

VIJARSHAN VENTURES PVT LTD

[CIN: U 70200 DL 2018 PTC 333740]

Registered Office: H. No. 4895, Plot No. 99, Ward No. XI, Block-S,
Bharat Ram Road, South Daryaganj, New Delhi-110 002
E-mail: mdoffice@tseries.net

Meeting of the Shareholders of Vijarshan Ventures Pvt Ltd scheduled to be held under the supervision of the Hon'ble National Company Law Tribunal

Day	Saturday
Date	25 th August, 2018
Time	1:30 P.M.
Venue	Studio B, Laxmi Video Studio, Plot No. 5, Sector-16A, Film City, Noida-201 301, Uttar Pradesh

List of Documents

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2	Proxy Form
3	Attendance Slip
4	Explanatory Statement under sections 230, 232 & 66 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any
5	Scheme of Arrangement of Super Cassettes Industries Pvt Ltd (the Demerged Company) and Vijarshan Ventures Pvt Ltd (the Resulting Company)
6	Copy of the Report on Valuation of Shares & Share Exchange Ratio of M/s Dinesh Mehta & Co., Chartered Accountants, New Delhi
7	Copy of the Audited Financial Statements of the Demerged Company for the year ended 31 st March, 2017
8	Copy of the un-audited Financial Statements (provisional) of the Demerged Company for the period ended 31 st December, 2017
9	Copy of the un-audited Financial Statements (provisional) of the Demerged Company for the year ended 31 st March, 2018
10	Route map for the venue of the meeting

Sd/-

Parag Tripathi, Senior Advocate

Chairperson for the meeting of Shareholders of
Vijarshan Ventures Pvt Ltd

Through

Sd/-

Rajeev K Goel, Advocate

For Rajeev Goel & Associates

Counsel for the Applicants

785, Pocket-E, Mayur Vihar-II

Delhi Meerut Expressway/NH-24

Delhi 110 091

Mobile: 93124 09354

e-mail: rajeev391@gmail.com

Website: www.rgalegal.in

Date: 19th July, 2018

Place: New Delhi

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI
(ORIGINAL JURISDICTION)
COMPANY APPLICATION NO. CA (CAA) 110 (PB) OF 2018
IN THE MATTER OF THE COMPANIES ACT, 2013 (18 OF 2013)
SECTIONS 230, 232 & 66

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT

AND

IN THE MATTER OF

SUPER CASSETTES INDUSTRIES PVT LTD

APPLICANT/DEMERGED COMPANY

AND

VIJARSHAN VENTURES PVT LTD

APPLICANT/RESULTING COMPANY

NOTICE CONVENING MEETING

To
The Shareholders of
Vijarshan Ventures Pvt Ltd

Take Notice that the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi vide its Order dated 4th July, 2018 (date of pronouncement), inter alia, directed for convening of a meeting of Shareholders of Vijarshan Ventures Pvt Ltd (the Resulting Company) for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement of Super Cassettes Industries Pvt Ltd and Vijarshan Ventures Pvt Ltd. In the said meeting the following Special Business will be transacted.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution with specific majority as provided under sections 230, 232 & 66 of the Companies Act, 2013, and other applicable provisions, if any:

***“Resolved that** pursuant to the provisions of sections 230, 232 and 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any, and subject to the approval of the Hon'ble National Company Law Tribunal and other competent authorities, if any, the proposed De-merger of Moulding Unit of Super Cassettes Industries Pvt Ltd (the Demerged Company) into Vijarshan Ventures Pvt Ltd (the Resulting Company) be and is hereby approved.*

***Resolved further** that the Report on Valuation of Shares & Share Exchange Ratio of the Independent Valuer-M/s Dinesh Mehta & Co., Chartered Accountants, New Delhi, as placed before the meeting, be and is hereby received, considered and taken on record. The share exchange ratio as recommended by the Independent Valuer for the proposed de-merger, being fair and reasonable to the Shareholders of both the Companies, be and is hereby considered, accepted and approved.*

***Resolved further that** the salient features/terms and conditions of the Arrangement as set out in the draft Scheme of Arrangement placed before the meeting, which, inter-alia, include the following:*

- i. All assets and liabilities including Income Tax and all other statutory liabilities, if any, of Moulding Unit (the Demerged Business) of the Demerged Company will be transferred to and vest in the Resulting Company.
- ii. All the employees of the Demerged Company employed in the activities relating to the Demerged Business, in service on the Effective Date, if any, shall become the employees of the Resulting Company on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those applicable to them in the Demerged Business of the Demerged Company, on the Effective Date.

- iii. Appointed Date for de-merger will be 1st April, 2018, or such other date, as the Hon'ble National Company Law Tribunal may approve.
- iv. Share Exchange Ratio for the Scheme will be:
 - a. The Resulting Company will issue 1 (one) Equity Share of ₹10 each, credited as fully paid-up, to the shareholders of the Demerged Company for every 1 (one) Equity Share of ₹100 each held in the Demerged Company.

be and are hereby approved in specific.

Resolved further that subject to the approval of the Hon'ble National Company Law Tribunal and other competent authorities, if any, the Scheme of Arrangement of Super Cassettes Industries Pvt Ltd and Vijarshan Ventures Pvt Ltd, as placed in the meeting, be and is hereby approved.

Resolved further that the Board of Directors of the Company be and is hereby authorized to agree to such conditions or modifications (including the Share Exchange Ratio and the Appointed Date) that may be imposed, required or suggested by the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi or any other authorities or that may otherwise be deemed fit or proper by the Board and to do all other acts, deeds or things which may be ancillary or incidental to the above mentioned matter or which may otherwise be required for the aforesaid Scheme of Arrangement."

Take Further Notice that in pursuance of the said order, a meeting of the **Shareholders of Vijarshan Ventures Pvt Ltd is scheduled to be held on Saturday, 25th August, 2018, at 1:30 P.M.** at Studio B, Laxmi Video Studio, Plot No. 5, Sector-16A, Film City, Noida-201 301, Uttar Pradesh, when you are requested to attend.

Take Further Notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the registered office of the Company as mentioned above not later than 48 hours before the time fixed for the meeting.

The Hon'ble Tribunal has appointed Mr Parag Tripathi, Senior Advocate, as the Chairperson, failing him Mr Rohan Jaitley, Advocate, as the Alternate Chairperson and Mr Rajesh Kumar Jindal, Chartered Accountant, as the Scrutinizer of the aforesaid meeting.

A copy each of the Explanatory Statement [under sections 230, 232 & 66 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any], the proposed Scheme of Arrangement, Form of Proxy, Attendance Slip and other documents, if any, are enclosed.

The proposed Scheme of Arrangement, if approved in the meeting(s), will be subject to the subsequent approval of the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi.

Dated this 19th day of July, 2018

Sd/-
Parag Tripathi, Senior Advocate
Chairperson for the meeting of Shareholders of
Vijarshan Ventures Pvt Ltd

Through

Sd/-
Rajeev K Goel, Advocate
For Rajeev Goel & Associates
Counsel for the Applicants
785, Pocket-E, Mayur Vihar-II
Delhi Meerut Expressway/NH-24
Delhi 110 091
Mobile: 93124 09354
e-mail: rajeev391@gmail.com
Website: www.rgalegal.in

Date: 19th July, 2018
Place: New Delhi

Notes:

1. Only Shareholders of the Company may attend and vote (either in person or by proxy or by authorised representative as per Section 113 of the Companies Act, 2013) at the meeting of Shareholders. The authorised representative of a body corporate which is a Shareholder of the Applicant Company may attend and vote at the Shareholders' meeting, provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate is deposited at the registered office of the Company not later than 48 hours before the time fixed for convening the meeting authorising such representative to attend and vote at the meeting; or appropriate Authorisation for such purpose is produced at the time of attending the meeting.
2. **A Shareholder of the Company, entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote instead of himself/herself/itself and such proxy need not be a member/creditor of the Applicant Company. The Form of Proxy duly completed and signed should, however, be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for convening the meeting.**
3. **Please note that a person can act as a proxy on behalf of members not exceeding 50 (fifty) in number and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company. Further, a member holding more than 10 (ten) percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member.**
4. All the alterations, made in the Proxy Form, must be initialed.
5. All the persons attending the meeting are requested to hand over the enclosed Attendance Slip, duly signed, for admission to the meeting hall.
6. **All the persons attending the meeting are advised to carry their original photo identity proof for verification.**
7. Notice of the meeting, Explanatory Statement, Proxy Form, Attendance Slip and other documents are also being placed on the website of the Demerged Company: www.tseries.com.

Encl.: As above

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI
(ORIGINAL JURISDICTION)

COMPANY APPLICATION NO. CA (CAA) 110 (PB) OF 2018
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SUPER CASSETTES INDUSTRIES PVT LTD

APPLICANT/DEMERGED COMPANY

AND

VIJARSHAN VENTURES PVT LTD

APPLICANT/RESULTING COMPANY

FORM OF PROXY

I/We, the undersigned, **Shareholder(s) of Vijarshan Ventures Pvt Ltd**, hereby appoint Mr/Ms _____ of _____ and failing him/her, Mr/Ms _____ of _____ as my/our proxy to act for me/us at the **meeting of the Shareholders of Vijarshan Ventures Pvt Ltd** scheduled to be held **on Saturday, 25th August, 2018, at 1:30 P.M.** at Studio B, Laxmi Video Studio, Plot No. 5, Sector-16A, Film City, Noida-201 301, Uttar Pradesh for the purpose of considering and, if thought fit, approving, with or without modification, the proposed Scheme of Arrangement of Super Cassettes Industries Pvt Ltd and Vijarshan Ventures Pvt Ltd, and at such meeting and at any adjournment thereof, to vote, for me/us and in my/our name _____ the said Scheme either with or without modification as my/our Proxy may approve.

If you want to vote in favour of the Scheme put **“FOR”** and in case you intend to vote against the Scheme put **“AGAINST”** and in the latter case, strike out all the words after the words “the said Scheme”

Dated this _____ day of _____, 2018

<p>Name: _____</p> <p>Address: _____</p> <p>_____</p> <p>_____</p>	<div style="border: 1px solid black; width: 100px; height: 100px; margin: 0 auto; display: flex; align-items: center; justify-content: center;"><p>Affix Re. 1.00 Revenue Stamp</p></div> <p style="margin-top: 20px;">Cancel the Stamp by signing across the Stamp or otherwise</p>
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Notes:

1. Please affix revenue stamp and cancel the Stamp by signing across the Stamp or otherwise.
2. The Proxy must be deposited at the registered office of the Company not later than 48 hours before the time fixed for convening the meeting.
3. All the alterations, made in the Proxy Form, must be initialed.
4. Proxy need not be a member/creditor of the Applicant Company.
5. **All the persons attending the meeting are advised to carry their original photo identity proof for verification.**

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Vijarshan Ventures Pvt Ltd

[CIN: U 70200 DL 2018 PTC 333740]

Registered Office: H. No. 4895, Plot No. 99, Ward No. XI, Block-S,
Bharat Ram Road, South Daryaganj, New Delhi-110 002

E-mail: mdoffice@tseries.net

ATTENDANCE SLIP

Folio No./ Client ID		Ref. No.	
Name of Shareholder(s)			
Name of Proxy/ Authorized Rep., if any			
I hereby record my presence at the meeting of the Shareholders of Vijarshan Ventures Pvt Ltd being held on Saturday, 25 th August, 2018, at 1:30 P.M. at Studio B, Laxmi Video Studio, Plot No. 5, Sector-16A, Film City, Noida-201 301, Uttar Pradesh, under the supervision of the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi, for the purpose of considering and, if thought fit, approving, with or without modification, the Scheme of Arrangement of Super Cassettes Industries Pvt Ltd and Vijarshan Ventures Pvt Ltd, and other connected matters, if any.			

Signature

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

PRINCIPAL BENCH, NEW DELHI

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COMPANY APPLICATION NO. CA (CAA) 110 (PB) OF 2018

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VIJARSHAN VENTURES PVT LTD

APPLICANT/RESULTING COMPANY

EXPLANATORY STATEMENT

[Under sections 230, 232 & 66 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any]

1. **Pursuant** to the Order dated 4th July, 2018 (date of pronouncement), passed by the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi, in the above referred joint Company Application, separate meetings of the following categories/classes are scheduled to be convened for the purpose of considering and, if thought fit, approving, with or without modifications, the proposed Scheme of Arrangement of Super Cassettes Industries Pvt Ltd and Vijarshan Ventures Pvt Ltd (hereinafter referred to as "this Scheme/the Scheme"), on **Saturday, 25th August, 2018, at Studio B, Laxmi Video Studio, Plot No. 5, Sector-16A, Film City, Noida-201 301, Uttar Pradesh**, as per the following schedule:

Meetings of Super Cassettes Industries Pvt Ltd	Time
Shareholders	12:30 Noon
Secured Creditors	2:30 P.M.
Un-secured Creditors	3:30 P.M.

Meeting of Vijarshan Ventures Pvt Ltd	Time
Shareholders	1:30 P.M.

2. A copy of the Scheme of Arrangement setting out the terms and conditions of the proposed Arrangement, inter alia, providing for De-merger of Moulding Unit of Super Cassettes Industries Pvt Ltd into Vijarshan Ventures Pvt Ltd; and other connected matters, is enclosed with this Explanatory Statement.

3. Companies to the Scheme and their Background

3.1 The Applicant No. 1/the Demerged Company-Super Cassettes Industries Pvt Ltd:

- a. The Demerged Company-Super Cassettes Industries Pvt Ltd [Corporate Identification No. (CIN): U 74899 DL 1983 PTC 016114; Income Tax Permanent Account No. (PAN): AAB CS 4712 P] (hereinafter referred to as “the Demerged Company/the Company”) was originally incorporated under the provisions of the Companies Act, 1956, as a private limited company with the name and style as ‘Super Cassettes Industries Pvt Ltd’ vide Certificate of Incorporation dated 11th July, 1983, issued by the Registrar of Companies, Delhi & Haryana, New Delhi. The Company became a deemed public company and word ‘private’ was deleted from the name of the Company on 12th October, 1988, by the Registrar of Companies, Delhi & Haryana, New Delhi. The Company was converted into a private limited company and name of the Company was changed to its present name ‘Super Cassettes Industries Pvt Ltd’ vide Fresh Certificate of Incorporation dated 11th June, 2014, issued by the Registrar of Companies, Delhi & Haryana, New Delhi.
- b. Presently, the Registered Office of the Demerged Company is situated at E-2/16, Ansari Road, Darya Ganj, New Delhi-110 002; e-mail id: rpsharma@tseries.net.
- c. The detailed objects of the Demerged Company are set out in the Memorandum of Association and are briefly stated as below:

Main Objects:

1. *To acquire and take over the running business of M/s. Super Music Centre, Delhi, its liabilities and assets from the date of its incorporation and the said firm shall cease to exist after such take over.*
2. *To carry on the business of manufacture, assemble, fabricate, buy, sell, distribute or otherwise deal in Cassette Tapes, Video Tapes, Transistors, Tape Recorders, Televisions, Wireless sets, Electronic Gadgets, Recording Machines and their Companies.*
3. *To carry on the business as importers, exporters, processors, whole sellers, retailers, exhibitors, traders, suppliers, distributors, of and dealer in Cassette Tapes, Video Tapes, Radio, Transistors, Tape Recorders, Television, Wireless sets, Electronic Gadgets, Recording Machines and their components.*
4. *To carry on the business of manufacture, assemble, fabricate, buy, sell, distribute, import, export or otherwise deal in Audio and Video Magnetic Tapes, Compact Disc, Compact Disc Players, Gramophone Records.*
5. *To carry on the business of manufacture, assemble, fabricate, mould, buy, sell, distribute, import, or otherwise deal in Audio, Video Cassettes Components, Cabinets for TV, Two-in-ones, Compact Disc Players and other Musical system and other Plastic Moulded/Fabricated goods.*
6. *To carry on the business of publishing, printing of news-papers, periodicals, advertising material and to sell, purchase, import, export, distribute as agent of printed material, newspapers and periodicals.*
7. *To carry on the business of owning, operating, taking on hire or lease giving on hire or lease, financing, licencing, sub-licencing, buying, selling the Satellite Channel, broadcast channel and similar or related activities or any technical variation or upgradation in the said field anywhere in the world either solely or jointly with some other entity.*
8. *To carry on the business and activities of manufacture, process, trading, refine, purify, filtering, demineralizing, buy, sell, import, export, market, distribute, bottle, pack, repack, preserve, canning and otherwise dealing in all kinds of raw water, mineral waters, natural and herbal aqua minerals, soft drinks and other water by-products, fruits, fruits products, vegetable and vegetable products, juices, ketchup, pulp, squashes, syrup, jams, pickles, fresh cut flowers, non-aerated mineral and artificial water drinks and all kind of agro and natural products and to deal in all kinds of packing material thereof.*

9. *To carry on the business and activities of film, video and sound studio operators and to buy, sell, import, export, trade, give on hire, and otherwise deal in all types of film, video and audio equipments and apparatus; to act as producers, distributors, exhibitors, importers, exporters, service providers and to otherwise deal in television programmes, video programmes, video graphic films, shooting of films and television programmes, computer graphic, sound recording, dubbing of sound, transferring of sound from one medium to another, re-recording and mixing of sounds, back ground music.*
10. *To carry on the business as producers, directors, distributors, exhibitors, importers and exporters of motion pictures including feature films short films, promotional films, news and documentary films, advertisement commercials, television serials, cinematographic films, multi-media, interactive television, mobile/digital films, and video software and to purchase, import, export, take on hire, take on license or otherwise acquire (with or without negative rights), audio and video music albums, containing sound recordings and accompanying visuals, cinematographic films and motion pictures with distributing, exhibiting, renting and licensing rights and dubbing, substituting and translation rights in any language to sell, give on hire, export or otherwise distribute, exploit or give on distribution the films and rights so acquired and also company's productions with their exhibiting, distributing, renting and licensing rights or negative rights both for Indian and Overseas markets.*
11. *To carry on the business of producing, directing, acquiring or otherwise dealing in audio and video music albums, feature films, short films, promotional films, news and documentary films, advertisement commercials, television serials, cinematographic films, multimedia, interactive television, mobile/digital films, and video software, containing sound recordings and accompanying visuals, if any, by engaging artists such as, actors, cinematographers choreographers, singers, lyricist, music director, composer, instrument players and other technical personnel and thereafter commercially exploiting such sound recordings through physical sales of cassettes, CDs, DVDs or any other format known now or invented later, digital sales through any medium such as worldwide web, mobile devices or any other medium known now or invented later, licensing and publishing of sound recordings in any manner for any purposes, period and territory.*
12. *To carry on the business as an artist management company to commercially exploit personal creative input by the Artist in any Artistic, dramatic, musical and/or literary presentation including impart of Performance Rights and performer's rights in any audio, visual and audio-visual material and a Brand Image if and when created, but not limited to Singing, Direction, Audio/Video Albums/Remixes/Music Video/Ad. Films/Commercials/Feature Films/Short Films/Documentaries, Television Software, Stage Shows, Events and Appearances and/or any celebrity presence or creative celebrity contribution in any mode, media or format in Film/Video or derivative or spin-off media in Hindi or any other world language.*
13. *To carry on the business of licensing, assigning of otherwise dealing in any manner of sound recordings, feature films, cinematographic films, music videos, feature films, television serials, promotional films, advertisement commercials in any manner or any terms to third parties of such copyrighted material owned by or the relevant rights in respect of which are held by company.*
14. *To carry on the business of collecting Royalties in respect of Copyright and Performing Rights relating to the copyrighted material owned by or the relevant rights in respect of which are held by the company from various persons in India and Overseas either directly or through any collection society whether incorporated in India or overseas.*
15. *To acquire copyright, performing right, mechanical right or otherwise dealing in any manner in respect or overseas sound recordings and accompanying visuals, if any, including music albums, and thereafter commercially exploiting such sound recordings through physical sales of Cassettes, CDs, DVDs or any other format known, now or invented later, digital sales through any medium such as worldwide web, mobile devices or any other medium known now or invented later, licensing and publishing of sound recording in any manner for any purposes, period and territory".*

- d. The the Demerged Company is engaged in production of motion picture films, manufacturing of audio/ video CDs, acquiring & licensing of audio/visual music rights, digitisation of music, trading of consumer goods and appliances such as music system, LED TV, washing machine, ceiling fan, etc., and other related activities under “T-Series” Brand. Over a period of time, the Company has also diversified into real estate investment and leasing business, manufacturing of plastic moulded goods and components (Moulding Unit), etc.
- e. The present Authorised Share Capital of the Demerged Company is ₹10,00,00,000 divided into 10,00,000 Equity Shares of ₹100 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹4,93,25,600 divided into 4,93,256 Equity Shares of ₹100 each.
- f. Detail of the present Board of Directors of the Demerged Company is given below:

Sl. No.	Name & Address	DIN	Designation
1.	Mr Bhushan Kumar Dua W-83, Greater Kailash-II, New Delhi-110 048	00126614	Managing Director
2.	Mrs Sudesh Kumari Dua W-83, Greater Kailash-II, New Delhi-110 048	00128536	Whole Time Director
3.	Mrs Divya Kumar Dua W-83, Greater Kailash-II, New Delhi-110 048	00126352	Whole Time Director
4.	Ms Khushali Dua H-10, Masjid Moth, Greater Kailash-II New Delhi-110 048	00128752	Whole Time Director
5.	Ms Tulsi Dua W-83, Greater Kailash-II, New Delhi-110 048	01995315	Whole Time Director
6.	Mr Darshan Kumar 10, Masjid Moth, Greater Kailash-II New Delhi-110 048	00136790	Whole Time Director
7.	Mr Ved Prakash Chanana H-6, Masjid Moth, Greater Kailash-II, New Delhi-110 048	00122597	Whole Time Director
8.	Mr Vijay Kumar Sachdeva M-28, Saket, New Delhi-110 017	00120781	Whole Time Director
9.	Mr Amar Nath Sehgal 27-IF, Lajpat Nagar, New Delhi-110 024	00135249	Whole Time Director

3.2 The Applicant No. 2/the Resulting Company-Vijarshan Ventures Pvt Ltd:

- a. The Resulting Company-Vijarshan Ventures Pvt Ltd [Corporate Identification No. (CIN): U 70200 DL 2018 PTC 333740; Income Tax Permanent Account No. (PAN): AAGC V 4204 J] (hereinafter referred to as “the Resulting Company/the Company”) was incorporated under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated 10th May, 2018, issued by the Registrar of Companies, Central Registration Centre on behalf of the jurisdictional Registrar of Companies, being the ROC, New Delhi.

