,034,860)
Tax expense:	18		
- Current tax		(236,752)	-
- Deferred tax			
Profit (Loss) for the period		(138,085,466)	(171,034,860)
Other Comprehensive Income / (Loss)			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of Net Defined Benefit Liability		(37,396)	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the period		(138,122,862)	(171,034,860)
Earnings per equity share :			
(1) Basic		(9,540)	(11,816)
(2) Diluted		(9,540)	(11,816)

For Shetty Naik & Associates
Firm Registration No. 124851W
Chartered Accountants

JAGDISH SHETTY

Partner

Membership No: 111936

Place of Signature: Mumbai

Date: May 26, 2018

For and on behalf of the Board of Directors
of Valuable Digital Screens Private Limited

Deepak Ranjan

Director

DIN No.: 02852565

Pankaj Jaysinh Madhavi

Director

DIN No.: 01564221



Valuable Digital Screens Private Limited

Notes to financial statements as at and for the year ended 31 March 2018

2. Other non current assets

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Non-current bank balances	222,980	726,996	481,807
Capital Advances	2,139,202	4,719,902	7,530,805
Deposit with Government bodies and others	1,294,281	2,294,281	99,800
Prepaid Expenses	4,976,730	-	-
	8,633,193	7,741,179	8,112,412

3. Trade receivables (Unsecured)

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
- considered good	32,764,049	19,014,129	27,179,641
- considered doubtful	4,570,518	-	-
Provision for doubtful receivables	(4,570,518)	-	-
TOTAL	32,764,049	19,014,129	27,179,641

4. Financial Assets - Cash & Cash Equivalents

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Cash and cash equivalents			
Balances with banks :			
- On current accounts	1,572,536	4,567,986	212,881
- Cash credit accounts	441	447,289	110,000
Cash on hand	66,951	14,883	29,764
Fixed Deposits (maturity less than 3 months)	1,056,338	150,000	-
	2,696,265	5,180,157	352,645

5. Financial Assets - Bank Balance other than Cash & Cash Equivalents

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Other Bank Balances :			
Fixed Deposits (maturity more than 3 months, but less than 12 months)	556,894	-	2,038,282
	556,894	-	2,038,282

6. Financial Assets - Loan

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Security Deposit	95,000	10,000	14,030
Loans and Advances to Employees	-	4,250	-
Others	8,343,261	7,837,448	-
Loan to Theatre Owners (Nova Cinema)	8,438,261	7,851,698	14,030

7. Financial Assets - Other

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Interest accrued but not due on fixed deposit	-	427	295,203
Other receivables	1,175,863	-	-
	1,175,863	427	295,203

8. Other Current Assets

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Unbilled revenue			
Other advances			
- Unsecured Considered Good	6,493,860	1,998,445	-
Balance with Govt. Authorities	17,014,869	14,451,735	4,917,135
Advance income tax (net of provision)	2,320,664	449,148	714,154
Prepaid Expenses	8,145,691	17,678,722	17,507,834
	33,975,084	34,578,050	23,139,123



Valuable Digital Screens Private Limited

Notes to financial statements as at and for the year ended 31 March 2018

9. Equity Share Capital

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Authorised share capital			
10,00,000 (31 March 2017 : 14,475) Equity Shares of Rs. 10/- each fully Paid up	10,000,000	10,000,000	10,000,000
	10,000,000	10,000,000	10,000,000
Share capital			
Issued, subscribed and fully paid up shares	144,750	144,750	144,750
Total issued, subscribed and fully paid up share capital	144,750	144,750	144,750

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

	31 March 2018		31 March 2017		1 April 2016	
	No.	Rupees	No.	Rupees	No.	Rupees
At the beginning of the year	14,475	144,750	14,475	144,750	14,475	144,750
Addition	-	-	-	-	-	-
Outstanding at the end of the year	14,475	144,750	14,475	144,750	14,475	144,750

(b) Terms/rights attached to equity shares

Voting rights
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 company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Rights pertaining to repayment of capital