- b. Presently, the Registered Office of the Resulting Company is situated at H. No. 4895, Plot No. 99, Ward No. XI, Block-S, Bharat Ram Road, South Daryaganj, New Delhi-110 002; e-mail: mdoffice@tseries.net.
- c. The detailed objects of the Resulting Company are set out in the Memorandum of Association and are briefly stated as below:

Main Objects:

1. To carry on the business as civil contractors and engineers, builders, colonizers, town planners, real estate developers, land developers, landscapers, estate agents, interior decorators, real estate consultants and to otherwise deal in all kind of real estate business.
 2. To purchase, acquire, sell, lease, exchange, hire, let, sub-let, dispose off or otherwise deal in real estates, land, buildings, civil works, moveable and immovable properties of any tenure or description either as owners or on collaborations or joint ventures or otherwise acquire any interest in the same; to acquire membership of group housing societies; and to erect, construct, build, demolish, fabricate, execute, carry out, improve, work, develop and enlarge, rebuild, furnish, fabricate, manage or control in India or abroad on any land or immovable property and conveniences of all kinds, including turnkey jobs, railway, tramways, speedways, runways, roads, aerodromes, airways, theaters, cinema halls, multiplexes, Group Housing Complexes, Commercial Complexes, roads, highways, hotels, restaurants, amusement parks and places of entertainment, piers, wavers, dams, garages, reservoirs, embankments, canals, irrigations, power houses, transmission lines, reclamation, improvements, sewage, drainage, sanitary works or other civil works and to otherwise deal in all kinds of building materials, equipments, plant and machinery used in connection therewith.
 3. To set up and manage amusement parks, health clubs, resorts, hotels, restaurants, health centres, software technology parks, studios or any other place or places of amusement and entertainment or general public utility.
 4. To carry on the business as exporter, importer, export agent, import agent, distributor, stockiest, contractor, supplier, dealer, trader, retailer of all kinds of goods, materials, commodities, articles, products and merchandise; to act as representative, agent, broker, commission agent, buying and selling agent or to otherwise deal in all kinds of goods, material, commodities, articles, products, merchandise and services.
 5. To carry on the business of manufacturing various types of plastic moulded goods and components.
 6. To carry on the business of manufacture, design, mould, fabricate, process, job work, buy, sell, import, export, trade, and deal in all kinds of packing materials made of plastics or any other raw materials or combination of materials.
- d. The Resulting Company has been recently incorporated for the proposed de-merger and yet to commence business activities.
- e. The present Authorised Share Capital of the Resulting Company is ₹1,00,000 divided into 10,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹1,00,000 divided into 10,000 Equity Shares of ₹10 each.
- f. Detail of the present Board of Directors of the Company is given below:

Sl. No.	Name & Address	DIN	Designation
1.	Mr Bhushan Kumar Dua W-83, Greater Kailash-II, New Delhi-110 048	00126614	Director
2.	Mrs Sudesh Kumari Dua W-83, Greater Kailash-II, New Delhi-110 048	00128536	Director

4. Both the Demerged Company and Resulting Company are closely held Group Companies under common shareholding, management and control. The present Scheme of Arrangement will not result in change in management of the Companies.
5. Mr Bhushan Kumar Dua and Mrs Sudesh Kumari Dua are the Core Promoters of the Demerged Company and the Resulting Company. Detail of the Core Promoters is given below:

Sl. No.	Name & Address	DIN
1.	Mr Bhushan Kumar Dua W-83, Greater Kailash-II, New Delhi-110 048	00126614
2.	Mrs Sudesh Kumari Dua W-83, Greater Kailash-II, New Delhi-110 048	00128536

6. The proposed De-merger of Moulding Unit of Super Cassettes Industries Pvt Ltd into Vijarshan Ventures Pvt Ltd, will be affected by the arrangement embodied in the Scheme of Arrangement framed under sections 230, 232 & 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any.
7. **Rationale and Benefits of the Scheme:** The circumstances which justify and/or necessitate the proposed Scheme of Arrangement of the Demerged Company with the Resulting Company; and benefits of the proposed Arrangement as perceived by the Board of Directors of these Companies, to the Shareholders and other stakeholders are, inter alia, as follows:
 - a. The Demerged Company-Super Cassettes Industries Pvt Ltd is engaged in production of motion picture films, manufacturing of audio/video CDs, acquiring & licensing of audio/visual music rights, digitisation of music, trading of consumer goods and appliances such as music system, LED TV, washing machine, ceiling fan, etc., and other related activities under “T-Series” Brand. The Demerged Company is a prominent player in Hindi Film and Music Industry in India. Over a period of time, the Company has also diversified into real estate investment and leasing business, manufacturing of plastic moulded goods and components (Moulding Unit), etc.
 - b. Moulding Business has substantially different character than the core business of the Company. Moulding Business requires sharper focus and management bandwidth for growth; which is not possible as a single entity.
 - c. Given the distinct nature of Moulding Business from the other business activities, it is proposed to hive-off Moulding Unit from the Demerged Company into the Resulting Company, which, upon de-merger, will be owned by the shareholders of the Demerged Company in the same manner and proportion in which they own shareholding in the Demerged Company.
 - d. The proposed de-merger will enable the Demerged Company and the Resulting Company to raise necessary funds, invite strategic investors and other stakeholders for their respective businesses.
 - e. It will impart better management focus, will facilitate administrative convenience and will ensure optimum utilization of various resources by these Companies.
 - f. The proposed de-merger will provide scope for independent expansion of various businesses. It will strengthen, consolidate and stabilize the business of these Companies and will facilitate further expansion and growth of their business.
 - g. The proposed De-merger will have beneficial impact on the Demerged Company and the Resulting Company, their employees, shareholders and other stakeholders and all concerned.
 - h. With a view to achieve greater management focus and keeping in mind the paramount and overall interest of the shareholders, the Board of Directors of the Demerged Company and the Resulting Company considered that a Scheme of Arrangement for De-merger would be the most appropriate methodology.

8. Salient features of the Scheme of Arrangement

8.1 The Scheme of Arrangement, inter alia, provides as under:

- i. All assets and liabilities including Income Tax and all other statutory liabilities, if any, of Moulding Unit (the Demerged Business) of the Demerged Company will be transferred to and vest in the Resulting Company.
- ii. All the employees of the Demerged Company employed in the activities relating to the Demerged Business, in service on the Effective Date, if any, shall become the employees of the Resulting Company on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those applicable to them in the Demerged Business of the Demerged Company, on the Effective Date.
- iii. Appointed Date for de-merger will be 1st April, 2018, or such other date, as the Hon'ble National Company Law Tribunal may approve.
- iv. Share Exchange Ratio for the Scheme will be:
 - a. The Resulting Company will issue 1 (one) Equity Share of ₹10 each, credited as fully paid-up, to the shareholders of the Demerged Company for every 1 (one) Equity Share of ₹100 each held in the Demerged Company.

9. **Extracts of the Scheme:** Extracts of the selected clauses of the Scheme are given below (*points/clauses referred to in this part are of the Scheme of Arrangement*):

DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

- 1.1 **“Act”** means the Companies Act, 2013 (18 of 2013), the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and any other Rules made there under, as the case may be applicable; and the Companies Act, 1956 (1 of 1956), to the extent applicable, if any.
- 1.2 **“Appointed Date”** means commencement of business hour on 1st April, 2018, or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.
- 1.3 **“Board of Directors”** in relation to the Demerged Company and the Resulting Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a Committee of Directors or any person authorised by the Board of Directors or such Committee of Directors.
- 1.4 **“Demerged Business”** means Moulding Unit of Super Cassettes Industries Pvt Ltd (the Demerged Company) situated at G-5 & 6, Sector-11, Noida-201 301, Uttar Pradesh, which is proposed to be Demerged into Vijarshan Ventures Pvt Ltd (the Resulting Company) and includes the business/undertaking comprising of:
 - 1.4.1 All assets (whether movable or immovable, real or personal, corporeal or incorporeal, present future or contingent, tangible or intangible) of the Moulding Unit (the Demerged Business) wherever situated pertaining thereto.
 - 1.4.2 All present and future liabilities (including contingent liabilities) arising out of the activities or operations of the Demerged Business, including loans, debts, current liabilities and provisions, duties and obligations relating to the Demerged Business.
 - 1.4.3 Without prejudice to the generality of the above, Demerged Business shall include in particular.
 - a. All properties and assets of the Demerged Business wherever situated;
 - b. All rights, entitlements and other statutory permissions, approvals, consents, licenses, registrations, the benefits of all contracts including all customer contracts, agreements, vendor codes, approved tenders, past experience and credentials, business track record, and all other rights including leasehold rights if any, goodwill, intellectual property, investment, cash balances,

the benefit of any deposit, financial assets, funds belonging to or proposed to be utilized for the Demerged Business, bank balances and bank accounts relating to the day to day operations and specific to the working of the Demerged Business; and all other fiscal and non-fiscal incentives, benefits and privileges which are available to or being availed by the Demerged Company or which the Demerged Company may be entitled to at any time for its Demerged Business, shall be continued to be available in the Resulting Company for the Demerged Business after the proposed De-merger;

- c. All records, files, papers, computer programs, manuals, data and other records, whether in physical form or electronic form in connection with or relating to the Demerged Business;*
- d. All duties and obligations, which are relatable to the Demerged Business;*
- e. All advance money, earnest moneys and/or security deposits, bank guarantee, if any, paid or received by the Demerged Company in connection with or relating to the Demerged Business;*

1.4.4 For the purpose of this scheme, it is clarified that liabilities pertaining to the Demerged Business include:

- a. The liabilities, which arise out of the activities or operations of the Demerged Business;*
- b. Specific loans and borrowings raised, incurred and utilized solely for the respective activities or operation of the Demerged Business;*

1.4.5 All employees of the Demerged Company employed in the Demerged Business, as identified by the Board of Directors of the Demerged Company, as on the Effective Date;

1.4.6 Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Business or whether it arises out of the activities or operations of the Demerged Business shall be decided by the Board of Directors of the Demerged Company.

1.5 **“Demerged Company”** means **Super Cassettes Industries Pvt Ltd** being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at E-2/16, Ansari Road, Darya Ganj, New Delhi-110 002; e-mail id: rpsharma@tseries.net; web-site: www.tseries.com.

1.6 **“Effective Date”** means last of the dates on which the certified copies of the Order(s) passed by the Hon’ble National Company Law Tribunal, sanctioning the Scheme of Arrangement, are filed with the concerned Registrar of Companies, Ministry of Corporate Affairs.

1.7 **“National Company Law Tribunal”** means appropriate Bench(es) of the Hon’ble National Company Law Tribunal constituted under the Companies Act, 2013, having territorial jurisdiction to sanction the present Scheme and other connected matters. The National Company Law Tribunal has been referred to as the Tribunal/NCLT.

1.8 **“Record Date”** means the date to be fixed by the Board of Directors of the Demerged Company with reference to which the eligibility of the shareholders of the Demerged Company for allotment of shares in the Resulting Company in terms of this Scheme, shall be determined.

1.9 **“Registrar of Companies”** means concerned Registrar of Companies, Ministry of Corporate Affairs having jurisdiction under the Companies Act, 2013, and other applicable provisions, if any, on the respective Companies.

1.10 **“Remaining Business of the Demerged Company”** means all assets and liabilities including immovable property, undertakings, businesses, activities and operations of the Demerged Company other than the Demerged Business.

1.11 **“Resulting Company”** means **Vijarshan Ventures Pvt Ltd** being a company incorporated under the provisions of the Companies Act, 2013, and having its registered office at H. No. 4895, Plot No. 99, Ward No. XI, Block-S, Bharat Ram Road, South Daryaganj, New Delhi-110 002; e-mail: mdoffice@tseries.net.

1.12 **“Scheme”** means the present Scheme of Arrangement framed under the provisions of sections 230 & 232; section 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, if any, where under Moulding Unit of the Demerged Company

are proposed to be de-merged into the Resulting Company, in the present form or with any modification(s) approved or imposed or directed by Members/Creditors of these Companies and/or by any competent authority and/or by the Hon'ble National Company Law Tribunal or that may otherwise be deemed fit by these Companies.

DE-MERGER OF MOULDING UNIT OF SUPER CASSETTES INDUSTRIES PVT LTD INTO VIJARSHAN VENTURES PVT LTD

2.1 With effect from the commencement of business hour on 1st April, 2018, i.e., the Appointed Date, subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, Demerged Business of the Demerged Company, as defined in Clause 1.4 shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company, as a going concern, in the following manner;

- 2.1.1 The whole of the undertaking and properties of Demerged Business of the Demerged Company shall, without any further act or deed, stand transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company, pursuant to the provisions contained in sections 230 and 232 of the Companies Act, 2013, and all other applicable provisions, if any, and so as to vest in the Resulting Company, for all rights, title and interest pertaining to the Demerged Business of the Demerged Company.
- 2.1.2 All debts, liabilities, contingent liabilities, duties and obligations of every kind nature and description of the Demerged Company relating to the Demerged Business shall also, under the provisions of Sections 230 and 232 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company, so as to become the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company, and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.
- 2.1.3 All licenses, permissions, approval, consents or NOCs given by various government and other competent authorities to the Demerged Company in relation to the Demerged Business or otherwise held by the Demerged Company to implement/carry on the Demerged Business shall stand vested in or transferred to the Resulting Company, without any further act or deed, and shall be appropriately mutated by the authorities concerned therewith in favour of the Resulting Company. The benefit of all statutory and regulatory permissions, registration or other licenses, and consents shall vest in and become available to the Resulting Company, pursuant to the Scheme.
- 2.1.4 The transfer and vesting of the Demerged Business, as aforesaid, shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof pertaining to the Demerged Business to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of Demerged Business.
- 2.1.5 Without prejudice to the generality of the provisions contained in aforesaid clauses, upon the Scheme becoming effective, the Demerged Company and Resulting Company will file requisite form(s) with the Registrar of Companies for creation, modification and/or satisfaction of charge(s), to the extent required, to give effect to the provisions of this Scheme.
- 2.1.6 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that in accordance with the provisions of relevant laws, consents, permissions, licenses, registrations, certificates, authorities, powers of attorneys given by, issued to or executed in favour of Demerged Business and the rights and benefits under the same and all other interests of the Demerged Business, be without any further act or deed, be transferred to and vested in the Resulting Company.
- 2.1.7 Upon the Scheme coming into effect, all taxes/ cess/ duties, direct and/ or indirect, payable by or on behalf of the Demerged Business of the Demerged Company from the Appointed Date onwards, including all advance tax payments, tax deducted at source, any refunds or claims (including refunds or claims pending with the Revenue Authorities), shall, for all purposes, be treated as the tax/ cess/ duty, liability, advance tax payment, tax deducted at source, refund or claim, as the case may be, of the

Resulting Company. The Resulting Company is expressly permitted to claim refunds/ credits in respect of any transaction between the Demerged Business of the Demerged Company and the Resulting Company, if any.

- 2.1.8 Upon the Scheme becoming effective, all un-availed credits and exemptions, statutory benefits, including in respect of Income Tax (including MAT credit), CENVAT, Customs, VAT, Sales Tax, Service Tax, Goods and Services Tax, etc., relating to Demerged Business to which the Demerged Company is entitled to shall be available to and vest in the Resulting Company, without any further act or deed.*
- 2.1.9 Upon this Scheme becoming effective, the Demerged Company and the Resulting Company are permitted to revise and file their respective income tax returns, including tax deducted at source certificates, sales tax/ value added tax returns, service tax returns, GST returns and other tax returns for the period commencing on and from the Appointed Date, and to claim refunds/ credits, pursuant to the provisions of this Scheme.*
- 2.1.10 Without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including, without limitation income tax, service tax, excise duty, applicable state value added tax etc.) to which Demerged Business of the Demerged Company is entitled to in terms of applicable laws, shall be available to and vest in the Resulting Company from the Appointed Date.*

2.2 Issue of Shares by the Resulting Company

- 2.2.1 Upon the Scheme finally coming into effect and in consideration of de-merger and vesting of the Demerged Business of the Demerged Company into the Resulting Company, in terms of this Scheme, the Resulting Company, shall, without any further application or deed, issue and allot Share(s), to the Members of the Demerged Company whose names appear in the Register of Members as on the Record Date, in the following ratio:
 - a. The Resulting Company will issue 1 (one) Equity Share of ₹10 each, credited as fully paid-up, to the shareholders of the Demerged Company for every 1 (one) Equity Share of ₹100 each held in the Demerged Company.**
- 2.2.2 Any fraction arising out of the aforesaid exchange process as mentioned in clause 2.2.1 above, if any, will be rounded off to nearest whole number.*
- 2.2.3 New Equity Shares to be issued by the Resulting Company in terms of clause 2.2.1 'a' above shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company. The new Equity Shares to be issued by the Resulting Company shall rank pari passu in all respects, including dividend, with the existing Equity Shares of the Resulting Company.*
- 2.2.4 The issue and allotment of Equity Shares by the Resulting Company to the shareholders of the Demerged Company, as provided in this Scheme, is an integral part thereof. The members of the Resulting Company, on approval of the Scheme, shall be deemed to have given their approval under sections 42 & 62 of the Companies Act, 2013, and other applicable provisions, if any, for issue of fresh Shares to the Members of the Demerged Company in terms of this Scheme.*
- 2.2.5 It is, however, clarified that provisions of this Scheme with regard to issue of shares by the Resulting Company will not apply to the share application money, if any, which may remain outstanding in the Demerged Company.*

2.3 Re-organization of capital and other matters

- 2.3.1 As mentioned above, the Demerged Company is a closely held family owned un-listed private limited company. The Resulting Company has been recently incorporated for the purpose of the proposed de-merger. Both the Companies are under common shareholding, management and control. In terms of the provisions of the Scheme of Arrangement, the Resulting Company will issue Equity Shares to the Equity Shareholders of the Demerged Company. However, it is proposed that upon the Scheme becoming effective, the Resulting Company will have 100% mirror Equity Shareholding as that of the Demerged Company. In other words, post de-merger; all the Equity Shareholders of the Demerged Company will hold same percentage of Equity Shares in the Resulting Company as they are holding in*

the Demerged Company as on the record date. Hence, upon the Scheme becoming effective, the pre-Scheme issued and paid up share capital of the Resulting Company which consists of 10,000 Equity Shares of ₹10 each aggregating ₹1,00,000, will be cancelled and 10,000 9% Compulsorily Redeemable Preference Shares of ₹10 each aggregating ₹1,00,000, will be created in place of such cancelled equity share capital.

2.3.2 Accordingly, the Resulting Company will issue 1 (one) 9% Compulsorily Redeemable Preference Shares of ₹10 each, credited as fully paid-up, for every 1 (one) Equity Share of ₹10 each held in the Resulting Company and the pre-Scheme issued and paid up share capital of the Resulting Company consisting of 10,000 Equity Shares of ₹10 each aggregating ₹1,00,000, will be cancelled.

9% Compulsorily Redeemable Preference Shares to be issued in terms of the above, shall be redeemed in terms of the provisions of the Companies Act, 2013, at par within a period of 5 years from the date of issue of such Redeemable Preference Shares with a put and call option available to the Preference Shareholders and the Resulting Company for early redemption.

2.3.3 Re-organization/reduction of the paid-up share capital, reserves & surplus, etc., as the case may be, of the Demerged Company and the Resulting Company, on de-merger, shall be affected as an integral part of the Scheme only. Approval of this Scheme by the Shareholders and/or Creditors of the Demerged Company and the Resulting Company, as the case may be, and sanction by the Tribunal under section 230 and 232 of the Companies Act, 2013, shall be sufficient compliance with the provisions of section 66 of the Companies Act, 2013, and other applicable provisions, if any, relating to the re-organization/reduction of the paid-up capital, reserves & surplus, etc., as the case may be, of the Demerged Company and the Resulting Company, as the case may be. However, it is clarified that such re-organization/reduction would not involve either the diminution of any liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital. It is further clarified that Compulsorily Redeemable Preference Shares to be issued in place of Equity Shares, (pursuant to the Scheme of Arrangement) shall be redeemed in terms of the provisions of the Companies Act, 2013, and hence such redemption of preference shares will not be deemed to be a reduction of capital.

2.3.4 Save as provided in this Scheme, the Resulting Company shall increase/modify its Authorized Share Capital to implement the terms of the Scheme, to the extent necessary.

The aforesaid are the salient features/selected extracts of the Scheme of Arrangement. Please read the entire text of the Scheme of Arrangement to get acquainted with the complete provisions of the Scheme.

10. The proposed Scheme of Arrangement is for the benefit of both the Companies, their Shareholders and other stakeholders. It is fair and reasonable and is not detrimental to the interest of the public. It is not prejudicial to any person.

11. Valuation exercise has been carried out to determine the share swap ratio for the proposed Scheme of Arrangement. M/s Dinesh Mehta & Co., Chartered Accountants, New Delhi have prepared the Report on Valuation of Shares and Share Exchange Ratio. The Board of Directors of the Demerged Company and of the Resulting Company based on the Report on Valuation of Shares & Share Exchange Ratio of M/s Dinesh Mehta & Co., Chartered Accountants, New Delhi and on the basis of their independent evaluation and judgment, came to the conclusion that the proposed exchange ratio is fair and reasonable to the Shareholders of both the Companies.

A copy of the Report on Valuation of Shares & Share Exchange Ratio of M/s Dinesh Mehta & Co., Chartered Accountants, New Delhi, giving basis of valuation, valuation methodology and calculations, etc., is enclosed herewith.

12. The proposed Scheme of Arrangement has been unanimously approved by the respective Board of Directors of the Demerged Company and the Resulting Company in the Board meetings held on 19th May, 2018. None of the Directors voted against or abstained from voting on the resolution for approving the Scheme of Arrangement in the aforesaid meetings.

Further, the notices of the separate meetings of the Shareholders of the Demerged Company and the Resulting Company; Secured Creditors and Un-secured Creditors of the Demerged Company, scheduled to be held under the supervision of the Hon'ble National Company Law Tribunal, the Explanatory Statement and other papers of

these meetings have also been approved unanimously, by the respective Board of Directors of the Demerged Company and of the Resulting Company in the Board meetings held on 12th July, 2018.

13. The present Scheme of Arrangement, if approved in the respective meetings of Shareholders, Secured Creditors and Un-secured Creditors of the Demerged Company; and Shareholders of the Resulting Company, will be subject to the subsequent approval of the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi. No specific approval is required to be obtained from any other government authority to the present Scheme of Arrangement.
14. No proceedings for inspection, inquiry or investigation under the provisions of the Companies Act, 2013, or under the provisions of the Companies Act, 1956, are pending against the Demerged Company or the Resulting Company.

15. Effect of the Scheme on the Promoters, Directors, Shareholders, etc.:

- 15.1 Promoters and/or Directors of the Demerged Company and of the Resulting Company are deemed to be interested in the proposed Scheme of Arrangement to the extent of their shareholding in, loan given to and remuneration drawn from, as the case may be, the respective Companies. Similarly, Key Managerial Personnel (KMP) of the Demerged Company and of the Resulting Company may also be deemed to be interested in the proposed Scheme to the extent of their shareholding in, loan given to and remuneration drawn from, as the case may be, the respective Companies.
- 15.2 The proposed Scheme of Arrangement would not have any effect on the material interest of the Promoters, Directors and Key Managerial Personnel of the Demerged Company and of the Resulting Company different from that of the interest of other shareholders, creditors and employees of these Companies.
- 15.3 The proposed Scheme of Arrangement does not envisage any corporate debt restructuring. There is no proposal to restructure or vary the debt obligation of any of the Demerged Company and of the Resulting Company towards their respective creditors. The proposed Scheme of Arrangement will not adversely affect the rights of any of the creditors of the Demerged Company and of the Resulting Company in any manner whatsoever.

The proposed Scheme of Arrangement will not have any adverse effect on the secured creditors, un-secured creditors, employees and other stakeholders, if any, of the Demerged Company and of the Resulting Company.

16. A copy of the Scheme of Arrangement is being filed with the concerned Registrar of Companies.
17. A copy each of the Audited Financial Statements of the Demerged Company for the year ended 31st March, 2017, un-audited Financial Statements (provisional) of the Demerged Company for the period ended 31st December, 2017 and un-audited Financial Statements (provisional) for the year ended 31st March, 2018, are enclosed herewith. Since the Resulting Company has been recently incorporated for the proposed de-merger and yet to start business activities, no Financial Statements have been prepared yet.
18. Total amount due to Un-secured Creditors (including statutory and other dues, etc.), as per the un-audited Financial Statements (provisional) for the period ended 31st December, 2017, is given below:

Sl. No.	Total amount due to Un-secured Creditors in	Amount ₹
1.	Demerged Company- Super Cassettes Industries Pvt Ltd	315,23,72,760

19. The following documents will be available for inspection or for obtaining extracts from or for making or obtaining copies of, by the members and creditors at the registered office of the Demerged Company and of the Resulting Company on any working day from the date of this notice till the date of meeting between 11.00 A.M. to 4.00 P.M.:
 - a. The Memorandum and Articles of Association of the Demerged Company and of the Resulting Company.
 - b. The Audited Financial Statements of the Demerged Company for the last 3 years ended 31st March, 2015, 31st March, 2016 and 31st March, 2017, as approved by the Members of these Companies in the respective Annual General Meeting.

- c. Un-audited Financial Statements (provisional) of the Demerged Company for the period ended 31st December, 2017.
 - d. Un-audited Financial Statements (provisional) of the Demerged Company for the year ended 31st March, 2018.
 - e. Register of Particulars of Directors and KMP and their Shareholding, of the Demerged Company and of the Resulting Company.
 - f. Copy of Order dated 4th July, 2018 (date of pronouncement), passed by the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi, in the joint Company Application No. CA (CAA) 110(PB) of 2018 filed by the Demerged Company and of the Resulting Company, in pursuance of which the aforesaid meetings are scheduled to be convened.
 - g. Paper Book and proceedings of the joint Company Application No. CA (CAA) 110 (PB) of 2018.
 - h. Copy of the Report on Valuation of Shares & Share Exchange Ratio of M/s Dinesh Mehta & Co., Chartered Accountants.
 - i. Copy of the Certificate issued by the Statutory Auditors of the Demerged Company and of the Resulting Company to the effect that the accounting treatment proposed in the Scheme of Arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
 - j. Copy of the proposed Scheme of Arrangement.
20. A copy of the Scheme of Arrangement, Explanatory Statement, Form of Proxy, Attendance Slip and other annexures may be obtained free of charge on any working day (except Saturday) prior to the date of meeting, from the registered office of the Demerged Company and of the Resulting Company or from the office of their Legal Counsel- Mr Rajeev K Goel, Advocate, M/s Rajeev Goel & Associates, Advocates and Solicitors, 785, Pocket-E, Mayur Vihar-II, Delhi Meerut Expressway/NH-24, Delhi-110 091, India, Mobile: 093124 09354, e-mail: rajeev391@gmail.com.
- The aforesaid documents are also placed on the web-site of the Demerged Company-Super Cassettes Industries Pvt Ltd: www.tseries.com.
21. Please note that Shareholders, Secured Creditors and Un-secured Creditors of the Demerged Company; and Shareholders of the Resulting Company may attend and vote in the respective meetings either in person or by proxies. Proxies need not be a member/creditor of the concerned Demerged Company and/or the Resulting Company.