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	31 March 2018		31 March 2017		1 April 2016	
	No.	% holding in the class	No.	% holding in the class	No.	% holding in the class
Equity shares of Rs 10 each fully paid						
Valuable Technologies Limited	2,895	20	2,895	20	2,895	20
UFO Moviez India Limited	11,580	80	11,580	80	11,580	80

10. Other Equity

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Securities premium account			
Balance as per last financial statements	16,961,145	16,961,145	16,961,145
Closing balance	16,961,145	16,961,145	16,961,145
Surplus in the statement of profit and loss			
Balance as per last financial statements	(287,881,679)	(116,846,819)	(15,445,193)
Profit for the year	(138,085,466)	(171,034,860)	(101,401,626)
Items of Other Comprehensive Income recognised directly in Retained Earnings:-			
- Re-measurement gains (losses) on defined benefit plans	(37,396)	-	-
Net surplus in the statement of profit and loss	(426,004,541)	(287,881,679)	(116,846,819)
Total reserves and surplus	(409,043,396)	(270,920,534)	(99,885,674)

11. Financial Liabilities - Long-term borrowings (Secured)

	Non-Current portion			Current maturities		
	31 March 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Term loans						
Rupee loan from banks (secured by first charge on all fixed assets and all current assets of the Company)						
Term loan from AXIS BANK LTD (Bank interest rate of base rate +0.45% i.e 9.50% and maturity is till 30th June 2020)	47,312,920	60,058,871	99,719,594	25,700,000	49,620,040	51,102,052
Sub Total	47,312,920	60,058,871	99,719,594	25,700,000	49,620,040	51,102,052
Amount disclosed under the head "other current liabilities" (refer note 15)	-	-	-	(25,700,000)	(49,620,040)	(51,102,052)
Net amount	47,312,920	60,058,871	99,719,594	-	-	-



Valuable Digital Screens Private Limited

Notes to financial statements as at and for the year ended 31 March 2018

12. Long Term Provision

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Provision for gratuity	650,130	348,362	470,917
Provision for Leave Encashment	640,290	372,101	445,186
	1,290,420	720,463	916,103

13. Financial Liabilities - Short Term Borrowing

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Financial Liabilities at amortised cost			
Secured (A)			
Cash Credit from ICICI Bank Limited (Interest Rate @ 8.50% p.a.)	107,023,559	107,296,400	14,855,536
Unsecured (B)			
I) Loan from Group Companies			
Scrabble Entertainment Limited	200,500,000	160,000,000	100,000,000
(Repayable on Demand, Average Interest Rate - 12.25% p.a.)			
Southern Digital Screenz India Pvt. Ltd	139,000,000	68,000,000	-
(Repayable on Demand, Interest Rate - 12.00% p.a.)			
Sub Total (I)	339,500,000	228,000,000	100,000,000
II) From Directors			
Dr. Sunil Shamrao Patil	-	-	22,500,000
(Repayable on Demand, Interest Rate - 12.00% p.a.)			
Sub Total (II)	-	-	22,500,000
Total Unsecured (I + II)	339,500,000	228,000,000	122,500,000
Sub Total (A+B)	446,523,559	335,296,400	137,355,536

14. Financial Liabilities - Trade and other payable

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Financial Liabilities at amortised cost			
Trade Payables			
Sundry Creditors	34,723,806	13,534,616	47,047,006
	34,723,806	13,534,616.00	47,047,006

15. Financial Liabilities - Other Current Financial Liabilities

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Financial Liabilities at amortised cost			
Current maturities of Long Term Debts (Refer Note No. 11)	25,700,000	49,620,040	51,102,052
Deposit from Theatres	885,000	810,000	1,037,457
Other deposit	99,819	-	-
Sub Total (A)	26,684,819	50,430,040	52,139,509
Other Payables			
Payables for purchase of fixed assets	5,407,136	8,249,488	-
Salary and reimbursement payable	7,273	1,580,814	-
Sub Total (B)	5,414,409	9,830,302	-
Interest accrued on borrowings form related parties			
Scrabble Entertainment Limited	41,227,865	21,740,275	4,821,013
Southern Digital Screenz India Pvt. Ltd	12,915,618	1,078,521	-
Dr. Sunil Shamrao Patil	-	-	198,247
Sub Total (C)	54,143,483	22,818,796	5,019,260
Sub Total (A+B+C)	86,242,711	83,079,138	57,158,769

16. Short Term Provision

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Provisions for Employee Benefits			
Provision for Leave Encashment	121,514	66,464	634,810
Provision for Gratuity	59,353	12,542	7,296
	180,867	79,006.00	642,106.00

17. Other Current Liabilities

	31 March, 2018 Rupees	31 March 2017 Rupees	1 April 2016 Rupees
Deferred Advertisement Income	4,169,428	3,320,695	743,990
Advance from Customer	4,665,274	2,109,046	781,015
Other Payables			
Employee related liabilities	175,336	191,498	3,788
VAT payable	-	846,116	335,125
TDS payable	898,149	895,015	2,129,943
	9,908,186	7,362,370	3,993,861



Valuable Digital Screens Private Limited**Notes to financial statements as at and for the year ended 31st March 2018****19. Revenue from operations**

	31 March, 2018 Rupees	31 March, 2017 Rupees
Revenue from operations		
Sale of Services		
Advertisement revenue	89,888,928	20,418,875
Content Income	4,487,129	2,814,530
Lease rental income	3,158,293	2,425,029
Registration fees income	309,046	577,883
	97,843,396	26,236,317
Sales of products		
Sale of digital cinema equipment's	9,845,401	9,934,269
	9,845,401	9,934,269
	107,688,797	36,170,586

20. Other income

	31 March, 2018 Rupees	31 March, 2017 Rupees
Finance income		
Interest received		
Others	1,175,863	-
Interest income on fixed deposits	124,859	90,617
	1,300,722	90,617
Other Non operating income		
Sundry balance written back	20,479	3,011,224
Loss (Profit) on sale of fixed assets	-	10,000
	20,479	3,021,224
Miscellaneous income	11,182	99,560
	1,332,383	3,211,400

21. Operating direct cost

	31 March, 2018 Rupees	31 March, 2017 Rupees
Van Operating Cost	35,295,271	34,807,076
Vehicle Hibernation Cost	11,511,447	10,567,577
Commission on advertisement revenue	8,846,313	135,000
Survey Expenses	9,298,080	1,429,380
Field Maintenance	12,145,472	11,604,388
Vehicle Transit Charges	2,547,841	1,158,100
Van Servicing and Maintenance	284,066	1,021,515
Vehicle Insurance	1,929,334	1,541,262
Van Branding Charges	4,673,566	2,231,127
Rental Charges	560,000	-
Manpower Training Expenses	2,028,551	-
Road Tax-Vehicle	1,070,488	1,235,339
Technical service fees	1,901,735	1,529,560
Purchases of Traded Goods	7,231,914	8,617,973
	99,324,078	75,878,297

22. Employee benefit expense

	31 March, 2018 Rupees	31 March, 2017 Rupees
Salaries and wages	21,692,074	22,298,968
Contribution to provident and other funds	1,016,288	1,146,083
Gratuity expenses	311,183	(117,310)
Compensated absences	361,574	462,146
Staff welfare expenses	445,602	828,504
	23,826,721	24,618,391



Notes to financial statements as at and for the year ended 31st March 2018

23. Other expenses

	31 March, 2018	31 March, 2017
	Rupees	Rupees
Rent	748,672	597,677
Content Fee	10,768,293	4,501,954
Carriage Charges	1,477,031	1,164,126
Legal, professional and consultancy charges	1,348,899	3,835,815
Sales promotion expenses	1,109,953	4,274,543
Electricity charges	5,663	4,043
Rates and taxes	1,470,843	1,725,578
Payment to auditor (please refer (i) below)	200,000	150,000
Repairs and maintenance		
-Plant and machinery	2,154,317	1,584,480
Travelling and conveyance expenses	2,533,242	2,279,681
Communication and courier expenses	920,673	796,281
Printing and stationery	65,976	64,117
Bad debts written-off	1,854,821	-
Provision for Bad & Doubtful Debts	4,570,518	-
Office Expenses	439,718	448,518
Miscellaneous expenses	938,953	256,628
Exchange Rate (Gain/loss)	4,712	-
Write Off of Fixed Assets	612,015	-
Loss on Sale of Fixed Assets	2,936	-
	31,237,234	21,683,441