Dated this 19th July, 2018

For and on behalf of the Board of Directors
For Super Cassettes Industries Pvt Ltd

For and on behalf of the Board of Directors
For Vijarshan Ventures Pvt Ltd

Sd/-
Ved Prakash Chanana
Whole Time Director
DIN: 00122597

Sd/-
Sudesh Kumari Dua
Director
DIN: 00128536

Sd/-
Parag Tripathi, Senior Advocate
Chairperson of the meetings of Shareholders, Secured Creditors
and Un-secured Creditors of Super Cassettes Industries Pvt Ltd;
and meeting of Shareholders of Vijarshan Ventures Pvt Ltd

**SCHEME OF ARRANGEMENT
OF
SUPER CASSETTES INDUSTRIES PVT LTD
AND
VIJARSHAN VENTURES PVT LTD**

AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230, 232 & 66 OF THE COMPANIES ACT, 2013

- I. This Scheme of Arrangement is presented under sections 230 & 232; section 66 of the Companies Act, 2013 and other relevant provisions, if any, for De-merger of 'Moulding Unit' of Super Cassettes Industries Pvt Ltd into Vijarshan Ventures Pvt Ltd, on-going concern basis.

II. Parts of the Scheme of De-merger

This Scheme provides for matters connected with the aforesaid de-merger. Accordingly, this Scheme is divided into the following parts:

- a. **Part-1** which deals with the Definitions, Share Capital and rationale/justification for the proposed Scheme of Arrangement;
- b. **Part-2** which deals with De-merger of Moulding Unit of Super Cassettes Industries Pvt Ltd into Vijarshan Ventures Pvt Ltd, on-going concern basis;
- c. **Part-3** which deals with the Accounting Treatment;
- d. **Part-4** which deals with the General Clauses; and
- e. **Part-5** which deals with Other Terms and Conditions.

PART 1

DEFINITIONS AND SHARE CAPITAL

DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

- 1.1 **“Act”** means the Companies Act, 2013 (18 of 2013), the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and any other Rules made there under, as the case may be applicable; and the Companies Act, 1956 (1 of 1956), to the extent applicable, if any.
- 1.2 **“Appointed Date”** means commencement of business hour on 1st April, 2018, or such other date as the Hon’ble National Company Law Tribunal or any other competent authority may approve.
- 1.3 **“Board of Directors”** in relation to the Demerged Company and the Resulting Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a Committee of Directors or any person authorised by the Board of Directors or such Committee of Directors.
- 1.4 **“Demerged Business”** means Moulding Unit of Super Cassettes Industries Pvt Ltd (the Demerged Company) situated at G-5 & 6, Sector-11, Noida-201 301, Uttar Pradesh, which is proposed to be De-merged into Vijarshan Ventures Pvt Ltd (the Resulting Company) and includes the business/undertaking comprising of:
 - 1.4.1 All assets (whether movable or immovable, real or personal, corporeal or incorporeal, present future or contingent, tangible or intangible) of the Moulding Unit (the Demerged Business) wherever situated pertaining thereto.
 - 1.4.2 All present and future liabilities (including contingent liabilities) arising out of the activities or operations of the Demerged Business, including loans, debts, current liabilities and provisions, duties and obligations relatable to the Demerged Business.
 - 1.4.3 Without prejudice to the generality of the above, Demerged Business shall include in particular.
 - a. All properties and assets of the Demerged Business wherever situated;
 - b. All rights, entitlements and other statutory permissions, approvals, consents, licenses, registrations, the benefits of all contracts including all customer contracts, agreements, vendor codes, approved tenders, past experience and credentials, business track record, and all other rights including leasehold rights if any, goodwill, intellectual property, investment, cash balances, the benefit of any deposit, financial assets, funds belonging to or proposed to be utilized for the Demerged Business, bank balances and bank accounts relating to the day to day operations and specific to the working of the Demerged Business; and all other fiscal and non-fiscal incentives, benefits and privileges which are available to or being availed by the Demerged Company or which the Demerged Company may be entitled to at any time for its Demerged Business, shall be continued to be available in the Resulting Company for the Demerged Business after the proposed De-merger;
 - c. All records, files, papers, computer programs, manuals, data and other records, whether in physical form or electronic form in connection with or relating to the Demerged Business;
 - d. All duties and obligations, which are relatable to the Demerged Business;
 - e. All advance money, earnest moneys and/or security deposits, bank guarantee, if any, paid or received by the Demerged Company in connection with or relating to the Demerged Business;

- 1.4.4 For the purpose of this scheme, it is clarified that liabilities pertaining to the Demerged Business include:
 - a. The liabilities, which arise out of the activities or operations of the Demerged Business;
 - b. Specific loans and borrowings raised, incurred and utilized solely for the respective activities or operation of the Demerged Business;
- 1.4.5 All employees of the Demerged Company employed in the Demerged Business, as identified by the Board of Directors of the Demerged Company, as on the Effective Date;
- 1.4.6 Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Business or whether it arises out of the activities or operations of the Demerged Business shall be decided by the Board of Directors of the Demerged Company.

Performa Balance Sheet of the Moulding Unit of the Demerged Company is set out in Schedule-1.

- 1.5 **“Demerged Company”** means **Super Cassettes Industries Pvt Ltd** being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at E-2/16, Ansari Road, Darya Ganj, New Delhi-110 002; e-mail id: rpsharma@tseries.net; web-site: www.tseries.com.

The Demerged Company-Super Cassettes Industries Pvt Ltd [Corporate Identification No. (CIN): U 74899 DL 1983 PTC 016114; Income Tax Permanent Account No. (PAN): AAB CS 4712 P] was originally incorporated under the provisions of the Companies Act, 1956, as a private limited company with the name and style as ‘Super Cassettes Industries Pvt Ltd’ vide Certificate of Incorporation dated 11th July, 1983, issued by the Registrar of Companies, Delhi & Haryana, New Delhi. The Company became a deemed public company and word ‘private’ was deleted from the name of the Company on 12th October, 1988, by the Registrar of Companies, Delhi & Haryana, New Delhi. The Company was converted into a private limited company and name of the Company was changed to its present name ‘Super Cassettes Industries Pvt Ltd’ vide Fresh Certificate of Incorporation dated 11th June, 2014, issued by the Registrar of Companies, Delhi & Haryana, New Delhi.

- 1.6 **“Effective Date”** means last of the dates on which the certified copies of the Order(s) passed by the Hon’ble National Company Law Tribunal, sanctioning the Scheme of Arrangement, are filed with the concerned Registrar of Companies, Ministry of Corporate Affairs.
- 1.7 **“National Company Law Tribunal”** means appropriate Bench(es) of the Hon’ble National Company Law Tribunal constituted under the Companies Act, 2013, having territorial jurisdiction to sanction the present Scheme and other connected matters. The National Company Law Tribunal has been referred to as the Tribunal/NCLT.
- 1.8 **“Record Date”** means the date to be fixed by the Board of Directors of the Demerged Company with reference to which the eligibility of the shareholders of the Demerged Company for allotment of shares in the Resulting Company in terms of this Scheme, shall be determined.
- 1.9 **“Registrar of Companies”** means concerned Registrar of Companies, Ministry of Corporate Affairs having jurisdiction under the Companies Act, 2013, and other applicable provisions, if any, on the respective Companies.
- 1.10 **“Remaining Business of the Demerged Company”** means all assets and liabilities including immovable property, undertakings, businesses, activities and operations of the Demerged Company other than the Demerged Business.
- 1.11 **“Resulting Company”** means **Vijarshan Ventures Pvt Ltd** being a company incorporated under the provisions of the Companies Act, 2013, and having its registered office at H. No. 4895, Plot No. 99, Ward No. XI, Block-S, Bharat Ram Road, South Daryaganj, New Delhi-110 002; e-mail: mdoffice@tseries.net.

The Resulting Company-Vijarshan Ventures Pvt Ltd [Corporate Identification No. (CIN): U 70200 DL 2018 PTC 333740; Income Tax Permanent Account No. (PAN): AAGC V 4204 J] was incorporated under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated 10th May, 2018, issued by the Registrar of Companies, Central Registration Centre on behalf of the jurisdictional Registrar of Companies, being the ROC, New Delhi.

1.12 “Scheme” means the present Scheme of Arrangement framed under the provisions of sections 230 & 232; section 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, if any, where under Moulding Unit of the Demerged Company are proposed to be de-merged into the Resulting Company, in the present form or with any modification(s) approved or imposed or directed by Members/Creditors of these Companies and/or by any competent authority and/or by the Hon'ble National Company Law Tribunal or that may otherwise be deemed fit by these Companies.

1.13 SHARE CAPITAL

- 1.13.1 The present Authorised Share Capital of the Demerged Company is ₹10,00,00,000 divided into 10,00,000 Equity Shares of ₹100 each. The Present Issued, Subscribed and Paid-up Capital of the Company is ₹4,93,25,600 divided into 4,93,256 Equity Shares of ₹100 each.
- 1.13.2 The present Authorised Share Capital of the Resulting Company is ₹1,00,000 divided into 10,000 Equity Shares of ₹10 each. The Present Issued, Subscribed and Paid-up Capital of the Company is ₹1,00,000 divided into 10,000 Equity Shares of ₹10 each.
- 1.13.3 The Demerged Company is a closely held family owned un-listed private limited company. The Resulting Company has been recently incorporated for the purpose of the proposed de-merger. Both the Companies are under common shareholding, management and control.

1.14 Rationale and Benefits of the Scheme: The circumstances which justify and/or necessitate the present Scheme of Arrangement for De-merger of Moulding Unit of Super Cassettes Industries Pvt Ltd into Vijarshan Ventures Pvt Ltd are, inter alia, as follows:

- a. The Demerged Company-Super Cassettes Industries Pvt Ltd is engaged in production of motion picture films, manufacturing of audio/video CDs, acquiring & licensing of audio/visual music rights, digitisation of music, trading of consumer goods and appliances such as music system, LED TV, washing machine, ceiling fan, etc., and other related activities under “T-Series” Brand. The Demerged Company is a prominent player in Hindi Film and Music Industry in India. Over a period of time, the Company has also diversified into real estate investment and leasing business, manufacturing of plastic moulded goods and components (Moulding Unit), etc.
- b. Moulding Business has substantially different character than the core business of the Company. Moulding Business requires sharper focus and management bandwidth for growth; which is not possible as a single entity.
- c. Given the distinct nature of Moulding Business from the other business activities, it is proposed to hive-off Moulding Unit from the Demerged Company into the Resulting Company, which, upon de-merger, will be owned by the shareholders of the Demerged Company in the same manner and proportion in which they own shareholding in the Demerged Company.
- d. The proposed de-merger will enable the Demerged Company and the Resulting Company to raise necessary funds, invite strategic investors and other stakeholders for their respective businesses.
- e. It will impart better management focus, will facilitate administrative convenience and will ensure optimum utilization of various resources by these Companies.
- f. The proposed de-merger will provide scope for independent expansion of various businesses. It will strengthen, consolidate and stabilize the business of these Companies and will facilitate further expansion and growth of their business.
- g. The proposed De-merger will have beneficial impact on the Demerged Company and the Resulting Company, their employees, shareholders and other stakeholders and all concerned.
- h. With a view to achieve greater management focus and keeping in mind the paramount and overall interest of the shareholders, the Board of Directors of the Demerged Company and the Resulting Company considered that a Scheme of Arrangement for De-merger would be the most appropriate methodology.

PART 2

DE-MERGER OF MOULDING UNIT OF SUPER CASSETTES INDUSTRIES PVT LTD INTO VIJARSHAN VENTURES PVT LTD

- 2.1 With effect from the commencement of business hour on 1st April, 2018, i.e., the Appointed Date, subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, Demerged Business of the Demerged Company, as defined in Clause 1.4 shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company, as a going concern, in the following manner;
- 2.1.1 The whole of the undertaking and properties of Demerged Business of the Demerged Company shall, without any further act or deed, stand transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company, pursuant to the provisions contained in sections 230 and 232 of the Companies Act, 2013, and all other applicable provisions, if any, and so as to vest in the Resulting Company, for all rights, title and interest pertaining to the Demerged Business of the Demerged Company.
- 2.1.2 All debts, liabilities, contingent liabilities, duties and obligations of every kind nature and description of the Demerged Company relating to the Demerged Business shall also, under the provisions of Sections 230 and 232 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company, so as to become the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company, and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.
- 2.1.3 All licenses, permissions, approval, consents or NOCs given by various government and other competent authorities to the Demerged Company in relation to the Demerged Business or otherwise held by the Demerged Company to implement/carry on the Demerged Business shall stand vested in or transferred to the Resulting Company, without any further act or deed, and shall be appropriately mutated by the authorities concerned therewith in favour of the Resulting Company. The benefit of all statutory and regulatory permissions, registration or other licenses, and consents shall vest in and become available to the Resulting Company, pursuant to the Scheme.
- 2.1.4 The transfer and vesting of the Demerged Business, as aforesaid, shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof pertaining to the Demerged Business to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of Demerged Business.
- 2.1.5 Without prejudice to the generality of the provisions contained in aforesaid clauses, upon the Scheme becoming effective, the Demerged Company and Resulting Company will file requisite form(s) with the Registrar of Companies for creation, modification and/or satisfaction of charge(s), to the extent required, to give effect to the provisions of this Scheme.
- 2.1.6 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that in accordance with the provisions of relevant laws, consents, permissions, licenses, registrations, certificates, authorities, powers of attorneys given by, issued to or executed in favour of Demerged Business and the rights and benefits under the same and all other interests of the Demerged Business, be without any further act or deed, be transferred to and vested in the Resulting Company.
- 2.1.7 Upon the Scheme coming into effect, all taxes/ cess/ duties, direct and/ or indirect, payable by or on behalf of the Demerged Business of the Demerged Company from the Appointed Date onwards, including all advance tax payments, tax deducted at source, any refunds or claims (including refunds or claims pending with the Revenue Authorities), shall, for all purposes, be treated as the tax/ cess/ duty, liability, advance tax payment, tax deducted at source, refund or claim, as the case may be, of the Resulting

Company. The Resulting Company is expressly permitted to claim refunds/ credits in respect of any transaction between the Demerged Business of the Demerged Company and the Resulting Company, if any.

- 2.1.8 Upon the Scheme becoming effective, all un-availed credits and exemptions, statutory benefits, including in respect of Income Tax (including MAT credit), CENVAT, Customs, VAT, Sales Tax, Service Tax, Goods and Services Tax, etc., relating to Demerged Business to which the Demerged Company is entitled to shall be available to and vest in the Resulting Company, without any further act or deed.
- 2.1.9 Upon this Scheme becoming effective, the Demerged Company and the Resulting Company are permitted to revise and file their respective income tax returns, including tax deducted at source certificates, sales tax/ value added tax returns, service tax returns, GST returns and other tax returns for the period commencing on and from the Appointed Date, and to claim refunds/ credits, pursuant to the provisions of this Scheme.
- 2.1.10 Without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including, without limitation income tax, service tax, excise duty, applicable state value added tax etc.) to which Demerged Business of the Demerged Company is entitled to in terms of applicable laws, shall be available to and vest in the Resulting Company from the Appointed Date.

2.2 Issue of Shares by the Resulting Company

- 2.2.1 Upon the Scheme finally coming into effect and in consideration of de-merger and vesting of the Demerged Business of the Demerged Company into the Resulting Company, in terms of this Scheme, the Resulting Company, shall, without any further application or deed, issue and allot Share(s), to the Members of the Demerged Company whose names appear in the Register of Members as on the Record Date, in the following ratio:
 - i. The Resulting Company will issue 1 (one) Equity Share of ₹10 each, credited as fully paid-up, to the shareholders of the Demerged Company for every 1 (one) Equity Share of ₹100 each held in the Demerged Company.
- 2.2.2 Any fraction arising out of the aforesaid exchange process as mentioned in clause 2.2.1 above, if any, will be rounded off to nearest whole number.
- 2.2.3 New Equity Shares to be issued by the Resulting Company in terms of clause 2.2.1 'a' above shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company. The new Equity Shares to be issued by the Resulting Company shall rank pari passu in all respects, including dividend, with the existing Equity Shares of the Resulting Company.
- 2.2.4 The issue and allotment of Equity Shares by the Resulting Company to the shareholders of the Demerged Company, as provided in this Scheme, is an integral part thereof. The members of the Resulting Company, on approval of the Scheme, shall be deemed to have given their approval under sections 42 & 62 of the Companies Act, 2013, and other applicable provisions, if any, for issue of fresh Shares to the Members of the Demerged Company in terms of this Scheme.
- 2.2.5 It is, however, clarified that provisions of this Scheme with regard to issue of shares by the Resulting Company will not apply to the share application money, if any, which may remain outstanding in the Demerged Company.

2.3 Re-organization of capital and other matters

- 2.3.1 As mentioned above, the Demerged Company is a closely held family owned un-listed private limited company. The Resulting Company has been recently incorporated for the purpose of the proposed de-merger. Both the Companies are under common shareholding, management and control. In terms of the

provisions of the Scheme of Arrangement, the Resulting Company will issue Equity Shares to the Equity Shareholders of the Demerged Company. However, it is proposed that upon the Scheme becoming effective, the Resulting Company will have 100% mirror Equity Shareholding as that of the Demerged Company. In other words, post de-merger; all the Equity Shareholders of the Demerged Company will hold same percentage of Equity Shares in the Resulting Company as they are holding in the Demerged Company as on the record date. Hence, upon the Scheme becoming effective, the pre-Scheme issued and paid up share capital of the Resulting Company which consists of 10,000 Equity Shares of ₹10 each aggregating ₹1,00,000, will be cancelled and 10,000 9% Compulsorily Redeemable Preference Shares of ₹10 each aggregating ₹1,00,000, will be created in place of such cancelled equity share capital.

- 2.3.2 Accordingly, the Resulting Company will issue 1 (one) 9% Compulsorily Redeemable Preference Shares of ₹10 each, credited as fully paid-up, for every 1 (one) Equity Share of ₹10 each held in the Resulting Company and the pre-Scheme issued and paid up share capital of the Resulting Company consisting of 10,000 Equity Shares of ₹10 each aggregating ₹1,00,000, will be cancelled.

9% Compulsorily Redeemable Preference Shares to be issued in terms of the above, shall be redeemed in terms of the provisions of the Companies Act, 2013, at par within a period of 5 years from the date of issue of such Redeemable Preference Shares with a put and call option available to the Preference Shareholders and the Resulting Company for early redemption.

- 2.3.3 Re-organization/reduction of the paid-up share capital, reserves & surplus, etc., as the case may be, of the Demerged Company and the Resulting Company, on de-merger, shall be affected as an integral part of the Scheme only. Approval of this Scheme by the Shareholders and/or Creditors of the Demerged Company and the Resulting Company, as the case may be, and sanction by the Tribunal under section 230 and 232 of the Companies Act, 2013, shall be sufficient compliance with the provisions of section 66 of the Companies Act, 2013, and other applicable provisions, if any, relating to the re-organization/reduction of the paid-up capital, reserves & surplus, etc., as the case may be, of the Demerged Company and the Resulting Company, as the case may be. However, it is clarified that such re-organization/reduction would not involve either the diminution of any liability in respect of un-paid share capital or payment to any shareholder of any paid-up share capital. It is further clarified that Compulsorily Redeemable Preference Shares to be issued in place of Equity Shares, (pursuant to the Scheme of Arrangement) shall be redeemed in terms of the provisions of the Companies Act, 2013, and hence such redemption of preference shares will not be deemed to be a reduction of capital.

- 2.3.4 Save as provided in this Scheme, the Resulting Company shall increase/modify its Authorized Share Capital to implement the terms of the Scheme, to the extent necessary.

PART 3

ACCOUNTING TREATMENT

Upon the Scheme becoming effective, De-merger of Moulding Unit of the Demerged Company into the Resulting Company will be accounted for in accordance with the applicable provisions of the Companies Act, 2013, Accounting Standards prescribed under section 133 of the Companies Act, 2013, and Generally Accepted Accounting Principles in India (Indian GAAP), as the case may be.

De-merger of Demerged Business of the Demerged Company, into the Resulting Company will be accounted in the following manner:

3.1 In the books of the Demerged Company

- 3.1.1 All the assets and liabilities pertaining to the Demerged Business (difference between the assets and liabilities hereinafter referred to as “Net Assets”), which cease to be the assets and liabilities of the Demerged Company, will be reduced from the books of accounts of the Demerged Company at their respective book values as on the Appointed Date.
- 3.1.2 Difference between the assets and liabilities pertaining to the Demerged Business will be adjusted against the Amalgamation Reserves, Capital Reserves, Securities Premium Account, and other Reserves & Surplus, in that order, in books of the Demerged Company.

3.2 In the books of the Resulting Company

- 3.2.1 The Resulting Company shall record the assets and liabilities (difference between the assets and liabilities hereinafter referred to as “Net Assets”) pertaining to the Demerged Business vested in it pursuant to this Scheme, at the book values as appearing in the books of the Demerged Company as on the Appointed Date. In terms of the provisions of section 2(19AA) of the Income Tax Act, 1961, any change in the value of assets consequent to their revaluation will be ignored.
 - 3.2.2 The Resulting Company shall credit to the Share Capital Account, in the books of accounts, the aggregate face value of the new Equity Shares to be issued by it to the Shareholders of the Demerged Company pursuant to Clause 2.2.1 of the Scheme.
 - 3.2.3 Any difference between the Net Assets and the aggregate face value of new Equity Shares to be issued shall be credited to the Capital Reserve (in case of surplus), in the books of the Resulting Company. In case of deficit arising on de-merger, such deficit will be debited to the goodwill account or such other account as may be deem fit and proper by the management in consultation with the Statutory Auditors of the Demerged Company and the Resulting Company, in terms of the provisions of the Companies Act, 2013, and the Generally Accepted Accounting Principles.
- 3.3 It is, however, clarified that the Board of Directors of the Demerged Company and the Resulting Company, in consultation with the respective Statutory Auditors, may account for the present de-merger in such manner as to comply with the provisions of section 133 of the Companies Act, 2013, the applicable Accounting Standard(s), Generally Accepted Accounting Principles and other applicable provisions, if any.

PART 4

GENERAL CLAUSES

4.1 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

4.1.1 With effect from the Appointed Date:

- a. The Demerged Company, in relation to the Demerged Business shall carry on and be deemed to have carried on the business and activities and shall possessed of their properties and assets for and in trust of the Resulting Company and all the profits/losses accruing, shall for all purposes be treated as profits/losses of Resulting Company.
- b. The Demerged Company, in relation to the Demerged Business shall not, without the prior written consent of the Board of Directors of the Resulting Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with or dispose of any undertaking or any part thereof except in the ordinary course of its business.

4.2 STAFF, WORKMEN AND EMPLOYEES

- 4.2.1 On the Scheme becoming effective, all staff, workmen and employees of the Demerged Company, in relation to the Demerged Business, in service on the Effective Date, shall become and deemed to have become staff, workmen and employees of the Resulting Company on such date without any break or interruption in their service and on the basis of continuity of service, and upon terms and conditions not less favorable than those applicable to them with reference to the Demerged Company, in relation to the Demerged Business, on the Effective Date.
- 4.2.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund and any other special fund or trusts created or existing for the benefit of the staff, workmen and employees of the Demerged Company, in relation to the Demerged Business, for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Demerged Company, in relation to the Demerged Business, in relation to such fund or funds shall become those of the Resulting Company. It is clarified that the services of the staff, workmen and employees of the Demerged Company, in relation to the Demerged Business, will be treated as having been continuous for the purpose of the aforesaid funds or provisions.

4.3 LEGAL PROCEEDINGS

- 4.3.1 All legal proceedings of whatever nature by or against the Demerged Company pending and/or arising on or after the Appointed Date and relating to the Demerged Company, in relation to the Demerged Business, shall not abate or be discontinued or be, in any way, prejudicially affected by reason of the Scheme or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Resulting Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Demerged Company, in relation to the Demerged Business, as if the Scheme had not been made.
- 4.3.2 The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company, in relation to the Demerged Business, referred to in clause 4.3.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company, in relation to the Demerged Business.
- 4.3.3 The Resulting Company undertakes to indemnify and save harmless the Demerged Company, to the fullest extent lawful from and against all third party actions, suits, claims, proceedings, costs, damages,

judgments, amounts paid in settlement and expenses (including reasonable attorney fees) relating to or arising out of, any acts or omissions of the Demerged Company (and its respective past, present and future affiliates, shareholders, partners, agents, directors, officers, employees, representatives, advisors, attorneys, successors, heirs, executors, administrators and assigns), relating to, or in pursuance of, or arising from:

- a. the filing, approval and implementation of the actions contemplated in this Scheme, or
- b. All legal proceedings in relation to the Demerged Business whether subsisting on the Appointed Date or arising thereafter.