(i) Payment to auditor

	31 March 2018	31 March 2017
	Rupees	Rupees
As Auditor: -		
Audit Fees (Including Limited Review)	150,000	125,000
Tax Audit Fees	50,000	25,000
	200,000	150,000

24. Interest and finance expense

	31 March, 2018	31 March, 2017
	Rupees	Rupees
Interest on		
- Term loan	9,400,605	15,700,436
- Cash Credit	8,616,261	4,970,484
- Unsecured Loans	34,886,171	21,188,496
Bank charges	10,584	14,707
Other borrowing costs	-	230,000
	52,913,621	42,104,123



Valuable Digital Screens Private Limited
Statement of Cash Flows for the year ended 31st March 2018

		31 March, 2018	31 March, 2017
Cash flow from operating activities			
Profit before Tax		(138,322,218)	(171,034,860)
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation of property, plant and equipment		40,041,744	46,132,595
Remeasurements of the defined benefit plans		(37,396)	-
Loss/(profit) on sale and write off of fixed assets		624,951	(10,000)
Bad debts written-off		1,854,821	-
Provision for doubtful debts		4,570,518	-
Provision for compensated absences		361,574	462,146
Provision for gratuity		311,183	(117,310)
Sundry credit balances written back		(20,479)	(3,011,224)
Interest Income		(1,300,722)	(90,617)
Interest expense		52,903,037	41,859,416
Operating profit before working capital changes		(39,012,987)	(85,809,854)
Movements in working capital :			
Increase / (decrease) in trade payables		21,209,670	(30,501,166)
Increase / (decrease) in other financial liabilities		174,819	(227,457)
Increase in long-term provisions		569,957	(195,640)
Increase / (decrease) in short-term provisions		(570,896)	(907,936)
Increase / (decrease) in other current liability		2,545,816	3,368,509
Decrease / (increase) in trade receivables		(20,175,259)	8,165,512
Decrease / (increase) in financial loans		(586,563)	(7,837,668)
Decrease / (increase) in other current assets		2,474,482	(11,703,932)
Decrease / (increase) in other non current assets		(892,014)	371,233
Cash generated from operations		(34,262,976)	(125,278,398)
Direct tax paid (net of refunds)		(1,871,516)	265,006
Net cash flow from operating activities	(A)	(36,134,492)	(125,013,393)
Cash flow from investing activities			
Purchase of fixed assets including intangible, CWIP & capital advances		(21,501,301)	(7,715,410)
Maturity of bank deposits having original maturity more than 3 months (net)		(556,894)	2,038,282
Proceeds from sale of fixed assets		2,600,690	2,394,392
Interest received		125,286	385,392
Net cash flow used in investing activities	(B)	(19,332,219)	(2,897,344)



Valuable Digital Screens Private Limited
Statement of Cash Flows for the year ended 31st March 2018

		31 March, 2018	31 March, 2017
Cash flow from financing activities			
Proceeds/Repayment from long term borrowings from subsidiaries (net)		111,500,000	105,500,000
Proceeds/Repayment from Short Term Borrowing from Bank (net)		(272,841)	92,440,863
Proceeds/Repayment from long term borrowings (net)		(36,665,990)	(41,142,734)
Interest paid		(21,578,350)	(24,059,880)
Net cash flow from financing activities	(C)	52,982,819	132,738,249
Net increase/(decrease) in cash and cash equivalent (A + B + C)		(2,483,892)	4,827,512
Cash and cash equivalents at the beginning of the year		5,180,157	352,645
Cash and cash equivalents at the end of the year		2,696,266	5,180,157
Components of cash and cash equivalents			
Cash on hand		1,572,536	14,883
Balance with banks:			
- on current accounts		441	4,567,986
- on cash credit account		66,951	447,289
- on Term deposits		1,056,338	150,000
Cash & Cash Equivalents		2,696,266	5,180,157