4.4 CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 4.4.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature, to which the Demerged Company, in relation to the Demerged Business, is a party, subsisting or having effect on the Effective date, shall remain in full force and effect and shall stand assigned/novated in favour of the Resulting Company, may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, in relation to the Demerged Business, the Resulting Company had been a party thereto.
- 4.4.2 It is expressly clarified that consent of the counterparties shall not be separately required for assignment of such contracts etc., in favour of Resulting Company.
- 4.4.3 The Resulting Company shall be obligated to fulfill all the obligations and covenants of aforesaid contracts, deeds, bonds, agreements and instruments in relation to the Demerged Business and indemnify and save harmless the Demerged Company, to the fullest extent lawful from and against all third party actions, suits, claims, proceedings, costs, damages, judgments, amounts paid in settlement and expenses (including reasonable attorney fees) relating to or arising out of, any such contracts etc., whether in relation to any acts or omissions there under committed by the Demerged Company or the Resulting Company (and its respective past, present and future affiliates, shareholders, partners, agents, directors, officers, employees, representatives, advisors, attorneys, successors, heirs, executors, administrators and assigns), prior to the Appointed Date or thereafter.
- 4.4.4 Pursuant to the demerger of the Demerged Company, in case for the purpose of entering into any contract, tenders, bid documents, expression of interest, memorandum of understanding, agreements or any other such instruments, the Resulting Company are required to demonstrate experience, track record and credentials of the Demerged Company, then the experience, track record and credentials gained by the Demerged Company in the past prior to demerger in relation to the Demerged Business, would be considered to be equivalent as the experience, track record and credentials of the Resulting Company.

4.5 PERMISSIONS

Any statutory licenses, permissions, approvals or consents to carry on the operations of the Demerged Company, in relation to the Demerged Business, shall stand vested in or transferred to the Resulting Company without any further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favour of the Resulting Company upon the vesting and transfer of the Undertakings pursuant to this Scheme. The benefit and obligations of all statutory and regulatory permissions, licenses, environmental approvals and consents, sales tax registrations or other licenses and consents shall vest in and become available to the Resulting Company pursuant to this Scheme. In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Demerged Company, in relation to the Demerged Businesses, are concerned, the same shall vest with and be available the Resulting Company on the same terms and conditions. It is specifically clarified that all the excise concessions, exemptions, benefits in terms of the Central Excise Act, 1944, Notifications, Circulars, Orders,

Trade Notices, Guidelines, Clarifications and/or other Communications issued by the any appropriate competent authority; Income Tax holiday including benefits under Chapter VIA of the Income Tax Act, 1961; sales tax exemptions and benefits under the Central Sales Tax Act, 1956 and other local sales tax laws; and all other fiscal and non-fiscal incentives, benefits and privileges which are available to or being availed by the Demerged Company or which the Demerged Company may be entitled to at any time for its Demerged Business, shall be continued to be available in the Resulting Company for the Demerged Business after the proposed De-merger;

4.6 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the Demerged Business into the Resulting Company as above and the continuance of proceedings by or against the Resulting Company shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company, in relation to the Demerged Business, in respect thereto as done and executed on behalf of the Resulting Company.

4.7 OPERATIVE DATE OF THE SCHEME

- a. This Scheme shall be effective from the last of the dates on which certified copies of order of the Tribunal under Sections 230 and 232 of the Companies Act, 2013, are filed in the office(s) of the concerned Registrar of Companies. Such date is called as the Effective Date.
- b. Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

4.8 REMAINING BUSINESS OF THE DEMERGED COMPANY

Remaining Business of the Demerged Company to continue with Demerged Company

- 4.8.1 The Remaining Business of the Demerged Company and all the assets including immovable property, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.
- 4.8.2 All legal and other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duty, of the Demerged Company in respect of the Remaining Business of the Demerged Company) shall be continued and enforced by or against the Demerged Company.
- 4.8.3 With effect from the Appointed Date and including the Effective Date:
 - a. The Demerged Company shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Business of the Demerged Company for and its own behalf;
 - b. All profit accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Remaining Business of the Demerged Company shall, for all purposes, be treated as the profit, or losses, as the case may be, of the Demerged Company.

PART 5

OTHER TERMS AND CONDITIONS

5.1 APPLICATION/PETITION TO THE NATIONAL COMPANY LAW TRIBUNAL

- 5.1.1 The Demerged Company shall make joint/separate application(s)/petition(s) under the provisions of sections 230, 232 & 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any, to the appropriate Bench of the Hon'ble National Company Law Tribunal and other competent authorities, if any, for sanctioning of this Scheme and other connected matters.
- 5.1.2 The Resulting Company shall also make joint/separate application(s)/petition(s) under the provisions of sections 230, 232 & 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any, to the appropriate Bench of the Hon'ble National Company Law Tribunal and other competent authorities, if any, for sanctioning of this Scheme and other connected matters.

5.2 MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 5.2.1 The Demerged Company and the Resulting Company through their respective Board of Directors may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Tribunal and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.
- 5.2.2 In order to give effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Demerged Company may give and are authorised to give all such directions as may be necessary including directions for settling any question, doubt or difficulty that may arise.
- 5.2.3 The Demerged Company and/or the Resulting Company shall be at liberty to withdraw from this Scheme in case any condition, alteration or modification, imposed or suggested by the Tribunal or any other competent authority, is not acceptable to them; or as may otherwise be deemed fit or proper by any of these Companies. The Demerged Company and/or the Resulting Company will not be required to assign the reason for withdrawing from this Scheme.

5.3 INTERPRETATION

If any doubt or difference or issue arises between the Demerged Company and the Resulting Company or any of their Shareholders or Creditors and/or any other person as to the construction hereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to Mr Rajeev K Goel, LLB, FCS, Advocate, 785, Pocket-E, Mayur Vihar II, Delhi Meerut Expressway/NH-24, Delhi 110 091, Phone 93124 09354, e-mail: rajeev391@gmail.com, whose decision shall be final and binding on all concerned.

5.4 EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses incurred in relation to or in connection with this Scheme or incidental to the completion of the De-merger in pursuance of this Scheme, shall be borne and paid by the Demerged Company. However, in the event of the Scheme becoming invalid for any reason whatsoever, all costs, charges and expenses relating to the de-merger exercise or incidental thereto shall be borne and paid by the respective Companies incurring the same.

**Performa Balance Sheet of Moulding Unit of Super Cassettes Industries Pvt Ltd to be
de-merged into Vijarshan Ventures Pvt Ltd**

(As on 31st December, 2017)

Particulars	Amount ₹
ASSETS	
Non-current Assets	
Factory land and building, plant and machineries, and other fixed assets (Net)	61,82,469
Total	61,82,469
Current Assets	
Inventories	13,38,278
Trade Receivables	30,34,594
Cash and Cash Equivalents	10,44,34,192
Other Current Assets	5,58,254
Total	10,93,65,318
Total Assets (A)	11,55,47,787
LIABILITIES	
Current Liabilities	
Short term Borrowings	*
Trade Payables	6,90,080
Other Current Liabilities	6,59,729
Total Liabilities (B)	13,49,809
Net Assets [A-B] (C)	11,41,97,978

* Credit balance in the Bank CC Account is added to the cash and cash equivalents in the Assets side.

Report on Valuation of Shares and Share Exchange Ratio

Preamble: There is a proposal to de-merge Moulding Unit of Super Cassettes Industries Pvt Ltd into Vijarshan Ventures Pvt Ltd through a Scheme of Arrangement for De-merger. We have been retained to carry out the valuation exercise and to advise share exchange ratio for the aforesaid de-merger. The respective Board of Directors of Super Cassettes Industries Pvt Ltd and Vijarshan Ventures Pvt Ltd on 19th March, 2018 and 14th May, 2018, respectively, have appointed us to carry out the valuation of shares of the abovementioned Companies and to recommend a share swap ratio for the aforesaid Arrangement.

We, accordingly, report as under:

1. **Objective:** The objective of the present valuation process is to work out a share exchange ratio for the proposed De-merger, for the purpose of the proposed Scheme of Arrangement
2. **Scope/Limitation:** The Valuation exercise carried out by us does not constitute an audit carried out in accordance with Generally Accepted Accounting Principles/Auditing Standards. Accordingly, we do not express any opinion on the financial statements, assumptions underlying such financial statements and representations of management included in the Valuation Report. We do not provide any assurance that the financial information or assumptions, upon which these have been based, are accurate.

The present exercise is limited to valuation of shares for specific purpose of the proposed amalgamation and does not necessarily constitute an enterprise valuation of these Companies.

In carrying out the valuation, we have entirely relied upon the financial statements of the concerned Companies, assumptions and other information & explanations provided by the management and discussions with the management from time to time regarding operations of these Companies.

3. **Disclosure regarding identity and interest of the Valuer:** The Valuer- M/s Dinesh Mehta & Co., having its office at 21, Daya Nand Road, Darya Ganj, New Delhi-110 002, is a firm of Chartered Accountants duly registered with the Institute of Chartered Accountants of India (ICAI) vide Registration No.: 000220N. The person signing the Valuation Report on behalf of the Firm is a qualified Chartered Accountant in practice and has more than 10 years of experience.

The Valuer does not have any conflict of interest in the present valuation exercise as neither the Firm nor any of its Partners hold any share or other pecuniary interest in any of the Companies under the valuation except fee or any other payment received/to be received for carrying out any professional services including the statutory audit, if any. The Valuer is not associated with the management of the Companies which are subject matter of the present valuation, their promoters or any other group company in any way other than in professional capacity. Accordingly, there is no conflict of interest among the Valuer and the Companies under the valuation exercise or their Management. Prior to accepting this engagement, we have considered our independence.

4. **Disclaimer:** This Report is a private and confidential document prepared under the specific instructions of the client(s). It is for the internal use of the client(s) only and is not meant for external circulation except to any statutory agency or competent authority for the purpose of the proposed Scheme. Any person making any investment or taking other decision on reliance of this report will be doing so at its/ his sole risk. We shall not be responsible for any decision taken by anybody on reliance of this report.
5. **Brief Profile of the Companies:**

- i. **Super Cassettes Industries Pvt Ltd** [Corporate Identification No. (CIN): U 74899 DL 1983 PTC 016114; Income Tax Permanent Account No. (PAN): AAB CS 4712 P] ("the Demerged Company/the Company") was originally incorporated under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'Super Cassettes Industries Pvt Ltd' vide Certificate of Incorporation dated 11th July, 1983, issued by the Registrar of Companies, Delhi & Haryana, New Delhi. The Company became a deemed public company and word 'private' was deleted from the name of the Company on 12th October,

1988, by the Registrar of Companies, Delhi & Haryana, New Delhi. The Company was converted into a private limited company and name of the Company was changed to its present name 'Super Cassettes Industries Pvt Ltd' vide Fresh Certificate of Incorporation dated 11th June, 2014, issued by the Registrar of Companies, Delhi & Haryana, New Delhi.

Registered Office of the Demerged Company is situated at E-2/16, Ansari Road, Darya Ganj, New Delhi-110 002; e-mail id: rpsharma@tseries.net.

Presently, the Demerged Company is engaged in production of motion picture films, manufacturing of audio/video CDs, acquiring & licensing of audio/visual music rights, digitisation of music, trading of consumer goods and appliances such as music system, LED TV, washing machine, ceiling fan, etc., and other related activities under "T-Series" Brand. Over a period of time, the Company has also diversified into real estate investment and leasing business, manufacturing of plastic moulded goods and components (Moulding Unit), etc.

The present Authorised Share Capital of the Demerged Company is ₹10,00,00,000 divided into 10,00,000 Equity Shares of ₹100 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹4,93,25,600 divided into 4,93,256 Equity Shares of ₹100 each.

- ii. **Vijarshan Ventures Pvt Ltd** [Corporate Identification No. (CIN): U 70200 DL 2018 PTC 333740; Income Tax Permanent Account No. (PAN): AAGC V 4204 J] ("the Resulting Company/the Company") was incorporated under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated 10th May, 2018, issued by the Registrar of Companies, Central Registration Centre on behalf of the jurisdictional Registrar of Companies, being the ROC, New Delhi.

Registered Office of the Resulting Company is situated at H. No. 4895, Plot No. 99, Ward No. XI, Block-S, Bharat Ram Road, South Daryaganj, New Delhi-110 002; e-mail: mdoffice@tseries.net.

The Resulting Company has been recently incorporated for the proposed de-merger and yet to commence business activities.

The present Authorised Share Capital of the Resulting Company is ₹1,00,000 divided into 10,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹1,00,000 divided into 10,000 Equity Shares of ₹10 each.

6. As mentioned above, it is proposed to de-merge Moulding Unit of Super Cassettes Industries Pvt Ltd into Vijarshan Ventures Pvt Ltd on a going concern basis.
7. Both the Demerged Company and the Resulting Company are closely held family owned private limited companies. The entire share capital of these Companies is held by the Promoters, Directors, their family members and associates. Hence, general public is not affected by the share exchange ratio in the proposed de-merger.
8. **Valuation methodologies:**
 - a. Unlike merger/amalgamation, there is no prescribed method or guidelines for determining share exchange ratio for de-merger. In fact several High Courts have held that in case of de-merger, no formal Share Valuation is required.
 - b. Section 2(19AA) of the Income Tax Act, 1961, provides that the assets and liabilities of the demerged business have to be transferred at values appearing in the books of account of the Demerged Company immediately before the de-merger. Section 2(19AA) further provides that the Resulting Company must issue, in consideration of the de-merger, its shares to the shareholders of the Demerged Company on a proportionate basis.

- c. The Management has proposed that post de-merger, all the Equity Shareholders of the Demerged Company will hold same percentage of Equity Shares in the Resulting Company as they are holding in the Demerged Company. Accordingly, it is proposed that upon the Scheme becoming effective, the pre-Scheme issued and paid up share capital of the Resulting Company will be cancelled and Compulsorily Redeemable Preference Shares would be created in place of such cancelled Equity Shares.
- d. Since, after the proposed de-merger, the entire Equity Share Capital of the Resulting Company will be held by the Equity Shareholders of the Demerged Company exactly in the same proportion as they are holding in the Demerged Company, no formal Share Valuation and Share Exchange Ratio is relevant or required. Accordingly, the proposed Share Swap Ratio given in this report is based entirely on the suggestions made by the Companies' Management.

9. Share Exchange Ratio for De-merger:

- The Resulting Company will issue 1 (one) Equity Share of ₹10 each, credited as fully paid-up, to the shareholders of the Demerged Company for every 1 (one) Equity Share of ₹100 each held in the Demerged Company.

**For Dinesh Mehta & Co.
(Chartered Accountants)
Firm Registration No.: 000220N**

**Sd/-
(CA Hiren Mehta)
Partner
Membership No.: 090772**

Date: 16th May, 2018
Place: New Delhi

Encl: Performa Balance Sheet of Moulding Unit of Super Cassettes Industries Pvt Ltd to be de-merged into Vijarshan Ventures Pvt Ltd

**Performa Balance Sheet of Moulding Unit of Super Cassettes Industries Pvt Ltd to be
de-merged into Vijarshan Ventures Pvt Ltd**

(As on 31st December, 2017)

Particulars	Amount ₹
ASSETS	
Non-current Assets	
Factory land and building, plant and machineries, and other fixed assets (Net)	61,82,469
Total	61,82,469
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Current Liabilities	
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Trade Payables	6,90,080
Other Current Liabilities	6,59,729
Total Liabilities (B)	13,49,809
Net Assets [A-B] (C)	11,41,97,978

* Credit balance in the Bank CC Account is added to the cash and cash equivalents in the Assets side.

INDEPENDENT AUDITORS' REPORT

To the Members of

Super Cassettes Industries Private Limited

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Super Cassettes Industries Private Limited ("the Company"), which comprise the standalone Balance Sheet as at 31st March, 2017 and the standalone statement of Profit and Loss (including Other Comprehensive Income) and the standalone Cash Flow Statement and the standalone statement of Changes in Equity for the year ended 31st March, 2017 and a summary of Ind AS significant accounting policies and other explanatory information, in which are incorporated accounts of Mumbai Audio Branch audited by Branch Auditor appointed by the management. The Head Office accounts include transactions which have been incorporated on the basis of Audited Balance sheet, Audited Statement of Profit & Loss (including other Comprehensive Income), the Cash Flow Statement and the statement of changes in Equity and other Audited returns received from branch Auditor. We cannot comment on such audited financial statements as the same are audited by other auditor.

Management's Responsibility for the Standalone Ind AS 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 and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in the equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by Ministry of Corporate Affairs. 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 standalone 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 standalone Ind AS financials statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements of the standalone 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 standalone Ind AS 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 standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, these standalone

Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017 and its profit including other comprehensive income, and its cash flows for the year ended on that date.

Other Matter

The financial information of the Company for the year ended 31st March 2016 and the transition date opening Balance Sheet as at 1st April 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended 31st March 2016 and 31st March 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated 01-09-2015 and 01-09-2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the company on transition to the Ind AS have been audited by us. Our opinion is not qualified 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 sub-section (11) of section 143 of the Act and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure I", a statement on the matters specified in the paragraph 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 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 report on the accounts of the Mumbai Audio Branch audited under section 143 (8) by a person other than company's auditor has been forwarded to us as required by proviso to sub section 8 of section 143 and have been dealt with in preparing our report in the manner considered necessary by us.
 - (d) The balance sheet and statement of profit and loss including other Comprehensive income, the cash flow statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
 - (e) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by Ministry of Corporate Affairs;
 - (f) on the basis of the written representation received from the directors as on 31st March 2017 taken on record by the board of directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (g) 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 dated 01-09-2017 in "Annexure-II"; and
 - (h) 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 and Companies (Audit and Auditors) Amendment Rules, 2017 in our opinion and to the best of our information and according to the explanation given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at 31st March 2017 on its financial position in its standalone Ind AS financial statements - Refer Note :- 23 (DI) to the standalone Ind AS financial statements;
 - ii. There were no foreseeable losses on long term contracts including derivatives contracts. Hence, company has not made any provision, as required under the applicable law or accounting standards.
 - iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the Company.
- IV. The company has provided requisite disclosures in **Note No : 23 (D24)** to these standalone Ind

AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For Dinesh Mehta & Co.
Chartered Accountants
Firm Registration Number : 000220N

Place: New Delhi
Date: 01-09-2017

(Hiren Mehta)
Partner
Membership Number : 090772

Annexure-I to the Independent Auditors' Report

(Referred to in paragraph 1 under the heading of "Independent Auditors' Report on other legal and Regulatory Requirements" of our Report of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets and in the process of updating quantitative and situation details with respect to certain fixed assets in the records maintained by the company.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) As per the information and explanations provided to us, the title deeds of immovable properties are generally in the name of the company except for following properties in which title deeds are pending for execution:

Particulars of Immovable Properties	Year of Acquisition	Gross Book Value (in Rs)
Flat No : 1 & 2 , Amber Apartment, Juhu Ville Parle, Mumbai	1984-85	7,00,000/-
Flat No : 201, Kundan Bagh, CHS, Juhu Ville Parle, Mumbai	1985-86	3,34,250/-
Flat No : 64, Movie Tower, CHS, Lokhandwala, Andheri (W), Mumbai - 400053	1988-89	3,90,450/-
Flat No: 21-F-3, Magnum Unit C.H.S Ltd, Andheri _ (W) Mumbai.-58	1990-91	5,43,680/-

- (ii) The Inventory, except material lying with third parties and in transit has been physically verified by the management during the year. In our opinion and according to information and explanation given to us, 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. In our opinion and according to the information and explanations given to us, the company is maintaining proper records of Inventory. No material discrepancies noticed on verification between the physical stocks and the book records.
- (ii) As per information and explanation given to us, the Company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register under section 189 of the Companies Act, 2013 ('the Act'), therefore paragraph 3 (iii) (a), (iii) (b) and (iii) ('c) of the order are not applicable to the company and hence not commented upon .
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. Further , the Company has not made any investments, or provided any guarantees or securities to the parties covered under Section 185 and 186.
- (v) As per information and explanation given to us, the Company has not accepted any deposits from the public

and accordingly directives issued by Reserve Bank of India and the provisions of section 73,74,75 and 76 or any other relevant provision of Companies Act and the rules framed thereunder to the extent notified would not apply and accordingly paragraph 3(v) of the order is not applicable.

- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the Maintenance of cost records under Section 148(1) of the Companies Act 2013, related to the manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of records with a view to determine whether they are accurate or complete.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed statutory dues payable in respect of provident fund, income tax, sales tax, duty of customs, value added tax, service tax, cess and other material undisputed statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and records of the company, dues in respect of Income Tax , Sales Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute are as follows :-

S. No	Name of Statute	Nature of Dues	Amount Disputed	Forum where dispute is pending
1.	Income Tax Act, 1961	Income Tax	82,842/-	Matter Pending before Assessing officer for AY 2008-09 & 2009-10 (TDS)
2.	Income Tax Act, 1961	Income Tax	87,50,047/-	Appeal is pending for AY 2010-11 & 2011-2012 (TDS) before CIT (A), Appeal is Pending before CIT (A) for AY 2014-15 and 2015-2016.
3.	Sales Tax I States Value Added Tax Acts	Sales Tax	3,41,16,329/-	Appeal for Assessment Year 1995-96, 1997-98, 1998-99, 1999-2000, 2000-2001, before Appellate Tribunal.
4.	Sales Tax I States Value Added Tax Acts	Sales Tax	4,58,05,3721/-	Appeal Pending for AY 2011-12 and 2015-16, before Add. Com Appellate Authority.
5.	Sales Tax I States Value Added Tax Acts	Sales Tax	2,20,1801/-	Appeal Pending for AY 2006-07 & 2008-09 before J.C Appellate Authority - Noida
6.	Sales Tax I States Value Added Tax Acts	Sales Tax	25,3741/-	Appeal Pending for AY 1998-99 before J.C Appellate Authority - Delhi
7.	Sales Tax I States Value Added Tax Acts	Sales Tax	18,88,8341/-	Appeal Pending for AY 2002-03, 2003-04, 2004-05 before J.C Appellate Authority - Hardwar
8.	Sales Tax I States Value Added Tax Acts	Sales Tax	9,90,6321/-	Appeal Pending for AY 2012-13 & 2013-14 J.C Appellate Authority - Noida
9.	Central Excise Act, 1944.	Central Excise Duty	88,23,49,1851/-	Demands Pertaining to the years 1990 and 1994 onwards and are lying pending for adjudication before Appellate Authorities.
10.	Customs Act, 1962	Customs Duty	1,54,77,2481/-	The outstanding amounts pertains to years 1987-88, 1990-91, 1991-92, 2000-2001, 2001-2002, 2011-2013

- (viii) Based on our audit procedures for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institutions, banks or government .
- (viii) The Company has not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable and hence not commented upon.

- (ix) During the course of our examination of the books and records of the company carried out, in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us by management, we have neither come across any instances of fraud on or by the company or on the Company by its officers or employees, noticed or reported during the year

nor have we been informed any such case by the company.

- (x) Based on our audit procedures performed for the purpose of reporting true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xi) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable and hence not commented upon.
- (xii) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone Ind AS financial Statements as required under India Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3 (xiv) of the order are not applicable to the Company and hence not commented upon.
- (xiv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and according to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them.
- (xv) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3 (xvi) of the Order are not applicable to the Company.

For Dinesh Mehta & Co.
Chartered Accountants
Firm Registration Number : 000220N

Place: New Delhi
Date: 01-09-2017

(Hiren Mehta)
Partner
Membership Number : 090772

Annexure- II to the Independent Auditors' Report

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 Super Cassettes Industries Private Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone Ind AS 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 the Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS 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 31 March 2017, 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.