Notes:

1. Figures in bracket denote outflow

2. The above Cash flow statement has been prepared under the "Indirect Method" set out in Indian Accounting Standards (Ind AS-7) "Cash Flow Statements"

As per our report of even date attached

For and on behalf of

Shetty Naik & Associates

Chartered Accountants

Firm Registration No. 124851W

Partner: JAGDISH SHETTY

Membership No. 111936

Place : Mumbai

Date : May 26, 2018

For and on behalf of Board of Directors

of Valuable Digital Screens Private Limited

Deepak Ranjan

Director

DIN No.: 02852565

Pankaj Jaysinn Madhani

Director

DIN No.: 01564221



Note 25 : Related Party Disclosures (IND AS-24)

A Name of related parties where control exists irrespective of whether transactions have occurred or not

Holding Company	UFO Moviez India Limited
Subsidiary of Holding Company	Scrabble Entertainment Limited V. N. Films Pvt. Ltd Southern Digital Screenz India Pvt. Ltd
Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Valuable Technologies Limited Jaysinh Pictures Pvt. Ltd
Key Managerial Person	Dr. Sunil Patil (Director till 18th July 2016)

B Information about Related Parties Transactions:

Sr. No.	Particulars Nature of Expenses and Income /Name of the Parties	31 March 2018 Rs	31 March 2017 Rs
1	Holding Company Purchase of Equipments : i) UFO Moviez India Limited	-	5,191,489
	Advertisement income : i) UFO Moviez India Limited	1,364,850	-
2	Fellow Subsidiary Unsecured Loan Received i) Scrabble Entertainment Limited ii) Southern Digital Screenz India Pvt. Ltd	40,500,000 71,000,000	60,000,000 68,000,000
	Interest Expenses on Loan i) Scrabble Entertainment Limited ii) Southern Digital Screenz India Pvt. Ltd	21,652,878 13,152,330	18,799,180 1,198,357
	Content Fees Expenses i) V N Films Pvt. Ltd.	78,261	-
3	Key Management Personnel Unsecured Loan Repaid i) Mr. Sunil Shamrao Patil (Director)	-	22,500,000
	Interest Expenses on Loan i) Mr. Sunil Shamrao Patil (Director)	-	1,190,959
4	Enterprises owned or significantly influenced by Key Management Content Fees i) Jaysinh Pictures Pvt. Ltd ii) <u>Valuable Technologies Limited</u> a) Purchase of Spares b) Technical Services Fee- CB	70,000 - 1,681,735	- 107,657 1,852,744



VALUABLE DIGITAL SCREENS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March, 2018

Note 25 : Related Party Disclosures (IND AS-24)

Sr. No.	Particulars Nature of Expenses/Name of the Parties	31 March 2018 Rs	31 March 2017 Rs	01 April 2016 Rs
C	Balance outstanding at the end of quarter ending 31 March 2018			
1	Holding Company			
	Trade Payables			
	i) UFO Moviez India Limited	4,438,816	6,067,543	1,005,717
2	Fellow Subsidiary			
	Loan and Interest payable			
	i) Scrabble Entertainment Limited	241,727,865	181,740,275	104,821,013
	ii) Southern Digital Screenz India Pvt. Ltd	151,915,618	69,078,521	-
3	Key Management Personnel			
	Unsecured Loan			
	i) Mr. Sunil Shamrao Patil (Director)	-	-	22,698,247
4	Enterprises owned or significantly influenced by Key Management			
	Amount Payable			
	i) Valuable Technologies Limited	2,759,606	2,023,250	-



VALUABLE DIGITAL SCREENS PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March, 2018
Note No. 26 Gratuity and other post-employment benefit plans -

The company has made provision for gratuity & leave encashment / compensated leave absences as per the actuarial reports based on projected unit credit method. The company has not invested in any scheme for the employment benefits. The payment of gratuity is required by the Payment of Gratuity Act, 1972.

Changes in the defined benefit obligation and fair value of plan assets as at 31st March 2018: Gratuity

	As on 1st April 2017	Gratuity cost charged to profit or loss			Benefit Paid	Remeasurement gains/(losses) in other comprehensive income					Contribution by Employer	As on 31st March 2018
		Current Service Cost	Interest Expense	Expense Charged to P/L		Return on Plan Assets	Changes in Demographic Assumptions	Changes in Financial Assumptions	Change due effect of the Asset Ceiling	Expense Charged to OCI		
Defined Benefit Obligation	360,904	287,020	24,163	311,183	-	37,396	-	-	-	37,396	-	709,483
Fair Value Plan of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Net Assets / (Liability)	360,904	287,020	24,163	311,183	-	37,396	-	-	-	37,396	-	709,483

Changes in the defined benefit obligation and fair value of plan assets as at 31st March 2017: Gratuity

	As on 1st April 2016	Gratuity cost charged to profit or loss			Benefit Paid	Remeasurement gains/(losses) in other comprehensive income ***					Contribution by Employer	As on 31st March 2017
		Current Service Cost	Interest Expense	Expense Charged to P/L		Return on Plan Assets	Changes in Demographic Assumptions	Changes in Financial Assumptions	Change due effect of the Asset Ceiling	Expense Charged to OCI		
Defined Benefit Obligation	478,213	159,834	37,274	197,108	-	(314,417)	-	-	-	(314,417)	-	360,904
Fair Value Plan of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Net Assets / (Liability)	478,213	159,834	37,274	197,108	-	(314,417)	-	-	-	(314,417)	-	360,904

*** The amount classified in "Other Comprehensive Income" on account of Remeasurement gains/(losses) of defined benefit obligation have been shown in Profit & Loss Account in order to align with the previously issued quarterly statements.



VALUABLE DIGITAL SCREENS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March, 2018

The principal assumptions used in determining gratuity and other employment benefit obligations are shown below:

Particulars	As on 31st March 2018	As on 31st March 2017	As on 1st April 2016
Discount Rate p.a.	7.50%	6.70%	7.80%
Salary Growth Rate p.a.	8.00%	8.00%	8.00%
Mortality Rate (% of IALM)	100%	100%	100%
Normal Retirement Age	58 Years	58 Years	58 Years
Attrition /Withdrawal Rate	15.00%	15.00%	15.00%

A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:

Particulars	As on 31st March 2018	As on 31st March 2017
Defined Benefit Obligation (Base)	709,483	360,904

Particulars	As on 31st March 2018		As on 31st March 2017	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	760,179	664,130	389,296	356,678
(% change compared to base due to sensitivity)	7.10%	(6.40%)	7.90%	(7.00%)
Salary Growth Rate (- / + 1%)	663,929	759,441	335,745	388,661
(% change compared to base due to sensitivity)	(6.40%)	7%	(7.00%)	7.70%
Attrition Rate (- / + 50% of attrition rates)	815,076	627,254	438,262	305,769
(% change compared to base due to sensitivity)	14.90%	(11.60%)	21.40%	(15.30%)
Mortality Rate (- / + 10% of mortality rates)	709,408	709,558	360,883	360,924
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

Effect of Plan on Entity's Future Cash Flows

- (i) Weighted average duration (based on discounted cash flows) : 7 years
- (ii) Expected Contribution during the next annual reporting period 1,000,626

(iii) Expected cash flows over the next (valued on undiscounted basis):	Amount (Rs.)
Next 1 year	59,353
2-5 years	349,565
6-10 years	451,493
More than 10 years	444,761

Note 27 : Segmental Reporting (Ind AS - 108)

The Company is engaged primarily in the business of advertisement. The Company's performance for operations as defined in IND AS 108 are evaluated as a whole by chief operating decision maker of the Company based on which these are considered as single operating segment. The chief operating decision maker monitors the operating results of the entity's business for the purpose of making decisions about resource allocations and performance assessment. The Company's operations are based in same geographical segment, India.