For **Dinesh Mehta & Co.**

Chartered Accountants

Firm Registration Number : 000220N

(Hiren Mehta)

Partner

Membership Number : 090772

Place: New Delhi

Date: 01-09-2017

Super Cassettes Industries Private Limited
 Regd. Office: E-2/16, White House, Ansari Road, Daryaganj, Delhi - 110002
 CIN: U74899DL1983PTC016114

Balance Sheet as at 31st March, 2017

(Amount in Rupees)

Particulars	Note No.	As at 31/03/2017	As at 01/04/2016	As at 01/04/2015
I. ASSETS				
A. Non-Current Assets				
a. Property, Plant & Equipment	1	533,697,045	522,607,542	582,702,898
b. Capital Work-in-Progress	1	1,006,546,153	938,536,609	268,259,593
c. Investment Property	1a	683,747,219	715,650,049	517,625,134
d. <u>Financial Assets</u>				
i. Investments	2	9,482,966,915	8,390,234,014	7,990,563,493
ii. Trade Receivables (Unsecured, Considered Good)		200,933,742	143,071,724	229,789,632
e. Deferred Tax Assets (Net)		48,011,922	47,426,052	43,994,695
f. Other Non-Current Assets	3	1,999,539,564	1,609,480,315	1,496,698,607
B. Current Assets				
a. Inventories	4	80,844,256	88,541,922	146,410,532
b. <u>Financial Assets</u>				
i. Investments	5	623,934,000	997,415,263	-
ii. Trade Receivables (Unsecured, Considered Good)		527,010,723	665,287,853	821,165,593
iii. Cash and Cash Equivalents	6	1,413,077,021	1,293,210,308	1,233,214,121
c. Other Current Assets	7	3,614,305,473	1,599,049,413	1,648,066,237
TOTAL ASSETS		20,214,614,033	17,010,511,064	14,978,490,535
II. EQUITY & LIABILITIES				
1 Equity				
a. Equity Share Capital	8	49,325,600	49,325,600	49,325,600
b. Other Equity	9	16,696,315,605	14,325,359,081	12,495,687,736
2 Liabilities				
A. Non-Current Liabilities				
a. <u>Financial Liabilities</u>				
i. Borrowings (Unsecured) from Related Parties		386,776,129	323,714,771	317,342,418
ii. Trade Payables		50,607,194	27,535,983	23,577,614
b. Provisions	10	62,571,787	53,632,143	59,316,760
c. Deferred Tax Liabilities (Net)		-	-	-
d. Other Non-Current Liabilities	11	241,672,201	90,100,819	284,387,708
B. Current Liabilities				
a. <u>Financial Liabilities</u>				
i. Borrowings from Banks (Secured by Fixed Deposit)		720,138,318	86,052,274	78,886,191
ii. Trade Payables		607,683,050	594,991,272	424,983,027
b. Other Current Liabilities	12	1,399,482,723	1,459,687,648	1,244,153,655
c. Provisions	13	41,417	111,465	829,815
TOTAL EQUITY & LIABILITIES		20,214,614,033	17,010,511,064	14,978,490,535
III. Notes forming part of the Financial Statements	23			

This is the Balance Sheet referred to in our report of even date
For DINESH MEHTA & CO.

Chartered Accountants

Firm Registration No:000220-N

Sd/- (Hiren Mehta) Partner Membership No : 090772 Place: New Delhi Date: 01/09/2017	Sd/- (Bhushan Kumar Dua) Managing Director DIN: 00126614	Sd/- (Ved Prakash Chanana) Whole Time Director DIN: 00122597	Sd/- (R. P. Sharma) Chief Finance Officer
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Super Cassettes Industries Private Limited
 Regd. Office: E-2/16, White House, Ansari Road, Daryaganj, Delhi - 110002
 CIN: U74899DL1983PTC016114

Statement of Profit and Loss for the year ended 31st March, 2017

(Amount in Rupees)

Particulars		Note No.	For Year ended on 31/03/2017	For Year ended on 31/03/2016
I. REVENUE				
1	Revenue from Operations	14	5,988,681,865	5,587,572,421
2	Other Income	15	1,413,574,312	979,661,032
	TOTAL REVENUE (I)		7,402,256,178	6,567,233,453
II. EXPENSES				
1	Cost of Materials Consumed	16	60,270,780	81,438,276
2	Other Operating Expenses	17	722,550,969	398,023,847
3	Purchase of Traded Goods		624,428,461	526,422,682
4	Royalty, Recording & Shooting Expense	18	1,422,644,653	1,132,987,303
5	Changes in Inventory	19	(4,229,771)	51,905,227
6	Employee Benefit Expense	20	441,503,418	413,659,714
7	Finance Costs	21	25,342,591	3,447,583
8	Depreciation - Property, Plant & Equipment		76,191,455	102,941,738
9	Depreciation - Investment Property		31,902,829	19,874,538
10	Other Expenses	22	963,750,972	1,267,972,712
	TOTAL EXPENSES (II)		4,364,356,359	3,998,673,620
III. Profit before Exceptional Items and Tax (I - II)			3,037,899,819	2,568,559,833
IV. Exceptional Item			-	-
V. PROFIT BEFORE TAX (III - IV)			3,037,899,819	2,568,559,833
VI. Tax Expense				
1	Current Income Tax		665,000,000	630,000,000
2	Deferred Tax		(585,870)	(3,431,357)
3	Tax Adjustment of Earlier Years		6,103,722	(1,186,883)
VII. PROFIT/(LOSS) FOR THE PERIOD (V - VI)			2,367,381,967	1,943,178,073
VIII. Other Comprehensive Income				
1	Actuarial Gains / (Losses) on Defined Benefit Obligation		3,574,557	5,227,536
2	Net Changes in Fair Value of Investments		-	-
IX. TOTAL COMPREHENSIVE INCOME (VII + VIII)			2,370,956,524	1,948,405,609
X. Earnings per Equity Share				
1	Basic		4,799	3,939
2	Diluted		NA	NA
XI. Notes forming part of the Financial Statements		23		

This is the Statement of Profit & Loss referred to in our report of even date
For DINESH MEHTA & CO.

Chartered Accountants

Firm Registration No:000220-N

Sd/- (Hiren Mehta) Partner Membership No : 090772 Place: New Delhi Date: 01/09/2017	Sd/- (Bhushan Kumar Dua) Managing Director DIN: 00126614	Sd/- (Ved Prakash Chanana) Whole Time Director DIN: 00122597	Sd/- (R. P. Sharma) Chief Finance Officer
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Super Cassettes Industries Private Limited
 Regd. Office: E-2/16, White House, Ansari Road, Daryaganj, Delhi - 110002
 CIN: U74899DL1983PTC016114

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2017

(Amount in Rupees)

Particulars	3/31/2017		3/31/2016	
A. CASH FLOW FROM OPERATIONS				
Net Profit before Tax		3,037,899,819		2,568,559,833
Non-Cash Items				
Unrealized Gain on Investments	(748,964,359)		(647,085,786)	
Depreciation	76,191,455	(672,772,904)	102,941,738	(544,144,048)
Items Considered Separately				
Profit on sale of assets	(1,774,303)		(3,818,468)	
Loss on sale of assets	10,963,595		4,297,244	
Dividend Income	(1,287,528)		(3,992,569)	
Interest Cost	25,342,591		3,447,583	
Interest Received	(198,248,853)		(172,278,285)	
Profit from Investment	(243,697,834)	(408,702,332)	-	(172,344,495)
Operating Cash Flow before change in working capital		1,956,424,583		1,852,071,290
Adjustment for changes in working capital				
(Increase)/decrease in Inventories	7,697,666		57,868,610	
(Increase)/decrease in Trade Receivables	80,415,112		242,595,648	
(Increase)/decrease in Loans, Advances & Other Assets	(2,405,315,310)		(63,764,884)	
Increase/(decrease) in Liabilities and Provisions	139,573,600	(2,177,628,931)	194,038,287	430,737,660
Provision for Income Tax and Wealth Tax		(671,103,722)		(628,813,117)
Cash Generated from/(used in) operations		(892,308,070)		1,653,995,833
B. CASH FLOW FROM INVESTING ACTIVITIES				
Net Sale / (Purchase) of Fixed Assets / Investment Property		(123,387,673)		(911,148,313)
Profit on Sale of Fixed Assets		1,774,303		3,818,468
Loss on Sale of Fixed Assets		(10,963,595)		(4,297,244)
Net Sale / (Purchase) of Investments		29,712,721		(750,000,000)
Profit from Investment		243,697,834		-
Dividend Received		1,287,528		3,992,569
Interest Received		198,248,853		172,278,285
Cash Generated from/(used in) from investing activities		340,369,971		(1,485,356,234)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Fresh issue of equity share capital		-		-
Interest Paid		(25,342,591)		(3,447,583)
Borrowings		1,839,547,851		764,750,990
Repayment of Borrowings		(1,142,400,449)		(751,212,555)
Provision for Dividend and Dividend Tax Paid		-		(118,734,264)
Cash generated/(used in) from financing activities		671,804,811		(108,643,412)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)		119,866,713		59,996,187
Opening Cash and Bank Balances		1,293,210,308		1,233,214,121
Closing Cash and Bank Balances		1,413,077,021		1,293,210,308
		119,866,713		59,996,187

As per our report of even date attached.

For DINESH MEHTA & CO.

Chartered Accountants

Firm Registration No:000220-N

Sd/- (Hiren Mehta) Partner Membership No : 090772 Place: New Delhi Date: 01/09/2017	Sd/- (Bhushan Kumar Dua) Managing Director DIN: 00126614	Sd/- (Ved Prakash Chanana) Whole Time Director DIN: 00122597	Sd/- (R. P. Sharma) Chief Finance Officer
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2017

A. Equity Share Capital

Particulars	Balance as at 01/04/2015		Changes during FY 2015-2016		Balance as at 31/03/2016	
	Number	Amount (Rs.)	Number	Amount (Rs.)	Number	Amount (Rs.)
Authorized						
10,00,000 Equity Shares of Rs. 100/- each	1,000,000	100,000,000	-	-	1,000,000	100,000,000
Issued, Subscribed & Fully Paid Shares						
4,93,256 Equity Shares of Rs. 100/- each	493,256	49,325,600	-	-	493,256	49,325,600

Particulars	Balance as at 01/04/2016		Changes during FY 2016-2017		Balance as at 31/03/2017	
	Number	Amount (Rs.)	Number	Amount (Rs.)	Number	Amount (Rs.)
Authorized						
10,00,000 Equity Shares of Rs. 100/- each	1,000,000	100,000,000	-	-	1,000,000	100,000,000
Issued, Subscribed & Fully Paid Shares						
4,93,256 Equity Shares of Rs. 100/- each	493,256	49,325,600	-	-	493,256	49,325,600

B. Other Equity

Particulars	Reserve & Surplus					Items of Other Comprehensive Income	TOTAL
	Capital Reserve	Securities Premium	Amalgamation Reserve	General Reserve	Retained Earnings		
Balance as at 01/04/2015	31,413,526	63,280,800	15,650,872	7,008,941,568	5,376,400,970	-	12,495,687,736
Total Comprehensive Income for the FY 2015-2016	-	-	-	-	1,943,178,073	5,227,536	1,948,405,609
Dividend (including Dividend Tax)	-	-	-	-	(118,734,264)	-	(118,734,264)
Transfer to General Reserve	-	-	-	500,000,000	(500,000,000)	-	-
Balance as at 31/03/2016	31,413,526	63,280,800	15,650,872	7,508,941,568	6,700,844,779	5,227,536	14,325,359,081
Total Comprehensive Income for the FY 2016-2017	-	-	-	-	2,367,381,967	3,574,557	2,370,956,524
Dividend (including Dividend Tax)	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
Balance as at 31/03/2017	31,413,526	63,280,800	15,650,872	7,508,941,568	9,068,226,746	8,802,093	16,696,315,605

As per our report of even date attached.

For DINESH MEHTA & CO.

Chartered Accountants

Firm Registration No:000220-N

Sd/- (Hiren Mehta) Partner Membership No : 090772 Place: New Delhi Date: 01/09/2017	Sd/- (Bhushan Kumar Dua) Managing Director DIN: 00126614	Sd/- (Ved Prakash Chanana) Whole Time Director DIN: 00122597	Sd/- (R. P. Sharma) Chief Finance Officer
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NOTES FORMING PART OF THE BALANCE SHEET

Note No. 1 : PROPERTY, PLANT & EQUIPMENT AS AT 31/03/2017

Particulars	Useful Life (Years)	Gross Block			Depreciation			Net Block		
		As at 4/1/2016	Addition	Deletion	As at 3/31/2017	For The Year	Adjustments Deletion	As at 3/31/2017	As at 3/31/2016	As at 3/31/2015
Land	NA	122,089,739	-	-	122,089,739	-	-	122,089,739	122,089,739	122,089,739
Factory Building	30	109,737,205	-	3,340,777	106,396,428	4,761,926	2,846,925	32,227,531	37,483,309	44,805,613
Office Building	60	226,340,355	64,725,787	-	291,066,142	7,816,745	-	170,537,375	113,628,333	119,137,863
Plant & Machinery	15	1,075,088,113	2,689,179	206,383,313	871,393,979	22,448,516	194,013,725	107,946,493	140,075,420	178,169,396
Statue	60	1,303,258	-	-	1,303,258	-	-	1,303,258	-	-
Office Equipment	5	35,587,686	260,188	1,879,557	33,968,317	1,389,492	1,803,952	2,652,738	3,857,647	9,602,915
Furniture & Fixtures	10	78,075,000	1,039,815	959,437	78,156,376	4,733,505	868,699	65,484,654	12,671,722	16,455,151
Motor Vehicles	8	298,679,854	28,099,150	11,954,926	314,824,078	31,376,060	10,980,607	235,418,408	83,656,899	76,309,142
Computer & Equipments	3	62,418,214	4,843,710	19,203,824	48,058,100	3,659,540	18,840,577	42,034,246	5,202,929	10,052,150
Dies & Moulds	15	36,043,574	-	6,618,011	29,425,563	5,672	6,607,491	29,283,644	158,111	149,993
Temporary Erection	1	1,384,342	-	-	1,384,342	-	-	1,384,342	-	-
TOTAL		2,046,747,339	101,657,829	250,338,845	1,898,066,321	76,191,455	235,961,975	533,697,040	522,607,537	582,702,898
Capital Work in Progress		938,536,609	132,855,194	64,845,650	1,006,546,153	-	-	1,006,546,153	938,536,609	268,259,593
GRAND TOTAL		2,985,283,948	234,513,023	315,184,495	2,904,612,474	76,191,455	235,961,975	1,540,243,193	1,461,144,146	850,962,491

Note No. 1a : INVESTMENT PROPERTY AS AT 31/03/2017

Particulars	Useful Life (Years)	Gross Block			Depreciation			Net Block		
		As at 4/1/2016	Addition	Deletion	As at 3/31/2017	For The Year	Adjustments Deletion	As at 3/31/2017	As at 3/31/2016	As at 3/31/2015
Land	NA	57,841,859	-	-	57,841,859	-	-	57,841,859	57,841,859	55,245,659
Factory Building	30	24,312,646	-	-	24,312,646	322,860	-	1,686,755	2,009,615	2,024,602
Office Building	60	775,188,165	-	-	775,188,165	31,579,970	-	624,218,605	655,798,575	460,354,873
TOTAL		857,342,670	-	-	857,342,670	31,902,829	-	683,747,219	715,650,049	517,625,134
GRAND TOTAL		857,342,670	-	-	857,342,670	31,902,829	-	683,747,219	715,650,049	517,625,134

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	As at 31/03/2017	As at 31/03/2016	As at 01/04/2015
2	Investments (Non-Current)			
a.	Non-Trade Investments			
i.	Quoted (At Fair Value through P&L Account)			
	- Investment in Equity Instruments	12,273,500	9,447,250	9,196,750
	- Investment in Mutual Funds	-	-	-
	- Investment in Bonds	486,689,960	443,557,950	406,581,600
	- Investment in Debt Fund	8,576,419,581	6,981,001,245	6,017,670,686
	- Investment in Gold ETF	107,132,624	109,743,269	99,483,225
	- Investment in Fixed Maturity Plans	292,773,450	838,806,500	1,449,953,432
ii.	Unquoted (At Amortized Cost)			
	- Investment in Equity Instruments	7,677,800	7,677,800	7,677,800
	Total Investments (Non-Current)	9,482,966,915	8,390,234,014	7,990,563,493
3	Other Non-Current Assets			
a.	Unsecured & Considered Good			
i.	Advance Recoverable in Cash or Kind	350,509,417	148,060,848	140,240,643
ii.	Capital Advances	1,434,832,108	1,258,274,795	1,258,599,969
iii.	Security Deposits	25,182,622	23,239,799	16,685,146
iv.	Other Loans and Advances			
	- Advances against Projects under Production	3,904,501	57,710,785	-
	- Advances to Employees	537,000	998,770	-
	- Advances to Suppliers	908,668	1,569,378	6,339,289
	- Due From Sister Concerns	15,260,459	14,515,057	106,243
	- Tax Deducted at Source	104,311,070	51,632,445	63,825,760
	- Advance Income Tax	10,272,663	3,293,088	2,174,047
	- Service Tax	1,358,225	10,762,495	-
	- Excise Duty	19,796,118	26,560,565	8,125,374
	- Sales Tax / VAT	12,782,770	12,862,290	602,136
	- Lease Rent Accruals	19,883,943	-	-
	Total Other Non-Current Assets	1,999,539,564	1,609,480,315	1,496,698,607

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	As at 31/03/2017	As at 31/03/2016	As at 01/04/2015
4	Inventories			
	(as valued & certified by management)			
a.	Raw Materials			
	- In Hand	11,680,674	16,377,033	20,903,290
	- In Transit	4,026	108,683	18,033
b.	Consumables, Spares & Packing Material			
	- In Hand	15,194,794	23,262,312	24,420,296
	- In Transit	47,813	141,989	686,586
c.	Work-in-Progress	-	-	-
d.	Finished Goods (Manufactured)			
	- In Hand	21,167,929	29,466,281	61,587,198
	- In Transit	-	-	-
e.	Stock-in-Trade (Traded Goods)			
	- In Hand	33,916,230	18,814,654	39,906,021
	- In Transit	435,348	1,384,992	45,323
f.	Stock-in-Trade (Others)			
	- In Hand	-	1,938	4,845
	- In Transit	-	-	-
g.	Less: Stock Reserve	(1,602,558)	(1,015,960)	(1,161,060)
	Total Inventories	80,844,256	88,541,922	146,410,532
5	Investments (Current)			
a.	Non-Trade Investments			
i.	Quoted (At Fair Value through P&L Account)			
	- Investment in Equity Instruments	-	-	-
	- Investment in Mutual Funds	-	-	-
	- Investment in Bonds	-	-	-
	- Investment in Debt Fund	-	-	-
	- Investment in Gold ETF	-	-	-
	- Investment in Fixed Maturity Plans	623,934,000	997,415,263	-
ii.	Unquoted (At Amortized Cost)			
	- Investment in Equity Instruments	-	-	-
	Total Investments (Current)	623,934,000	997,415,263	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	As at 31/03/2017	As at 31/03/2016	As at 01/04/2015
6	Cash and Cash Equivalents			
a.	Cash & Cash Equivalent			
i.	Balances with Banks	(142,192)	(29,302,981)	(6,373,931)
ii.	Cheques in Hand	11,003,288	17,425,407	31,659,159
iii.	Cash in Hand	2,076,214	2,899,143	5,386,205
iv.	Imprest Balances	139,711	419,617	275,133
b.	Deposits With Banks			
i.	Bank Deposits with original maturity \geq 12 months	1,400,000,000	1,301,769,122	1,202,267,555
	Total Cash and Cash Equivalents	1,413,077,021	1,293,210,308	1,233,214,121
7	Other Current Assets			
a.	Unsecured & Considered Good			
i.	Advance Recoverable in Cash or Kind	1,056,799,692	1,125,033,069	996,794,634
ii.	Security Deposits	223,371	1,502,362	1,209,391
iii.	Other Loans and Advances			
	- Prepaid Expenses	7,481,990	6,811,554	6,814,282
	- Advances against Projects under Production	2,443,811,797	412,516,170	582,402,454
	- Service Tax	4,502,926	8,182,554	18,931,127
	- Excise Duty	98,395	130,056	26,971
	- Sales Tax / VAT	110,537	-	-
	- Due From Sister Concerns	-	-	-
	- Advances to Suppliers	80,803,981	19,734,325	19,903,512
	- Advances to Employees	7,533,074	7,881,106	6,891,521
	- Interest Accrued	12,788,312	17,224,987	15,057,387
	- Lease Rent Receivable	151,398	33,230	34,958
	Total Other Current Assets	3,614,305,473	1,599,049,413	1,648,066,237
8	Equity Share Capital			
a.	Authorized			
	10,00,000 Equity Shares of Rs. 100/- each	100,000,000	100,000,000	100,000,000
b.	Issued, Subscribed & Fully Paid Shares			
	4,93,256 Equity Shares of Rs. 100/- each	49,325,600	49,325,600	49,325,600
c.	Reconciliation of Number of Shares			
	Current Year	No. of Shares	Amount	
	Outstanding as on 31/03/2016	493,256	49,325,600	-
	Changes during the year	-	-	-
	Outstanding as on 31/03/2017	493,256	49,325,600	-
	Previous Year	No. of Shares	Amount	
	Outstanding as on 31/03/2015	493,256	49,325,600	-
	Changes during the year	-	-	-
	Outstanding as on 31/03/2016	493,256	49,325,600	-

d. Rights, Preferences and Restrictions attached to Shares

The Company has one class of equity shares having a par value of Rs. 100/- each. Each shareholder is eligible for one vote per share held.

The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board is subject to the the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

e. Details of Shareholders holding more than 5% of the aggregate Shares

Current Year	No. of Shares	% Holding
Mr. Bhushan Kumar Dua	344,808	69.90%
Mrs. Sudesh Kumari Dua	139,752	28.33%

Previous Year	No. of Shares	% Holding
Mr. Bhushan Kumar Dua	344,808	69.90%
Mrs. Sudesh Kumari Dua	139,752	28.33%

9 Other Equity

a.	Capital Reserve	31,413,526	31,413,526	31,413,526
b.	Securities Premium Reserve	63,280,800	63,280,800	63,280,800
c.	Amalgamation Reserve	15,650,872	15,650,872	15,650,872
d.	Capital Subsidy	-	-	-
e.	General Reserve	7,508,941,568	7,508,941,568	7,008,941,568
f.	<u>Surplus/(Deficit)</u>			
i.	Balance as per last Financial Statements	6,700,844,779	5,376,400,970	3,558,143,703
ii.	Profit/(Loss) for the year	2,367,381,967	1,943,178,073	835,019,012
iii.	Ind-AS Transition	-	-	1,069,669,049
	Profit/(Loss) for the year transferred to H.O	(0)	(0)	413,569,206
	<i>Less: Appropriations;</i>			
iv.	Transfer to General Reserve	-	(500,000,000)	(500,000,000)
v.	Dividend Distribution	-	(98,651,200)	-
vi.	Corporate Dividend Tax	-	(20,083,064)	-
	Net Surplus/(Deficit)	9,068,226,746	6,700,844,779	5,376,400,970
g.	<u>Other Comprehensive Income</u>			
i.	Balance as per last Financial Statements	5,227,536	-	-
ii.	For the year	3,574,557	5,227,536	-
	Total Other Comprehensive Income	8,802,093	5,227,536	-
	Total Other Equity	16,696,315,605	14,325,359,081	12,495,687,736

10 Provisions

a.	Provision for Gratuity	47,563,917	53,632,143	59,316,760
b.	Provision for Leave Encashment	15,007,870	-	-
	Total Provisions	62,571,787	53,632,143	59,316,760

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	As at 31/03/2017	As at 31/03/2016	As at 01/04/2015
11	Other Non-Current Liabilities			
a.	Customers at Credit	125,708,867	5,265,149	224,678,403
b.	Due to Staff	295,223	267,645	431,308
c.	Security Deposits	20,249,076	26,061,008	14,268,568
d.	Other Liabilities	84,221,498	48,649,221	45,009,429
e.	Due to Sister Concern	11,197,537	9,857,796	-
	Total Other Non-Current Liabilities	241,672,201	90,100,819	284,387,708

12	Other Current Liabilities			
a.	Due to Staff	27,493,384	22,851,228	18,534,130
b.	Customers at Credit	1,230,664,831	1,018,280,272	900,233,309
c.	Due to Sister Concerns	-	1,438,552	-
d.	Other Liabilities**	104,555,498	352,267,866	310,695,463
e.	Expenses Payable	36,769,011	64,849,730	14,690,753
	Total Other Current Liabilities	1,399,482,723	1,459,687,648	1,244,153,655

** "Other Liabilities" includes Statutory Dues

13	Provisions (Current)			
a.	Proposed Dividend	-	-	-
b.	Provision for Corporate Dividend Tax	-	-	-
c.	Provision for Income Tax	-	-	-
d.	Provision for Excise Duty on Finished Goods	41,417	111,465	113,138
e.	Provision for Wealth Tax	-	-	716,677
	Total Provisions (Current)	41,417	111,465	829,815

NOTE	PARTICULARS	For Year ended on 31/03/2017	For Year ended on 31/03/2016
14	Revenue from Operations		
a.	Sale of Products (Net of Sales Returns)		
i.	Manufactured Goods	119,109,173	204,737,920
ii.	Traded Goods	726,275,104	640,565,975
b.	Sale of Services		
i.	Content Aggregation Sales	628,289,033	659,524,172
c.	Other Operating Revenue		
i.	Royalty and License Fees	4,435,449,958	3,780,265,010
ii.	Income from Artist	20,356,597	23,038,951
iii.	Royalty from Satellite Rights of Films	2,500,000	231,500,000
iv.	Service / Job Work Charges	46,352,185	40,104,923
v.	Advertisement & Sponsorship	-	-
vi.	Studio & Equipment Hire Charges	9,160,471	8,279,000
vii.	Scrap Sale	2,618,812	1,961,636
	Gross Revenue from Operations	5,990,111,333	5,589,977,587
c.	<i>Less: Excise Duty</i>	1,429,468	2,405,166
	Net Revenue from Operations	5,988,681,865	5,587,572,421

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	For Year ended on 31/03/2017	For Year ended on 31/03/2016
15	Other Income		
a.	Interest Income	198,248,853	172,278,285
b.	Dividend Income	1,287,528	3,992,569
c.	Net Gain on Sale of Investments	243,697,834	-
d.	Unrealized Gain on Investment	748,964,359	647,085,786
e.	<u>Other Non-Operating Income</u>		
i.	Lease Rent Income	148,801,314	133,425,092
ii.	Lease Rent Accrual / Prior Period	19,883,943	-
iii.	Profit on Sale of Fixed Assets	1,774,303	3,818,468
iv.	Unclaimed Balances Written-Back	7,880,339	3,889,107
v.	Excess Provisions Written-Back	51,262	240,699
vi.	Duty Drawback	11,131	18,881
vii.	Discount & Commission	290,780	117,454
viii.	Insurance Claim	889,368	2,355,922
ix.	Net Foreign Exchange Gain	103,867	283,915
x.	Miscellaneous Income	41,689,431	12,154,853
	Total Other Income	1,413,574,312	979,661,032
16	Cost of Material Consumed		
a.	Raw Material		
i.	Opening Balance	16,377,033	20,903,085
ii.	Add: Purchases	57,997,432	78,323,716
iii.	Less: Transfer to Expense	(183,498)	(70,733)
iv.	Less: Sale	(2,120,311)	(1,007,862)
v.	Less: CENVAT on Inter-Unit Receipt	(119,202)	(332,897)
vi.	Less: Closing Balance	(11,680,674)	(16,377,033)
	Total Cost of Material Consumed	60,270,780	81,438,276
17	Other Operating Expenses		
a.	Consumable Stores Consumed	14,359,850	13,509,360
b.	Power & Fuel	17,733,835	19,031,172
c.	Job Work & Processing Charges	1,365,957	2,398,675
d.	Machinery Repairs	6,694,527	7,234,230
e.	Design & Art Work	498,844	472,964
f.	Cartage (Inward)	2,458,149	1,348,536
g.	Entry Tax	1,110,566	506,025
h.	Excise Duty Paid	892,806	2,100,055
i.	Loss From Films	578,757,252	176,680,253
j.	Satellite Rights / Digital Business Expenses	98,679,183	174,742,577
	Total Other Operating Expenses	722,550,969	398,023,847

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	For Year ended on 31/03/2017	For Year ended on 31/03/2016
18	Royalty, Recording & Shooting Expense		
a.	Royalty Expenses - Audio	1,336,472,070	1,078,700,982
b.	Royalty Expenses - Video	2,718,967	4,821,361
c.	Recording Expenses	81,409,616	43,473,268
d.	Shooting Expenses	-	4,925,928
e.	Sub-Title/Mastering/Censor/Telecast Charges	2,044,000	1,065,764
	Total Royalty, Recording & Shooting Expense	1,422,644,653	1,132,987,303
19	Changes in Inventory		
a.	<u>Inventories at the end of the year</u>		
i.	Work-in-Progress	-	-
ii.	Finished Goods (Manufactured)	21,167,926	29,466,281
iii.	Stock-in-Trade (Traded Goods)	33,916,229	18,814,654
iv.	Stock-in-Trade (Others)	-	1,938
v.	Goods-in-Transit	-	-
vi.	<i>Less: Transferred to Expenses</i>	-	-
vii.	<i>Less: Stock Reserve</i>	(1,602,558)	(1,015,960)
b.	<u>Inventories at the beginning of the year</u>		
i.	Work-in-Progress	-	-
ii.	Finished Goods (Manufactured)	29,466,281	61,587,198
iii.	Stock-in-Trade (Traded Goods)	18,814,654	39,906,021
iv.	Stock-in-Trade (Others)	1,938	4,845
v.	Goods-in-Transit	-	-
vi.	<i>Less: Transferred to Expenses</i>	1,984,913	(1,164,864)
vii.	<i>Less: Stock Reserve</i>	(1,015,960)	(1,161,060)
	Total Changes in Inventory	(4,229,771)	51,905,227
20	Employee Benefit Expenses		
a.	Salary, Wages and Bonus	248,344,336	246,196,748
b.	Remuneration to Directors	25,599,805	24,751,162
c.	MD Commission	102,495,900	95,175,424
d.	Contribution to Provident Fund and ESI	20,953,606	20,062,552
e.	Gratuity Expenses	10,371,550	11,417,717
f.	Staff Welfare Expenses	18,730,351	16,056,111
g.	Leave Encashment Expenses	15,007,870	-
	Total Employee Benefit Expenses	441,503,418	413,659,714
21	Finance Costs		
a.	Interest Paid	25,342,591	3,447,583
	Total Finance Costs	25,342,591	3,447,583

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	For Year ended on 31/03/2017	For Year ended on 31/03/2016
22	Other Expenses		
a.	<u>Administrative Expenses</u>		
i.	Service tax / Sales Tax / Excise / Customs Paid	8,566,514	9,063,272
ii.	Electricity & Water Expenses	17,279,519	17,499,150
iii.	Insurance	4,216,809	4,037,747
iv.	Rent	15,502,839	13,442,946
v.	Rates and Taxes	10,213,041	12,275,052
vi.	Repair & Maintenance (Others)	20,495,607	18,904,062
vii.	Building Repairs & Maint.(Office)	10,914,281	6,500,454
viii.	Building Repairs & Maint.(Factory)	912,538	51,677
ix.	Travelling Expenses	34,372,511	36,566,572
x.	Payment to Auditors	3,052,000	2,747,005
xi.	Interest Expense - Others	86,235	3,297,804
xii.	General Expenses	14,324,733	6,551,141
xiii.	Subscription & Membership	1,798,037	1,223,710
xiv.	Charity & Donation	37,224,000	37,870,000
xv.	Watch & Ward Expenses	18,218,494	18,263,537
xvi.	Staff Recruitment Expenses	39,033	179,040
xvii.	Conveyance Expenses	7,500,025	7,217,459
xviii.	Motor Vehicles Maintenance	16,521,209	15,677,182
xix.	Discount,Commission & Brokerages	44,662,487	25,122,182
xx.	Printing & Stationary	3,982,753	3,141,385
xxi.	Legal & Professional Exp.	143,005,655	178,238,991
xxii.	Postage,Telephone & Internet Exp.	11,779,486	11,219,765
xxiii.	Diff. In Exchange	12,491	34,836
xxiv.	Loss in Sale of Fixed Assets	10,963,595	4,297,244
xxv.	Licence Fees	269,872	210,685
xxvi.	Previous Year Expenses	101,658	11,681
xxvii.	Newspaper,Books & preiodicals	102,503	106,687
xxviii.	Short & Excess	708	(346)
xxix.	Service Expenses	4,267,086	26,347,096
xxx.	Loss in Transit	74,759	54,230
xxxi.	Fines & Penalties	467,707	260,955
xxxii.	Anti Piracy Expenses	2,177,820	1,839,078
xxxiii.	Festival Expenses	540,257	560,807
xxxiv.	Computer Software Exp.	409,441	1,467,974
xxxv.	Amount written off	21,279,514	69,547,875
xxxvi.	Profit/Loss against I/U Transfer of Goods	17,005	-
xxxvii.	Bank Charges	1,191,299	933,048
b.	<u>Selling & Distribution Expenses</u>		
i.	Samples, Sales Promotion and Adv. Exp.	469,185,859	655,259,714
ii.	Freight & Cartage	8,667,965	6,562,259
iii.	Bad Debts	863,304	52,649,550
iv.	Packing & Forwarding Expenses	4,987,190	5,080,920
v.	Loading & Unloading charges	13,503,133	13,658,285
	Total Other Expenses	963,750,972	1,267,972,712

NOTE No. 23 - SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

A. CORPORATE INFORMATION

Super Cassettes Industries Private Limited ("T-Series" or "the Company") is incorporated in the National Capital Territory of Delhi, India. The registered office of the Company is E-2/16, White House, Ansari Road, Daryaganj, Delhi - 110002. The Company is mainly in the following businesses:

- (a) Production of Motion Picture Films;
- (b) Manufacturing of Audio / Video CDs;
- (c) Acquiring & Licensing of Audio / Visual Music Rights.
- (d) Trading of Consumer Electronic Goods such as LED, Washing Machines etc.

B. BASIS OF PREPARATION AND PRESENTATION

1. Basis of Preparation:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. These financial statements for the year ended 31 March 2017 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31 March 2016, the Company had prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, *First-Time Adoption of Indian Accounting Standards*. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

2. Use Of Estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

C. SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURS

1. Revenue Recognition:

Revenue is recognized to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. All revenues are accounted on accrual basis except to the extent stated otherwise.

- (i) Royalties and License Fee are recognized on an accruals basis in accordance with the substance of the relevant agreement.
- (ii) Sale of Goods is recognized, when the significant risks and rewards have been transferred to the customers in accordance with the agreed terms.
- (iii) Revenue from other services is recognized as and when such services are completed / performed and the revenue is reliably measurable.
- (iv) Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2. Property, Plant & Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the written-down value method at the rate and the manner based on the Useful Lifecycle of the assets as prescribed in Schedule II of Companies Act 2013 except where otherwise stated.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

An item of property, plant and equipment and any significant part initially recognized, is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

The Company has elected to measure all its property, plant and equipment at their previous GAAP carrying value as deemed cost at date of transition.

3. Financial Instruments

3.1 Initial Recognition

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

3.2 Subsequent Measurement

a. Non-Derivative Financial Instruments

i. Financial Assets at amortized cost

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

ii. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii. Financial assets at fair value through profit or loss

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

iv. Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

4. Valuation of Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any, except in case of by-products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing materials, trading and other products are determined on FIFO basis. The net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses necessary to make the sale.

5. Statement of Cash Flows

Statement of Cash Flows is prepared using the Indirect Method, whereby Profit Before Tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of Income or Expense associated with Investing or Financing Cash Flows. The cash flows from Operating, Investing and Financing activities of the company are segregated.

For the purpose of presentation in the Statement of Cash Flow, Cash and Cash Equivalents comprise cash on hand, balances with banks including demand deposits, other short-term highly liquid investments that are subject to an insignificant risk of changes in value, are easily convertible into a known amount of cash and have a maturity of three months or less from the date of acquisition or investment.

6. Foreign Currency

6.1 Functional currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

6.2 Transactions and translations

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

7. Employee Benefits

7.1 Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Super Cassettes Industries Private Limited Employees Gratuity Fund ('the Trust'). Trustees administer contributions made to the Trusts and contributions are invested in a scheme with the Life Insurance Corporation of India and HDFC Standard Life Insurance Co. Ltd. as permitted by Indian law.

The fair value of plan assets is deducted from the present value of the defined benefit obligation for other post-employment benefits to determine the net defined benefit liability.

Gains and losses through remeasurements of the net defined benefit liability / (asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields

computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effects of any plan amendments are recognized in net profit in the Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit and Loss as past service cost under Employee Benefit Expenses'.

For other employee benefits, the effect of re-measurements arising due to experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss as Employee Benefit Expenses' in the year in which they arise.

7.2 Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

8. Income Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

9. Earnings per Equity Share (EPS)

The earnings considered in ascertaining the Company's EPS, is the Net Profit after Tax. The number of Equity Shares used in computing basic EPS is the weighted average number of Equity Shares outstanding during the year.

10. Provisions and Contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure as specified in Indian Accounting Standard 37 –“Provisions, Contingent Liabilities and Contingent Assets” is made.

Contingent Assets are not recognized in the Financial Statements.

11. Impairment of Assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired.

If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

12. Leases

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

A leased asset under operating lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

13. Events occurring after Reporting Period

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

14. Investment Properties

Investment properties comprises land and buildings not being used for operational or administrative purposes. It is measured using the cost model.

The Company depreciates Investment properties under written-down value method over estimated useful lives which are similar to the useful life prescribed in Schedule II to the Companies Act, 2013.

Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Transition to Ind AS:

The Company has elected to measure all its investment properties at their previous GAAP carrying value as deemed cost at date of transition.

15. Reconciliation between Previous GAAP and Ind-AS*

i. Statement of Profit & Loss

Particulars	Previous GAAP	Ind-AS	Difference	Remarks
Other Income	33,25,75,245/-	97,96,61,032/-	64,70,85,787/-	Fair Value re-measurement of Investments (Ind-AS 107 & 109)
Gratuity Provision	71,20,919/-	1,14,17,717/-	(42,96,798/-)	Re-Measurement of Gratuity Liability (Ind-AS 19)
Deferred Tax	1,53,77,690/-	34,31,357/-	(1,19,46,333/-)	Re-Measurement of Deferred Tax as per Tax Base (Ind-AS 12)
NET INCREASE IN PROFIT AFTER TAX			63,08,42,656/-	
Acturial Gains / (Losses) on Defined Benefit Obligation	-	52,27,536/-	52,27,536/-	Re-Measurement of Gratuity Liability (Ind-AS 19)
NET INCREASE IN TOTAL COMPREHENSIVE INCOME			63,60,70,192/-	

ii. Balance Sheet as at 01/04/2015

Particulars	Previous GAAP	Ind-AS	Difference	Remarks
Investments	689,30,56,294/-	799,05,63,493/-	109,75,07,199/-	Fair Value re-measurement of Investments (Ind-AS 107 & 109)
Deferred Tax Asset	7,57,26,489/-	4,39,94,695/-	(3,17,31,794/-)	Re-Measurement of Deferred Tax as per Tax Base (Ind-AS 12)
Gratuity Provision	6,32,10,404/-	5,93,16,760/-	38,93,644/-	Re-Measurement of Gratuity Liability (Ind-AS 19)
Dividend Distribution	4,93,25,600/-	NIL	4,93,25,600/-	Elimination of Provision of Dividend & Related Tax as per Ind-AS 10
Dividend Distribution Tax	1,00,41,532/-	NIL	1,00,41,532/-	Elimination of Provision of Dividend & Related Tax as per Ind-AS 10
NET INCREASE IN TOTAL EQUITY			112,90,36,181/-	

iii. Balance Sheet as at 31/03/2016

Particulars	Previous GAAP	Ind-AS	Difference	Remarks
Investments	764,30,56,294	938,76,49,277/-	174,45,92,983/-	Fair Value re-measurement of Investments (Ind-AS 107 & 109)
Deferred Tax Asset	9,11,04,179/-	4,74,26,052/-	(4,36,78,127/-)	Re-Measurement of Deferred Tax as per Tax Base (Ind-AS 12)
Gratuity Provision	5,84,56,525/-	5,36,32,143/-	48,24,382/-	Re-Measurement of Gratuity Liability (Ind-AS 19)
NET INCREASE IN TOTAL EQUITY			170,57,39,238/-	

iv. Re-classification following requirements of Ind-AS 16 and Ind-AS 40

PARTICULARS	2015-2016		2014-2015	
	Previous GAAP	Ind-AS	Previous GAAP	Ind-AS
Property, Plant & Equipment	1,090,833,465	522,607,542	956,389,855	582,702,898
Capital WIP	62,129,075	938,536,609	-	268,259,593
Investment Property	983,997,445	715,650,049	512,596,062	517,625,134
Capital Advances	716,907,060	1,258,274,795	531,783,599	1,258,599,969
Advances for Investment in Property	581,201,949	-	626,418,078	-
TOTAL	3,435,068,994	3,435,068,994	2,627,187,594	2,627,187,594

***Notes:**

i. Proposed Dividend including Dividend Distribution Tax

Under the previous GAAP, dividends proposed by the Board of Directors after the Balance Sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend including dividend distribution tax was recognized as a liability. Under Ind-AS, such dividends are recognized when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend distribution tax including under provisions has been derecognized with corresponding adjustments to retained earnings.

ii. Actuarial Loss on Defined Benefit plans

Under Ind-AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit obligation, are recognized in Other Comprehensive Income instead of the Statement of Profit & Loss. Under the previous GAAP, these remeasurements were forming part of the profit & loss for the year.

iii. Deferred Tax

Deferred Tax has been recognized on the adjustments made on transition to Ind-AS as per Ind-AS 12 - Income Taxes.

iv. Other Comprehensive Income

Under Ind-AS, all items of income and expenses recognized in the year should be included in the Statement of Profit and Loss for the year, unless a standard requires or permits otherwise. Items of Income or Expense that are not recognized in Statement of Profit and Loss but are shown in statement of profit and loss as "Other Comprehensive Income" includes remeasurements of defined benefit plans. The concept of Other Comprehensive Income did not exist under previous GAAP.

D. NOTES ON ACCOUNTS

1. Contingent Liabilities not provided for: (As certified by Management)

S.No.	Particulars	31.3.2017	31.3.2016	31.3.2015
i)	Disputed Income Tax demand under appeal	88,32,889	92,46,11,427	91,96,32,147
ii)	Letters of credit established	-	1,27,52,533	1,96,44,872
iii)	Outstanding Bank Guarantees	11,12,75,200	7,15,200	20,95,200
iv)	Excise Duty claims not accepted by co.	87,31,51,079	90,48,33,731	65,35,82,339
v)	Claims filed against the Company not acknowledged as debts	5,68,93,055	5,05,57,166	4,81,59,465
vi)	Sales Tax Demands disputed by company	8,30,46,721	8,23,73,766	7,95,04,661
vii)	Custom Duty Demands under Appeal	1,54,77,248	1,54,77,248	1,62,35,745

2. C.I.F Value of Imports

		2017	2016	2015
a.	Raw Material	72,95,578	51,24,755	2,72,63,391
b.	Spare Parts & Others	2,44,375	4,62,795	21,57,403
c.	Capital Goods	-	-	-
d.	Consumables	68,100	2,33,149	1,27,599
e.	Finished Goods	-	-	-
f.	Others	1,58,539	-	-
	TOTAL	77,66,592	58,20,699	2,95,48,393

3. Payment to Auditors

		2017	2016	2015
i)	Audit Fee	23,42,000	21,00,000	19,84,000
ii)	Tax Audit	7,10,000	6,47,005	5,49,500
iii)	Other Services	NIL	NIL	45,67,515
	TOTAL	30.52.000	27.47.005	71.01.015

4. Payments in Foreign Currency

A. Expenditure in Foreign Currency :

S.No.	Particulars	2017	2016	2015
a)	Foreign Travels	69,74,060	1,95,87,439	97,75,430
b)	Royalty & Others	72,71,87,880	6,39,23,883	50,30,25,078
	TOTAL	73,41,61,940	8,35,11,322	51,28,00,508

B. Dividend

Particulars	Declared & Paid during FY 2015-2016	
	2015-2016	2014-2015
Financial Year to which it relates		
Number of Non-Resident Shareholders	1	1
Number of Equity Shares on which dividend was due	6392	6392
Amount in Foreign Currency	\$9,597	\$9,785
Amount Remitted (Rs. in lacs)	6,39,200/-	6,39,200/-

The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

5. Earning in Foreign Currency

		2017	2016	2015
a)	Export of Goods on FOB basis	-	16,27,587	25,41,822
b)	Royalty	136,36,38,440	110,38,34,710	59,31,90,466
c)	Other	-	-	2,16,78,882
	TOTAL	1,36,36,38,440	110,54,62,297	61,74,11,170

6. Debit and Credit Balance in Party's Accounts are subject to confirmation. Adjustments having an impact of revenue nature, if any, will be made in the year in which the same are fully reconciled.

7. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advance) Rs. 6,30,07,567/- (Previous Year - Rs. 12,17,39,227/-)

8. Expected Credit Loss (ECL) for Trade Receivables / Security Deposits

Taking the past trends of complete recoverability of dues from Trade Receivables, company decides not to provide for expected credit loss for trade receivables under simplified approach. Similarly, company has given security deposits to government authorities for using the various utilities like Water and Electricity and Sales Tax Department. In the opinion of management, these are fully recoverable as and when company surrender the utility along with registration of sales tax at any time during future years against which no risk arises.

9. The following inventory items are seized by customs department, hence, these items are continuously shown at Cost instead of Cost or NRV, whichever is lower as per Ind-AS 2.

Particulars	Quantity	Rate	Cost (in Rs.)
Multimedia Speaker HTS-7000	10 Nos.	2,752/-	27,520/-
Multimedia Speaker HTS M-300	46 Nos.	1,190/-	54,740/-
Multimedia Speaker HTS M-600	19 Nos.	1,800/-	34,200/-

10. Regarding disclosure of amount due to Trade Payables which are Micro, Small and Medium Enterprises, the company has not yet collected the information from them regarding their Micro, Small and Medium Enterprises, status of which is still in progress. Therefore, compilation of breakup of the trade payables between Micro, Small and Medium Enterprises with regard to principle amount and interest due thereon and others could not be made.

11. In certain cases, the title deeds of Immovable Properties owned by the company have not been executed by the company in its favour by way Registered Sale Deed. However, in case of Immovable Properties classified as Property, Plant & Equipment or Investment Properties, title deeds are generally in the name of company in case of following properties;

Particulars of Immovable Properties	Year of Acquisition	Gross Book Value (in Rs)
Flat No : 1 & 2 , Amber Apartment, Juhu Ville Parle, Mumbai	1984-85	7,00,000/-
Flat No : 201, Kundan Bagh, CHS, Juhu Ville Parle, Mumbai	1985-86	3,34,250/-
Flat No : 64, Movie Tower, CHS, Lokhandwala, Andheri (W), Mumbai - 400053	1988-89	3,90,450/-
Flat No : 21-F-3, Magnum Unit C.H.S Ltd, Andheri (W) Mumbai.-58	1990-91	5,43,680/-

12. Excise duty payable on finished goods in bonded ware-house of the Factories, has been provided during the year. However, Custom Duty on imports of material lying in Bonded Warehouses has not been provided. The said liability if accounted for would have no effect on its Profit and Loss Account.
13. FDR's amounting to Rs. 140,00,00,000/- (FY 2015-2016 - Rs. 130,17,69,122/- and FY 2014-2015 - Rs. 120,22,67,555/-) are under lien to bank as margin on ODFD A/c, Letter of credits & guarantees given by the bank on behalf of the Company.
14. DEPB Licenses are accounted at the time of its utilization. The benefit in the form of entitlements to advance Licenses for duty free imports of raw materials in respect of exports made is accounted when such imports are made.
15. **Segment Reporting:** The Managing Director and other Whole Time Directors are identified as Chief Operating Decision Makers of the company. They are responsible for allocating resources and assessing the performance of the operating segments. Since the company is engaged in manufacturing and trading of electronic goods, production of films, earning of royalties (both from company's country of domicile, India and attributed to all other foreign countries). No discreet financial information is available individually for these operating segments. Thus, the segment revenue, interest revenue, interest expense, depreciation and amortization, segment assets and liabilities are all as reflected in the financial statements as at and for the year ended 31st March, 2017.

16. Investment Properties

16A Estimation of Fair Value

The fair value of Investment properties has been determined based upon the prevailing market rates. The current prices in active market for similar properties has been used to determine the fair value of investment properties. The fair value measurement of Investment Properties has been categorized as Level 3 based on the Input of Valuations.

The fair value of investment as measured using method described above works out to Rs. 353,83,44,000/- as at 31st March, 2017.

16B Amount recognized in Statement of Profit & Loss

Income

Rental Income (Ref.: Note No. 15)	-	Rs. 16,86,85,257/-
Expenses		
Depreciation (Ref.: Note No. 1A)	-	Rs. 3,19,02,829/-
Other Expenses	-	Rs. 69,40,845/-

16C Lease Rent Receivables

Operating Leases

Particulars	As On 31/3/2017 (In Rs.)
Not later than one year	126,156,664/-
Later than one year but not later than five	388,518,116/-
More than five years	140,475,935/-

17. The Company has recognized Deferred Tax Liability / Asset on account of timing differences. Major Components of Deferred Tax arising on account of temporary timing differences are as under:

Particulars	2017	2016	2015
	(Rs. In Lacs)	(Rs. In Lacs)	(Rs. In Lacs)
Deferred Tax Asset / (Liability) already recognized	91,104,179	91,104,179	75,726,489
Deferred Tax Asset / (Liability) as on Reporting Date			
(i) Fixed Assets / Investment Property	33,197,571	28,589,430	23,832,928
(ii) Provision for Bonus	40,943	275,610	-
(iii) Provision for Gratuity	16,460,920	18,561,012	20,161,767
(iv) Provision for Leave Encashment	5,193,924	-	-
(v) Rent Accrual	(6,881,435)	-	-
TOTAL	48,011,922	47,426,052	43,994,695
(Charged / (Credited) to Profit & Loss A/c)	43,092,257	43,678,127	31,731,794

The above Deferred tax assets and liabilities are the tax effect @ 34.61% as applicable tax rates for the Current Year and Previous Years - FY 2015-2016 @ 34.61% & FY 2014-2015 @ 33.99% respectively.