Note 28 : Earning Per Share (IND AS-33):

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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

	Mar 31, 2018 Rupees	Mar 31, 2017 Rupees
a. Profit/ (Loss) after tax as reported (Rs.)	(138,122,862)	(171,034,860)
b. Weighted Average Number of equity shares considered for calculating Earnings Per Share	14,475	14,475
c. Earnings Per Share (Rs.)		
Basic	(9,542.17)	(11,815.88)
Diluted	(9,542.17)	(11,815.88)
d. Nominal Value Per Share (Rs.)	10	10



VALUABLE DIGITAL SCREENS PRIVATE LIMITED**Notes to Financial Statements for the year ended 31 March, 2018**

Note No. 29 Disclosure regarding details of "Specified Bank Notes" (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 :-

Particulars	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	80,500	4,822	85,322
(+) Permitted receipts	-	80,000	80,000
(-) Permitted payments	-	43,415	43,415
(-) Amount deposited in Banks	80,500	-	80,500
Closing cash in hand as on 30.12.2016	-	41,407	41,407

Note No. 30 Disclosure under Section 186 in respect of Loans & Advances given by the Company -

Name of Party	Loan Given (Rs.)	Purpose
Thattipali Mohan Raj (Raj Cinema)	8,343,261	To set up and develop the franchised Theatre at the said property.

Note 31 : Impairment of Assets (Ind AS 36)

Based on exercise of impairment of assets undertaken by the management, in due cognizance of Paragraph 7 to 17 of Indian Accounting Standard-36, the Company has concluded that there exists no indication of impairment & accordingly, no Impairment Loss is required to be booked.

Note 32 : Contingent Liabilities (Ind AS 37)

There is no contingent liability as on the Balance Sheet date for which the Company required to make provision in the books of accounts.

Note 33 : Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

- a. Trade payable due to Micro and Small Enterprises. Nil
- b. The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with amounts of the payment made to the supplier beyond the appointed day during each accounting year. Nil
- c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006. Nil

Note 34 : Other Notes

- a. Balances in Sundry Creditors, Debtors and Loans & Advances are subject to confirmations and reconciliations.
- b. In the opinion of the Board of Directors, the Current Assets and Non-Current Assets have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet and adequate provision for all known liabilities of the Company have been made.
- c. Previous year figures
- a) Figures have been rounded off to the nearest rupee.
- b) Figures of the previous year have been re-grouped and re-classified wherever necessary to correspond with the figure of the current period.



Valuable Digital Screens Private Limited
Note 1 : Property, Plant and Equipment and Other Intangible assets

	Plant & Machinery	Computer Systems	Office Equipments	Furniture & Fixtures	Vehicles	Patent & Trademark	Grand Total
Cost or Valuation							
At 1 April 2016	71,649,551	756,762	370,578	63,150	124,193,748	5,027,500	202,061,289
Additions	11,767,139	499,176	1,902,724	-	1,569,053	82,550	15,820,642
Disposals	667,194	-	-	-	2,610,905	-	3,278,099
At 31 March 2017	82,749,497	1,255,938	2,273,302	63,150	123,151,896	5,110,050	214,603,833
Additions	7,195,404	165,366	2,501,284	-	325,000	5,000	10,192,054
Disposals	4,346,245	-	76,230	-	-	-	4,422,475
At 31 March 2018	85,598,655	1,421,304	4,698,356	63,150	123,476,896	5,115,050	220,373,411
Depreciation							
At 1 April 2016	7,666,137	345,957	95,174	63,150	6,424,104	1,269,300	15,863,823
Charge for the year	14,766,338	304,882	371,979	-	29,673,471	1,015,925	46,132,595
Disposals	109,825	-	-	-	783,882	-	893,707
At 31 March 2017	22,322,651	650,839	467,153	63,150	35,313,693	2,285,225	61,102,711
Charge for the year	12,536,551	308,528	583,115	-	25,593,628	1,019,922	40,041,744
Disposals	1,170,353	-	26,481	-	-	-	1,196,834
At 31 March 2018	33,688,848	959,367	1,023,787	63,150	60,907,321	3,305,147	99,947,621
Net Block							
At 31 March 2017	60,426,846	605,099	1,806,149	-	87,838,203	2,824,825	153,501,122
At 31 March 2018	51,909,807	461,937	3,674,569	-	62,569,575	1,809,903	120,425,791