17. During the Financial Year 2016-2017, the company has incurred expenditure in accordance with Section 135 of the Companies Act, 2013 on the CSR Activities as specified in Schedule VII to the Companies Act, 2013. The details are as under;

a. Gross Amount required to be specified by the company during the year - Rs. 3,67,41,276/-

b. Amount spent during the year on;

S.No.	Particulars	In Cash	Yet to be paid in Cash	Total
1.	Construction / Acquisition of any asset	NIL	NIL	NIL
2.	On purposes other than (1) above	3,70,60,000/-	NIL	3,70,60,000/-

18. Disclosure of Payment under Voluntary retirement Scheme:

	2016-2017	2015-2016	2014-2015
Balance in the beginning	-	-	14,07,271
Paid during the year	-	-	-
Amount written off during the year	-	-	14,07,271
Closing as at year end	-	-	-

19. Related Party Transactions

A. Transactions

Name	Relation	Transaction	Amount
Aalap Digital Music Private Limited	Joint Venture	License Fee Expense	69,892
Ajay Kapoor	Wholetime Director (till 23/10/2016)	Salary Expense	1,104,286
Ajay Kapoor	Wholetime Director (till 23/10/2016)	Consultancy Expense	660,386
Amar Nath Sehgal	Wholetime Director	Salary Expense	3,488,200
Bhushan Kumar Dua	Managing Director	Salary Expense	2,773,757
Bhushan Kumar Dua	Managing Director	Rent Expense (C-85)	1,996,500
Bhushan Kumar Dua	Managing Director	Rent Expense (C-94)	1,006,236
Bhushan Kumar Dua	Managing Director	Commission (Salary)	102,495,899
Darshan Kumar	Self	Salary Expense	1,596,321
Divya Kumar Dua	Self	Salary Expense	3,397,568

Name	Relation	Transaction	Amount
Gold Leaf Designs	Proprietorship of Ms. Khushali Dua	Rent Income	360,000
Gold Leaf Designs	Proprietorship of Ms. Khushali Dua	Purchase of Clothes for Shooting	3,175,000
Hardarshan Singh Kapoor	Father of Mr. Ajay Kapoor	Consultancy Expenses	583,605
Hitesh Ralhan	Husband of Ms. Tulsi Dua	Consultancy Expenses	4,220,110
Hitesh Ralhan	Husband of Ms. Tulsi Dua	Reimbursement of Travelling & Telephone	180,000
Khushali Dua	Wholetime Director	Salary Expense	3,296,816
Krishan Kumar Arora	Brother of Mr. Darshan Kumar	Consultancy Expenses	10,800,000
Krishan Kumar Arora	Brother of Mr. Darshan Kumar	Club Membership	181,250
Neelam Chanana	Wife of Mr. Ved Prakash Chanana	Salary Expense	888,617
Ram Paul Sharma	Chief Finance Officer	Salary Expense	28,25,125
Rani Arora	Sister of Mr. Darshan Kumar	Consultancy Expenses	2,100,000
Shivam Chanana	Son of Mr. Ved Prakash Chanana	Salary Expense	1,103,258
Shivani Gupta	Daughter of Mr. Ved Prakash Chanana	Salary Expense	939,828
Sudesh Kumari Dua	Wholetime Director	Salary Expense	3,298,230
Super Electronics	Partnership of Mr. Bhushan Kumar Dua & Mrs. Sudesh Kumari Dua	Rent Expense	290,000
Super Music International	Proprietorship of Mr. Bhushan Kumar Dua	Rent Expense (Baddi)	80,500
Tulsi Dua	Wholetime Director	Salary Expense	3,298,230
Tulsi Dua	Wholetime Director	Performance Fee	7,228,337
Ved Prakash Chanana	Wholetime Director	Salary Expense	2,330,548
Venkateshwar Estates Private Limited	Associate Company	Rent Expense	3,960,000
Vijay Processors Private Limited	Associate Company	NA	NA
Vijay Sachdeva	Wholetime Director	Salary Expense	3,353,372
Vinod Kumar Sikka	Brother of Mrs. Sudesh Kumari Dua	Consultancy Expenses	971,904

B. Outstanding Balances

Particulars	Remuneration Payable	Other Receivable	Other Payable
Aalap Digital Music Private Limited		63,354,205	
Ajay Kapoor (till 23/10/2016)	77,460		
Amar Nath Sehgal	174,403		
Bhushan Kumar Dua	147,785		374,397,975
Chand Cassettes Industries			10,000
Darshan Kumar	94,244		
Divya Kumar	121,132		
Gold Leaf Designs		945,645	

Particulars	Remuneration Payable	Other Receivable	Other Payable
Gopal Soap Industries		3,877,096	
Gopal Software International			278,550
Hitesh Ralhan			142,830
Jagdamba Electronics			92,498
Kali Electronics		1,326,874	
Khushali Dua	181,586		
Krishna International		7,338,959	
Rajni Industries		463,294	
Shiva Electronics		4,959	
Sree Krishna Pictures			2,960,779
Sudesh Kumari Dua	183,286		12,378,154
Super Electronics		1,303,632	3,299,798
Tulsi Dua	123,886		7,589,754
Ved Prakash Chanana	129,042		
Venkateshwar Estates Pvt. Ltd.			1,222,721
Vijay Sachdeva	173,942		
Vinod Kumar Sikka			37,268
YBR MUSIC PUBLISHING PVT. LTD.			3,378,360

20. In the opinion of Board of Directors, all assets including Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

21. As per Accounting Indian Accounting Standard 19 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below :

A. Defined Contribution Plan

S.No.	Particulars	2016-2017
1.	Employer's Contribution to Provident Fund & Admin Charges	1,89,13,392/-
2.	Employer's Contribution to ESI	20,28,604/-
3.	Employer's Contribution to Maharashtra Labour Welfare Fund	11,610/-
	TOTAL (Ref. Note No. 20 - Employee Benefit Expenses)	2,09,53,606/-

B. Defined Benefit Plan

i. Leave Encashment

The present value of obligation w.r.t Leave Encashment is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Provision for the Financial Year 2016-2017 has been valued at Rs. 1,50,07,870/-.

ii. Gratuity

The employees' gratuity fund scheme is managed by a Trust (HDFC Standard Life Insurance Co. Limited) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

Assumptions (Previous Period)			
Expected Return on Plan Assets	7.99%	7.94%	8.70%
Rate of Discounting	7.99%	7.94%	9.19%
Rate of Salary Increase	10.00%	10.00%	10.00%
Rate of Employee Turnover	6.60%	6.60%	6.60%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.	N.A.
Assumptions (Current Period)			
Expected Return on Plan Assets	7.60%	7.99%	7.94%
Rate of Discounting	7.60%	7.99%	7.94%
Rate of Salary Increase	10.00%	10.00%	10.00%
Rate of Employee Turnover	4.30%	6.60%	6.60%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.	N.A.
	2017	2016	2015
Table Showing Change in the Present Value of Projected Benefit Obligation			
Present Value of Benefit Obligation at the Beginning of the Period	106,205,310	108,118,679	100,779,718
Interest Cost	8,485,804	8,584,623	9,261,656
Current Service Cost	6,086,342	6,707,966	5,980,187
Past Service Cost	-	-	-
Liability Transferred In/ Acquisitions	-	-	-
(Liability Transferred Out/ Divestments)	-	-	-
(Gains)/ Losses on Curtailment	-	-	-
(Liabilities Extinguished on Settlement)	-	-	-
(Benefit Paid Directly by the Employer)	-	-	-
(Benefit Paid From the Fund)	-5,932,042	-11,106,709	-28,123,599
The Effect Of Changes in Foreign Exchange Rates	-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	2,265,901	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	3,063,867	-318,556	7,892,880
Actuarial (Gains)/Losses on Obligations - Due to Experience	-6,437,334	-5,780,693	12,327,837
Present Value of Benefit Obligation at the End of the Period	113,737,848	106,205,310	108,118,679

Table Showing Change in the Fair Value of Plan Assets			
Fair Value of Plan Assets at the Beginning of the Period	52,573,167	48,801,919	45,416,980
Interest Income	4,200,596	3,874,872	3,951,277
Contributions by the Employer	12,865,219	11,874,798	27,536,081
Expected Contributions by the Employees	-	-	-
Assets Transferred In/Acquisitions	-	-	-
(Assets Transferred Out/ Divestments)	-	-	-
(Benefit Paid from the Fund)	-5,932,042	-11,106,709	-28,123,599
(Assets Distributed on Settlements)	-	-	-
Effects of Asset Ceiling	-	-	-
The Effect of Changes In Foreign Exchange Rates	-	-	-
Return on Plan Assets, Excluding Interest Income	2,466,991	-871,713	21,180
Fair Value of Plan Assets at the End of the Period	66,173,931	52,573,167	48,801,919
	2017	2016	2015
Amount Recognized in the Balance Sheet			
(Present Value of Benefit Obligation at the end of the Period)	-113,737,848	-106,205,310	-108,118,679
Fair Value of Plan Assets at the end of the Period	66,173,931	52,573,167	48,801,919
Funded Status (Surplus/ (Deficit))	-47,563,917	-53,632,143	-59,316,760
Net (Liability)/Asset Recognized in the Balance Sheet	-47,563,917	-53,632,143	-59,316,760
Net Interest Cost for Current Period			
Present Value of Benefit Obligation at the Beginning of the Period	106,205,310	108,118,679	100,779,718
(Fair Value of Plan Assets at the Beginning of the Period)	-52,573,167	-48,801,919	-45,416,980
Net Liability/(Asset) at the Beginning	53,632,143	59,316,760	55,362,738
Interest Cost	8,485,804	8,584,623	9,261,656
(Interest Income)	-4,200,596	-3,874,872	-3,951,277
Net Interest Cost for Current Period	4,285,208	4,709,751	5,310,379
Expenses Recognized in the Statement of Profit or Loss for Current Period			
Current Service Cost	6,086,342	6,707,966	5,980,187
Net Interest Cost	4,285,208	4,709,751	5,310,379
Past Service Cost	-	-	-
(Expected Contributions by the Employees)	-	-	-
(Gains)/Losses on Curtailments And Settlements	-	-	-

Net Effect of Changes in Foreign Exchange Rates	-	-	-
Expenses Recognized	10,371,550	11,417,717	11,290,566
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period			
Actuarial (Gains)/Losses on Obligation For the Period	-1,107,566	-6,099,249	20,220,717
Return on Plan Assets, Excluding Interest Income	-2,466,991	871,713	-21,180
Change in Asset Ceiling	-	-	-
Net (Income)/Expense For the Period Recognized in OCI	-3,574,557	-5,227,536	20,199,537
	2017	2016	2015
Balance Sheet Reconciliation			
Opening Net Liability	53,632,143	59,316,760	55,362,738
Expenses Recognized in Statement of Profit or Loss	10,371,550	11,417,717	11,290,566
Expenses Recognized in OCI	-3,574,557	-5,227,536	20,199,537
Net Liability/(Asset) Transfer In	-	-	-
Net (Liability)/Asset Transfer Out	-	-	-
(Benefit Paid Directly by the Employer)	-	-	-
(Employer's Contribution)	-12,865,219	-11,874,798	-27,536,081
Net Liability/(Asset) Recognized in the Balance Sheet	47,563,917	53,632,143	59,316,760
Category of Assets			
Government of India Assets	-	-	-
State Government Securities	-	-	-
Special Deposits Scheme	-	-	-
Debt Instruments	-	-	-
Corporate Bonds	-	-	-
Cash And Cash Equivalents	-	-	-
Insurance fund	66,173,931	52,573,167	48,801,919
Asset-Backed Securities	-	-	-
Structured Debt	-	-	-
Other	-	-	-
Total	66,173,931	52,573,167	48,801,919
Other Details			
No of Active Members	697	727	884
Per Month Salary For Active Members	12,269,856	11,879,550	12,541,098
Weighted Average Duration of the Projected Benefit Obligation	9	7	8
Average Expected Future Service	11	9	9
Projected Benefit Obligation (PBO)	113,737,848	106,205,310	108,118,679

Prescribed Contribution For Next Year (12 Months)	12,269,856	11,879,550	12,541,098
	2017	2016	2015
Net Interest Cost for Next Year			
Present Value of Benefit Obligation at the End of the Period	113,737,848	106,205,310	108,118,679
(Fair Value of Plan Assets at the End of the Period)	-66,173,931	-52,573,167	-48,801,919
Net Liability/(Asset) at the End of the Period	47,563,917	53,632,143	59,316,760
Interest Cost	8,644,076	8,485,804	8,584,623
(Interest Income)	-5,029,219	-4,200,596	-3,874,872
Net Interest Cost for Next Year	3,614,857	4,285,208	4,709,751
Expenses Recognized in the Statement of Profit or Loss for Next Year			
Current Service Cost	6,877,598	6,086,342	6,707,966
Net Interest Cost	3,614,857	4,285,208	4,709,751
(Expected Contributions by the Employees)	-	-	-
Expenses Recognized	10,492,455	10,371,550	11,417,717
Maturity Analysis of Projected Benefit Obligation: From the Fund			
Projected Benefits Payable in Future Years From the Date of Reporting			
1st Following Year	15,138,535	16,159,108	11,968,747
2nd Following Year	5,945,452	7,613,953	10,677,042
3rd Following Year	9,821,799	11,116,444	10,246,729
4th Following Year	13,545,040	10,737,845	10,778,481
5th Following Year	8,965,491	13,367,794	11,314,604
Sum of Years 6 To 10	51,258,467	48,170,514	54,888,016
Maturity Analysis of Projected Benefit Obligation: From the Employer			
Projected Benefits Payable in Future Years From the Date of Reporting			
1st Following Year	-	-	-
2nd Following Year	-	-	-
3rd Following Year	-	-	-
4th Following Year	-	-	-
5th Following Year	-	-	-
Sum of Years 6 To 10	-	-	-
	2017	2016	2015
Sensitivity Analysis			
Projected Benefit Obligation on Current Assumptions	113,737,848	106,205,310	108,118,679

Delta Effect of +1% Change in Rate of Discounting	-7,543,724	-5,984,675	-6,406,739
Delta Effect of -1% Change in Rate of Discounting	8,659,837	6,761,306	7,243,891
Delta Effect of +1% Change in Rate of Salary Increase	8,375,951	6,566,565	7,031,681
Delta Effect of -1% Change in Rate of Salary Increase	-7,453,049	-5,932,409	-6,348,013
Delta Effect of +1% Change in Rate of Employee Turnover	-1,299,032	-827,873	-905,387
Delta Effect of -1% Change in Rate of Employee Turnover	1,455,156	916,402	1,003,014
Additional Details			
Methodology Adopted for ALM -	Projected Unit Credit Method		
Usefulness and Methodology adopted for Sensitivity analysis -	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.		
Stress Testing of Assets -	Not Done		
Investment Strategy -	Not Discussed		
Comment on Quality of Assets -	Since investment is with insurance company, Assets are considered to be secured.		
Management Perspective of Future Contributions -	As per Actuarial calculation		

22. Investment - Level 1

Detail of Non-Current Investments

S. No.	Particulars	BALANCE AS ON 31.03.17		BALANCE AS ON 31.03.16		BALANCE AS ON 31.03.15	
		Cost	FV	Cost	FV	Cost	FV
(A)	INV. - Debt Fund	6,479,700,000	8,576,419,581	5,721,200,000	6,981,001,245	5,226,200,000	6,017,670,686
1	AXIS SHORT TERM FUND COLLECTION	50,000,000	52,085,750	-	-	-	-
2	Birla SunLife Dynamic Bond Fund	322,000,000	424,868,406	322,000,000	384,942,465	247,000,000	284,436,958
3	BIRLA SUNLIFE INCOME PLUS	216,900,000	304,215,309	216,900,000	274,206,512	216,900,000	261,929,940
4	BIRLA SUNLIFE MEDIUM TERM PLAN	98,000,000	101,300,633	-	-	-	-
5	BNP PARIBAS FLEXI DEBT FUND	22,100,000	32,044,019	22,100,000	28,867,340	22,100,000	27,231,706
6	CANARA ROBECO DYNAMIC BOND FUND	160,000,000	222,067,702	160,000,000	196,956,297	160,000,000	186,734,392
7	DSP BLACKROCK BOND FUND	154,600,000	214,285,978	154,600,000	193,948,623	154,600,000	183,739,906
8	DSP BLACKROCK INCOME OPPORTUNITIES FUND	85,000,000	99,723,619	25,000,000	33,797,465	25,000,000	30,912,982
9	DWS PREMIER BOND FUND	92,500,000	127,038,354	92,500,000	117,222,872	92,500,000	109,767,157

S. No.	Particulars	BALANCE AS ON 31.03.17		BALANCE AS ON 31.03.16		BALANCE AS ON 31.03.15	
		Cost	FV	Cost	FV	Cost	FV
10	FRANKLIN INDIA CORPORATE BOND OPPORTUNITY FUND	50,000,000	58,019,437	50,000,000	51,957,440	-	-
11	FRANKLIN INDIA INCOME BUILDER ACCOUNT	218,000,000	282,258,294	218,000,000	254,466,676	218,000,000	240,447,579
12	HDFC CORPORATE DEBT OPPORTUNITIES FUND	23,500,000	24,263,999	-	-	-	-
13	HDFC HIGH INTEREST FUND	252,000,000	314,358,941	252,000,000	282,517,215	177,000,000	193,142,401
14	HDFC INCOME FUND	297,400,000	421,541,791	297,400,000	382,164,542	297,400,000	259,836,905
15	HDFC SHORT TERM PLAN	78,700,000	110,891,131	78,700,000	101,243,098	78,700,000	92,562,332
16	ICICI PRUDENTIAL INCOME OPPORTUNITIES FUND	50,000,000	56,726,052	50,000,000	51,470,407	-	-
17	ICICI PRUDENTIAL INCOME PLAN	72,500,000	102,584,854	72,500,000	91,062,452	72,500,000	86,129,942
18	ICICI PRUDENTIAL MUTUAL FUND COLLECTION 1 AC	50,000,000	52,234,385	-	-	-	-
19	IDFC CORPORATE BOND FUND - COLLECTION A/C	65,500,000	68,158,242	-	-	-	-
20	IDFC DYNAMIC BOND FUND	75,000,000	87,204,605	75,000,000	77,111,013	-	-
21	IDFC SUPER SAVER INCOME FUND - INVESTMENT PLAN	527,900,000	731,887,418	527,900,000	648,817,238	527,900,000	618,470,867
22	KOTAK BOND FUND - PLAN A	422,700,000	567,973,739	422,700,000	515,888,141	422,700,000	489,830,619
23	KOTAK INCOME OPPORTUNITIES FUND - REGULAR PLAN	105,500,000	110,409,452	-	-	-	-
24	L&T INCOME OPPORTUNITIES FUND	50,000,000	57,332,363	50,000,000	52,015,455	-	-
25	L&T RESURGENT INDIA CORPORATE BOND FUND	91,000,000	94,278,555	-	-	-	-
26	PRAMERICA DYNAMIC BOND FUND	38,600,000	54,380,199	38,600,000	48,489,421	38,600,000	45,852,818
27	RELIANCE CORPORATE BOND FUND	202,000,000	225,722,186	108,500,000	116,108,798	58,500,000	58,813,105
28	RELIANCE DYNAMIC BOND FUND	963,400,000	1,340,787,123	963,400,000	1,203,087,838	963,400,000	1,139,610,890
29	RELIANCE REGULAR SAVINGS FUND	65,000,000	66,137,283	-	-	-	-
30	RELIANCE SHORT TERM FUND	42,500,000	50,567,522	42,500,000	46,402,078	42,500,000	43,001,954
31	SBI CORPORATE BOND FUND	56,500,000	58,913,539	-	-	-	-
32	SBI DYNAMIC BOND FUND	40,000,000	59,025,267	40,000,000	51,949,823	40,000,000	49,210,027

S. No.	Particulars	BALANCE AS ON 31.03.17		BALANCE AS ON 31.03.16		BALANCE AS ON 31.03.15	
		Cost	FV	Cost	FV	Cost	FV
33	SBI MAGNUM INCOME FUND	294,300,000	409,455,351	294,300,000	363,282,651	294,300,000	343,181,368
34	SUNDARAM SELECT DEBT SHORT TERM FUND	30,000,000	34,282,618	30,000,000	31,306,304	-	-
35	TATA INCOME FUND	27,500,000	40,444,362	27,500,000	36,847,491	27,500,000	34,668,111
36	TATA INCOME PLUS FUND - PLAN A	84,600,000	119,492,590	84,600,000	108,623,931	84,600,000	102,654,889
37	TATA SHORT TERM BOND FUND	40,000,000	45,868,401	40,000,000	41,910,388	-	-
38	TEMPLETON INDIA SHORT TERM INCOME FUND	70,000,000	104,122,236	70,000,000	93,704,173	70,000,000	88,369,942
39	UTI BOND FUND	814,500,000	1,152,248,152	814,500,000	1,015,716,499	814,500,000	967,166,322
40	UTI DYNAMIC BOND FUND - GROWTH	80,000,000	97,219,724	80,000,000	84,916,598	80,000,000	79,967,574
(B)	INV. - Equity (Listed)	13,584,721	12,273,500	13,584,721	9,447,250	13,584,721	9,196,750
1	EQUITY - BHEL	1,345,797	814,250	1,345,797	569,250	1,345,797	1,176,750
2	Equity - Canara Bank	1,065,637	756,875	1,065,637	475,125	1,065,637	919,500
3	Equity - Corporation Bank	1,248,684	658,125	1,248,684	486,875	1,248,684	657,500
4	Equity - JP Associates	1,504,128	137,500	1,504,128	77,000	1,504,128	248,000
5	Equity - Reliance Industries	8,420,475	9,906,750	8,420,475	7,839,000	8,420,475	6,195,000
(C)	INV. - Equity (Non Listed) - Valued @ Amortized Cost	7,677,800	-	7,677,800	-	7,677,800	-
1	Equity - Aalap Digital Music Pvt. Ltd. (25,000 NOS. SHARE @ RS. 10/- EACH)	250,000	250,000	250,000	250,000	250,000	250,000
2	Equity - Super Bazar Co-operative Ltd. (500 NOS. SHARE @ RS. 10/- EACH)	5,000	5,000	5,000	5,000	5,000	5,000
3	Equity - Vijay Processor Pvt. Ltd. (5,302 NOS. SHARE @ RS. 100/- EACH)	7,422,800	7,422,800	7,422,800	7,422,800	7,422,800	7,422,800
(D)	INV. - F.M.P.	255,000,000	292,773,450	745,000,000	838,806,500	1,278,212,721	1,449,953,432
1	BIRLA SUN LIFE FIXED MATURITY PLAN - SERIES 1G - 368 DAYS	-	-	-	-	75,289,522	86,844,205
2	BSL FTP - SERIES LG	-	-	100,000,000	117,995,000	100,000,000	108,581,000
3	DSP BLACKROCK FMP - SERIES 104 - 12 MONTH	-	-	-	-	36,100,000	42,096,210
4	HDFC FMP 370 DAYS APRIL 2014 (4)	-	-	150,000,000	176,935,500	150,000,000	162,850,500
5	HDFC FMP 370D OCTOBER 2013 (1)	-	-	-	-	18,000,000	20,727,180
6	HDFC FMP 372 DAYS DECEMBER 2013 (1)	-	-	-	-	49,000,000	54,849,130
7	HSBC FIXED TERM SERIES - 94 (371 DAYS)	-	-	-	-	70,000,000	82,526,500