VALUABLE DIGITAL SCREENS PRIVATE LIMITED**Notes to Financial Statements for the year ended 31 March, 2018****Note 18 : Income Tax**

The major components of Income tax expense for the years ended 31st March 2018 and 31st March 2017 are as follows:-

	31 March 2018 Rupees	31 March 2017 Rupees
Current Income Tax	-	-
Adjustment relating to current Income tax of previous year	-	-
Deferred Tax:		
Related to origination and reversal of temporary differences	(236,752)	-
Income tax expense reported in the statement of Profit and Loss Account	(236,752)	-

Reconciliation of tax expense and the accounting profit multiplied by Indian domestic rate for 31st March 2017 & 31st March 2018 :-

	31 March 2018 Rupees	31 March 2017 Rupees
Accounting Profit before Income Tax	(138,335,477)	(171,034,860)
At India's statutory income tax rate 25.75% (LY 30.90%)	(35,621,385)	(52,849,772)
Tax effect on difference in depreciation	3,849,115	5,481,805
Tax effect on permanent disallowance	-	266
Tax effect on temporary disallowance	2,655,882	(2,187,392)
Deferred Tax Not Recognised due to uncertainty of profit in future years	28,879,636	49,555,094
Net Tax Expenses	(236,752)	-
Tax Expenses as per Statement of Profit and Loss Account	(236,752)	-

Temporary Difference & Unused Tax Losses on which Deferred Tax Asset is not Recognised in Balance Sheet

Particulars	Amount	Expiry Date
<u>Temporary Difference: -</u>		
Gratuity	348,579	Not Applicable
MLWF	180	Not Applicable
Leave Encashment	323,239	Not Applicable
TDS Disallowances	7,636,592	Not Applicable
Provision for Bad Debts	3,370,518	Not Applicable
Loss / (Gain) on Sale of Fixed Asset	2,936	Not Applicable
Unabsorbed Depreciation	79,927,010	Not Applicable
<u>Unused Tax Losses: -</u>		
Unabsorbed Business Losses - AY 2015-16	5,253,974	31-Mar-22
Unabsorbed Business Losses - AY 2016-17	81,620,732	31-Mar-23
Unabsorbed Business Losses - AY 2017-18	131,980,344	31-Mar-24
Unabsorbed Business Losses - AY 2018-19	91,363,081	31-Mar-25

- Deferred Tax for timing difference between profits and book profits is accounted for, using Tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet Date. the company has brought forward losses and unabsorbed depreciation from past few years, however Deferred Tax Assets/Liabilities are not recognized as there is no reasonable certainty that these Assets/Liabilities can be realised/accrued in future.

- For FY 2016-17 income tax bracket of company was 30.90% (including cess). However as per Finance Act 2017, the same has been brought down to 25.75%

- Income Tax figures are subject to Tax Audit & Assessments



Valuable Digital Screens Private Limited
Statement of Change in Equity as at 31st March 2018

Particulars	EQUITY SHARE CAPITAL	OTHER EQUITY		Total equity attributable to equity holders of the Company	
		Reserves & Surplus			Other Comprehensive Income
		Retained Earnings	Securities Premium		
Balance as on April 1, 2017	144,750	(287,881,679)	16,961,145	-	(270,775,784)
Profit for the period		(138,085,466)			(138,085,466)
Other Comprehensive Income				(27,396)	(37,396)
Balance as on March 31, 2018	144,750	(425,967,145)	16,961,145	(37,396)	(408,898,646)

Particulars	EQUITY SHARE CAPITAL	OTHER EQUITY		Total equity attributable to equity holders of the Company	
		Reserves & Surplus			Other Comprehensive Income
		Retained Earnings	Securities Premium		
Balance as on April 1, 2016	144,750	(116,846,819)	16,961,145	-	(99,740,924)
Profit for the period		(171,034,860)			(171,034,860)
Other Comprehensive Income				-	-
Balance as on March 31, 2017	144,750	(287,881,679)	16,961,145	-	(270,775,784)