S. No.	Particulars	BALANCE AS ON 31.03.17		BALANCE AS ON 31.03.16		BALANCE AS ON 31.03.15	
		Cost	FV	Cost	FV	Cost	FV
8	ICICI PRUDENTIAL FMP SERIES 68 - 368 DAYS PLAN G	-	-	-	-	132,900,000	156,100,353
9	IDFC FTP - SERIES - 33	-	-	-	-	50,000,000	58,294,000
10	KOTAK FMP SERIES 105 - 370 DAYS	-	-	-	-	87,500,000	102,629,625
11	KOTAK FMP SERIES 106 - 370 DAYS	-	-	-	-	40,000,000	46,904,800
12	KOTAK FMP SERIES 116 - 370 DAYS	-	-	-	-	80,000,000	93,848,800
13	KOTAK FMP SERIES 119 - 370 DAYS	-	-	-	-	43,023,199	49,870,341
14	L&T FMP - SERIES IX - PLAN B	-	-	-	-	30,000,000	34,697,400
15	RELIANCE FIXED HORIZON FUND XXIX SERIES 3	85,000,000	99,920,050	85,000,000	90,190,100	-	-
16	RELIANCE FIXED HORIZON FUND XXVI - SERIES 17	-	-	60,000,000	70,884,000	60,000,000	65,158,800
17	RELIANCE FIXED HORIZON FUND XXX - SERIES 14	70,000,000	78,345,400	70,000,000	70,000,000	-	-
18	RELIANCE FIXED HORIZON FUND XXX - SERIES 3	100,000,000	114,508,000	100,000,000	102,130,000	-	-
19	SUNDARAM FTP - GJ (TENURE 3 YRS)	-	-	50,000,000	58,288,500	50,000,000	53,540,500
20	TATA FIXED MATURITY PLAN - SERIES 43 SCHEME C	-	-	-	-	76,400,000	90,145,888
21	UTI FIXED TERM INCOME FUND SERIES XVIII - XII (366 DAYS)	-	-	130,000,000	152,383,400	130,000,000	140,288,200
(E)	INV. - Gold ETF	109,805,052	107,132,624	109,805,052	109,743,269	109,805,052	99,483,225
1	RELIANCE GOLD - ETF	80,086,999	71,999,836	80,086,999	73,721,672	80,086,999	66,736,233
2	RELIGARE MF-GOLD ETF A/C	29,718,053	35,132,788	29,718,053	36,021,597	29,718,053	32,746,992
(F)	INV.- NABARD Bonds	257,576,000	486,689,960	257,576,000	443,557,950	257,576,000	406,581,600
1	NABARD Bonds	257,576,000	486,689,960	257,576,000	443,557,950	257,576,000	406,581,600
	Grand Total	7,123,343,573	9,482,966,915	6,854,843,573	8,390,234,014	6,893,056,294	7,990,563,493
Detail of Current Investments							
(A)	INV. - F.M.P.	490,000,000	623,934,000	788,212,721	997,415,263	-	-
1	BIRLA SUN LIFE FIXED MATURITY PLAN - SERIES 1G - 368 DAYS	-	-	75,289,522	94,226,343	-	-
2	BSL FTP - SERIES LG	100,000,000	127,596,000			-	-
3	DSP BLACKROCK FMP - SERIES 104 - 12 MONTH	-	-	36,100,000	45,654,948	-	-

S. No.	Particulars	BALANCE AS ON 31.03.17		BALANCE AS ON 31.03.16		BALANCE AS ON 31.03.15	
		Cost	FV	Cost	FV	Cost	FV
4	HDFC FMP 370 DAYS APRIL 2014 (4)	150,000,000	191,140,500	-	-	-	-
5	HDFC FMP 370D OCTOBER 2013 (1)	-	-	18,000,000	22,489,920	-	-
6	HDFC FMP 372 DAYS DECEMBER 2013 (1)	-	-	49,000,000	59,472,280	-	-
7	HSBC FIXED TERM SERIES - 94 (371 DAYS)	-	-	70,000,000	89,502,700	-	-
8	ICICI PRUDENTIAL FMP SERIES 68 - 368 DAYS PLAN G	-	-	132,900,000	169,419,591	-	-
9	IDFC FTP - SERIES - 33	-	-	50,000,000	63,212,000	-	-
10	KOTAK FMP SERIES 105 - 370 DAYS	-	-	87,500,000	111,447,000	-	-
11	KOTAK FMP SERIES 106 - 370 DAYS	-	-	40,000,000	50,924,400	-	-
12	KOTAK FMP SERIES 116 - 370 DAYS	-	-	80,000,000	101,726,400	-	-
13	KOTAK FMP SERIES 119 - 370 DAYS	-	-	43,023,199	54,006,161	-	-
14	L&T FMP - SERIES IX - PLAN B	-	-	30,000,000	37,633,200	-	-
15	RELIANCE FIXED HORIZON FUND XXVI - SERIES 17	60,000,000	76,696,200	-	-	-	-
16	SUNDARAM FTP - GJ (TENURE 3 YRS)	50,000,000	63,354,500	-	-	-	-
17	TATA FIXED MATURITY PLAN - SERIES 43 SCHEME C	-	-	76,400,000	97,700,320	-	-
18	UTI FIXED TERM INCOME FUND SERIES XVIII - XII (366 DAYS)	130,000,000	165,146,800	-	-	-	-
	Grand Total	490,000,000	623,934,000	788,212,721	997,415,263	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices and the mutual funds / debt funds are measured using closing Net Asset Value (NAV).

23. Earnings per Share

Earnings per share are determined according to Ind-AS 33 - Earnings per Share by dividing Profit after Tax attributable to shareholders of the Company by the weighted average number of equity shares outstanding during the financial year;

Particulars	2016-2017
Profit for the year (in Rs.)	2,367,381,967
Weighted Average Number of Equity Shares outstanding at year end	493256
Nominal Value per Equity Share (in Rs.)	100
Earnings per Share (net of tax) [Basic and Diluted] (in Rs.)	4,799

24. Specified Bank Notes

Specified Bank Notes (SBN)-This is in reference to MCA Notification No.-GSR 308(E) Dated 30-03-17 with regards to details of specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016. We acknowledge our responsibility for receipts, payments and amounts deposited in banks as per following details:-

S. No.	Particulars	SBNs (in Rs.)	Other Denomination Notes (in Rs.)	Total Amount (in Rs.)
(i)	Closing Cash in hand as on 08-11-2016	39,77,500/-	6,99,823/-	46,77,323/-
(ii)	(+) Permitted Receipts	--	68,18,225/-	68,18,225/-
(iii)	(-) Permitted Payments	18,05,000/-	66,14,028/-	84,19,028/-
(iv)	(-) Amount Deposited in Banks	21,72,500/-	94,500/-	22,67,000/-
(v)	Closing Cash in hand as on 30-12-2016	NIL	8,09,520/-	8,09,520/-

25. Movement of Provisions

Particulars	Gratuity	Leave Encashment	Excise Duty	Wealth Tax
Balance as at 01/04/2015	5,93,16,760/-	NIL	1,13,138/-	7,16,677/-
Provision during FY 2015-2016 (Net of Actuarial Gain in case of Gratuity)	61,90,181/-	NIL	1,11,465/-	NIL
Payment during FY 2015-2016	1,18,74,798/-	NIL	1,13,138/-	7,16,677/-
Balance as at 31/03/2016	5,36,32,143/-	NIL	1,11,465/-	NIL
Provision during FY 2016-2017 (Net of Actuarial Gain in case of Gratuity)	67,96,992/-	1,50,07,870/-	41,417/-	NIL
Payment during FY 2016-2017	1,28,65,218/-	NIL	1,11,465/-	NIL
Balance as at 31/03/2017	4,75,63,917/-	1,50,07,870/-	41,417/-	NIL

Previous Year figures have been re-grouped/re-arranged wherever necessary to make them comparable with figures of Current Year.

For DINESH MEHTA & CO.
Chartered Accountants
Firm Registration No:000220-N

For SUPER CASSETTES INDUSTRIES PRIVATE LIMITED

(Hiren Mehta)
Partner
Membership No : 090772

(Bhushan Kumar Dua)
Managing Director
DIN: 00126614

(Ved Prakash Chanana)
Whole Time Director
DIN: 00122597

(R. P. Sharma)
Chief Finance Officer

Super Cassettes Industries Private Limited

Regd. Office: E-2/16, White House, Ansari Road, Daryaganj, Delhi - 110002

CIN: U74899DL1983PTC016114

Balance Sheet as at 31st December, 2017

(Unaudited / Provisional)

(Amount in Rupees)

Particulars		Note No.	As at 31/12/2017	As at 31/03/2017
I.	ASSETS			
A.	Non-Current Assets			
a.	Property, Plant & Equipment	1	509,446,368	533,697,045
b.	Capital Work-in-Progress	1	1,087,381,411	1,006,546,153
c.	Investment Property	1a	659,024,173	683,747,219
d.	<u>Financial Assets</u>			
i.	Investments	2	10,999,130,915	9,482,966,915
ii.	Trade Receivables (Unsecured, Considered Good)		147,832,644	200,933,742
e.	Deferred Tax Assets (Net)		48,011,922	48,011,922
f.	Other Non-Current Assets	3	3,090,814,711	1,999,539,626
B.	Current Assets			
a.	Inventories	4	77,800,763	80,844,256
b.	<u>Financial Assets</u>			
i.	Investments	5	107,500,000	623,934,000
ii.	Trade Receivables (Unsecured, Considered Good)		496,449,923	527,010,723
iii.	Cash and Cash Equivalents	6	1,027,248,293	1,413,077,021
c.	Other Current Assets	7	3,280,731,036	3,614,305,473
	TOTAL ASSETS		21,531,372,159	20,214,614,095
II.	EQUITY & LIABILITIES			
1	Equity			
a.	Equity Share Capital	8	49,325,600	49,325,600
b.	Other Equity	9	18,118,391,786	16,696,315,667
2	Liabilities			
A.	Non-Current Liabilities			
a.	<u>Financial Liabilities</u>			
i.	Borrowings (Unsecured) from Related Parties		59,878,096	386,776,129
ii.	Trade Payables		99,808,808	50,607,194
b.	Provisions	10	62,571,787	62,571,787
c.	Deferred Tax Liabilities (Net)		-	-
d.	Other Non-Current Liabilities	11	2,026,960,530	241,672,201
B.	Current Liabilities			
a.	<u>Financial Liabilities</u>			
i.	Borrowings from Banks (Secured by Fixed Deposit)		211,282,034	720,138,318
ii.	Trade Payables		427,302,885	607,683,050
b.	Other Current Liabilities	12	475,850,647	1,399,482,723
c.	Provisions	13	-	41,417
	TOTAL EQUITY & LIABILITIES		21,531,372,161	20,214,614,095

For Super Cassettes Industries Private Limited

Sd/-

(Sudesh Kumari Dua)

Whole Time Director

DIN: 00128536

Sd/-

(Ved Prakash Chanana)

Whole Time Director

DIN: 00122597

Super Cassettes Industries Private Limited
 Regd. Office: E-2/16, White House, Ansari Road, Daryaganj, Delhi - 110002
 CIN: U74899DL1983PTC016114

Statement of Profit and Loss for the period ended 31st December, 2017
(Unaudited / Provisional)

(Amount in Rupees)

Particulars		Note No.	For Year ended on 31/12/2017	For Year ended on 31/03/2017
I.	REVENUE			
1	Revenue from Operations	14	5,025,532,914	5,988,681,865
2	Other Income	15	469,218,556	1,413,574,312
	TOTAL REVENUE (I)		5,494,751,470	7,402,256,178
II.	EXPENSES			
1	Cost of Materials Consumed	16	24,103,789	60,270,780
2	Other Operating Expenses	17	1,223,758,069	722,550,969
3	Purchase of Traded Goods		619,710,460	624,428,461
4	Royalty, Recording & Shooting Expense	18	798,501,809	1,422,644,653
5	Changes in Inventory	19	115,334	(4,229,771)
6	Employee Benefit Expense	20	315,862,158	441,503,418
7	Finance Costs	21	3,731,412	25,342,591
8	Depreciation - Property, Plant & Equipment		72,957,892	76,191,455
9	Depreciation - Investment Property		6,716,681	31,902,829
10	Other Expenses	22	1,020,358,481	963,750,972
	TOTAL EXPENSES (II)		4,085,816,086	4,364,356,359
III.	Profit before Exceptional Items and Tax (I - II)		1,408,935,384	3,037,899,819
IV.	Exceptional Item		-	-
V.	PROFIT BEFORE TAX (III - IV)		1,408,935,384	3,037,899,819
VI.	Tax Expense			
1	Current Income Tax		-	665,000,000
2	Deferred Tax		-	(585,870)
3	Tax Adjustment of Earlier Years		341,902	6,103,722
VII.	PROFIT/(LOSS) FOR THE PERIOD (V - VI)		1,408,593,482	2,367,381,967
VIII.	Other Comprehensive Income			
1	Actuarial Gains / (Losses) on Defined Benefit Obligation		-	3,574,557
2	Net Changes in Fair Value of Investments		-	-
IX.	TOTAL COMPREHENSIVE INCOME (VII + VIII)		1,408,593,482	2,370,956,524
X.	Earnings per Equity Share			
1	Basic		2,856	4,799
2	Diluted		NA	NA

For Super Cassettes Industries Private Limited

Sd/-
(Sudesh Kumari Dua)
 Whole Time Director
 DIN: 00128536

Sd/-
(Ved Prakash Chanana)
 Whole Time Director
 DIN: 00122597

NOTES FORMING PART OF THE BALANCE SHEET

Note No. 1 & 1a : PROPERTY, PLANT & EQUIPMENT AS AT 31/12/2017

Particulars	Useful Life (Years)	Gross Block					Depreciation				Net Block	
		As at 4/1/2017	Addition	Deletion	Inter-Unit Received	Inter-Unit Transfer	As at 12/31/2017	As at 4/1/2017	For The Year	Adjustments Deletion	As at 12/31/2017	As at 3/31/2017
Land	NA	122,089,739	3,663,000	-	849,724	849,724	125,752,739	-	-	-	125,752,739	122,089,739
Factory Building	30	106,396,428	-	-	6,953,237	6,953,237	106,396,428	74,168,897	3,396,811	-	28,830,720	32,227,531
Office Building	60	291,066,142	-	-	6,460,461	-	297,526,603	120,528,767	6,772,212	-	168,171,893	170,537,375
Plant & Machinery	15	871,393,979	1,157,239	5,278,509	613,215	613,215	867,272,709	763,447,486	15,933,246	4,963,910	774,416,823	107,946,493
Statue	60	1,303,258	-	-	-	-	1,303,258	1,303,258	-	-	-	-
Office Equipment	5	33,968,317	6,577,789	121,040	-	-	40,425,066	31,315,579	1,327,874	114,989	7,896,601	2,652,738
Furniture & Fixtures	10	78,156,376	418,385	8,959,654	-	-	69,615,107	65,484,654	2,706,230	8,673,740	10,097,963	12,671,722
Motor Vehicles	8	314,824,078	13,169,240	46,052,547	1,408,027	1,408,027	281,940,771	235,418,408	21,461,027	43,031,024	68,092,360	79,405,670
Computer & Equipments	3	48,058,100	5,450,472	1,577,563	357,000	357,000	51,931,009	42,034,246	3,819,852	1,533,048	7,609,958	6,023,854
Dies & Moulds	15	29,425,563	-	-	-	-	29,425,563	29,283,644	3,686	-	138,233	141,919
Temporary Erection	1	1,384,342	-	-	-	-	1,384,342	1,384,342	-	-	-	-
TOTAL		1,898,066,321	30,436,125	61,989,313	16,641,664	10,181,203	1,872,973,594	1,364,369,282	55,420,938	58,316,711	509,446,355	533,697,040
Investment Property		857,342,670	3,937,320	-	-	6,460,461	854,819,529	173,595,451	24,253,636	-	659,024,172	683,747,219
Capital Work in Progress		1,006,546,153	80,835,258	-	29,144,843	29,144,843	1,087,381,411	-	-	-	1,087,381,411	1,006,546,153
GRAND TOTAL		3,761,955,144	115,208,703	61,989,313	45,786,507	45,786,507	3,815,174,534	1,537,964,732	79,674,574	58,316,711	2,255,851,938	2,223,990,412

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	As at 31/12/2017	As at 31/03/2017
2	Investments (Non-Current)		
a.	<u>Non-Trade Investments</u>		
i.	Quoted (At Fair Value through P&L Account)		
	- Investment in Equity Instruments	12,273,500	12,273,500
	- Investment in Mutual Funds	-	-
	- Investment in Bonds	435,819,960	486,689,960
	- Investment in Debt Fund	9,989,519,581	8,576,419,581
	- Investment in Gold ETF	107,132,624	107,132,624
	- Investment in Fixed Maturity Plans	446,707,450	292,773,450
ii.	Unquoted (At Amortized Cost)		
	- Investment in Equity Instruments	7,677,800	7,677,800
	Total Investments (Non-Current)	10,999,130,915	9,482,966,915
3	Other Non-Current Assets		
a.	Unsecured & Considered Good		
i.	Advance Recoverable in Cash or Kind	621,671,680	350,509,417
ii.	Capital Advances	1,705,905,180	1,434,832,108
iii.	Security Deposits	25,860,219	25,182,622
iv.	Other Loans and Advances		
	- Advances against Projects under Production	10,466,559	3,904,501
	- Advances to Employees	184,000	537,000
	- Advances to Suppliers	1,277,821	908,668
	- Due From Sister Concerns	15,990,727	15,260,459
	- Tax Deducted at Source	391,256,899	104,311,132
	- Advance Income Tax	265,505,042	10,272,663
	- Service Tax	228,954	1,358,225
	- Excise Duty	19,796,118	19,796,118
	- Sales Tax / VAT	12,787,569	12,782,770
	- Lease Rent Accruals	19,883,943	19,883,943
	Total Other Non-Current Assets	3,090,814,711	1,999,539,626

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	As at 31/12/2017	As at 31/03/2017
4	Inventories		
	(as valued & certified by management)		
a.	Raw Materials		
	- In Hand	9,653,751	11,680,674
	- In Transit	-	4,026
b.	Consumables, Spares & Packing Material		
	- In Hand	14,631,071	15,194,794
	- In Transit	316,713	47,813
c.	Work-in-Progress	-	-
d.	Finished Goods (Manufactured)		
	- In Hand	15,819,902	21,167,929
	- In Transit	-	-
e.	Stock-in-Trade (Traded Goods)		
	- In Hand	37,379,327	33,916,230
	- In Transit	-	435,348
f.	Stock-in-Trade (Others)		
	- In Hand	-	-
	- In Transit	-	-
g.	<i>Less: Stock Reserve</i>	-	(1,602,558)
	Total Inventories	77,800,763	80,844,256
5	Investments (Current)		
a.	Non-Trade Investments		
i.	Quoted (At Fair Value through P&L Account)		
	- Investment in Equity Instruments	-	-
	- Investment in Mutual Funds	-	-
	- Investment in Bonds	-	-
	- Investment in Debt Fund	-	-
	- Investment in Gold ETF	-	-
	- Investment in Fixed Maturity Plans	-	623,934,000
	- Investment in Liquid Fund	107,500,000	-
ii.	Unquoted (At Amortized Cost)		
	- Investment in Equity Instruments	-	-
	Total Investments (Current)	107,500,000	623,934,000

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	As at 31/12/2017	As at 31/03/2017
6	Cash and Cash Equivalents		
a.	Cash & Cash Equivalent		
i.	Balances with Banks	124,716,638	(142,192)
ii.	Cheques in Hand	-	11,003,288
iii.	Cash in Hand	2,040,261	2,076,214
iv.	Imprest Balances	491,394	139,711
b.	Deposits With Banks		
i.	Bank Deposits with original maturity \geq 12 months	900,000,000	1,400,000,000
	Total Cash and Cash Equivalents	1,027,248,293	1,413,077,021
7	Other Current Assets		
a.	Unsecured & Considered Good		
i.	Advance Recoverable in Cash or Kind	1,040,602,111	1,056,799,692
ii.	Security Deposits	786,166	223,371
iii.	Other Loans and Advances		
	- Prepaid Expenses	2,933,528	7,481,990
	- Advances against Projects under Production	1,297,476,122	2,443,811,797
	- Service Tax	15,715,950	4,502,926
	- Excise Duty	214,505	98,395
	- Sales Tax / VAT	3,208,033	110,537
	- Due From Sister Concerns	852,071	-
	- Advances to Suppliers	873,196,779	80,803,981
	- Advances to Employees	7,733,395	7,533,074
	- Interest Accrued	37,711,610	12,788,312
	- Lease Rent Receivable	300,766	151,398
	Total Other Current Assets	3,280,731,036	3,614,305,473
8	Equity Share Capital		
a.	Authorized		
	10,00,000 Equity Shares of Rs. 100/- each	100,000,000	100,000,000
b.	Issued, Subscribed & Fully Paid Shares		
	4,93,256 Equity Shares of Rs. 100/- each	49,325,600	49,325,600
c.	Reconciliation of Number of Shares		
	Current Year	No. of Shares	Amount
	Outstanding as on 31/03/2017	493,256	49,325,600
	Changes during the year	-	-
	Outstanding as on 31/12/2017	493,256	49,325,600
	Previous Year	No. of Shares	Amount
	Outstanding as on 31/03/2016	493,256	49,325,600
	Changes during the year	-	-
	Outstanding as on 31/03/2017	493,256	49,325,600

d. Rights, Preferences and Restrictions attached to Shares

The Company has one class of equity shares having a par value of Rs. 100/- each. Each shareholder is eligible for one vote per share held.

The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board is subject to the the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

e. Details of Shareholders holding more than 5% of the aggregate Shares

Current Year	No. of Shares	% Holding
Mr. Bhushan Kumar Dua	344,808	69.90%
Mrs. Sudesh Kumari Dua	139,752	28.33%
Previous Year	No. of Shares	% Holding
Mr. Bhushan Kumar Dua	344,808	69.90%
Mrs. Sudesh Kumari Dua	139,752	28.33%

9 Other Equity

a.	Capital Reserve	31,413,526	31,413,526
b.	Securities Premium Reserve	63,280,800	63,280,800
c.	Amalgamation Reserve	15,650,872	15,650,872
d.	Capital Subsidy	-	-
e.	General Reserve	7,508,941,568	7,508,941,568
f.	<u>Surplus/(Deficit)</u>		
i.	Balance as per last Financial Statements	9,068,226,808	6,700,844,841
ii.	Profit/(Loss) for the year	1,481,443,250	2,367,936,851
iii.	Ind-AS Transition	-	-
	Profit/(Loss) for the year transferred to H.O	-	(554,884)
	<i>Less: Appropriations;</i>		
iv.	Transfer to General Reserve	-	-
v.	Dividend Distribution	(49,325,600)	-
vi.	Corporate Dividend Tax	(10,041,532)	-
	Net Surplus/(Deficit)	10,490,302,927	9,068,226,808
g.	<u>Other Comprehensive Income</u>		
i.	Balance as per last Financial Statements	8,802,093	5,227,536
ii.	For the year	-	3,574,557
	Total Other Comprehensive Income	8,802,093	8,802,093
	Total Other Equity	18,118,391,786	16,696,315,667

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	As at 31/12/2017	As at 31/03/2017
10	Provisions		
a.	Provision for Gratuity	47,563,917	47,563,917
b.	Provision for Leave Encashment	15,007,870	15,007,870
	Total Provisions	62,571,787	62,571,787
11	Other Non-Current Liabilities		
a.	Customers at Credit	311,065,793	125,708,867
b.	Due to Staff	79,034	295,223
c.	Security Deposits	19,618,121	20,249,076
d.	Other Liabilities	1,685,412,520	84,221,498
e.	Due to Sister Concern	10,785,062	11,197,537
	Total Other Non-Current Liabilities	2,026,960,530	241,672,201
12	Other Current Liabilities		
a.	Due to Staff	10,530,918	27,493,384
b.	Customers at Credit	382,469,967	1,230,664,831
c.	Due to Sister Concerns	162,000	-
d.	Other Liabilities**	80,352,150	104,555,498
e.	Expenses Payable	2,335,612	36,769,011
	Total Other Current Liabilities	475,850,647	1,399,482,723
	** "Other Liabilities" includes Statutory Dues		
13	Provisions (Current)		
a.	Proposed Dividend	-	-
b.	Provision for Corporate Dividend Tax	-	-
c.	Provision for Income Tax	-	-
d.	Provision for Excise Duty on Finished Goods	-	41,417
e.	Provision for Wealth Tax	-	-
	Total Provisions (Current)	-	41,417

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	For Year ended on 31/12/2017	For Year ended on 31/03/2017
14	Revenue from Operations		
a.	<u>Sale of Products (Net of Sales Returns)</u>		
i.	Manufactured Goods	47,324,083	119,109,173
ii.	Traded Goods	664,955,786	726,275,104
b.	<u>Sale of Services</u>		
i.	Content Aggregation Sales	322,233,873	628,289,033
c.	<u>Other Operating Revenue</u>		
i.	Royalty and License Fees	3,372,404,506	4,435,449,958
ii.	Income from Artist	12,212,907	20,356,597
iii.	Royalty from Satellite Rights of Films	248,750,000	2,500,000
iv.	Service / Job Work Charges	15,460,390	46,352,185
v.	Advertisement & Sponsorship	335,545,964	-
vi.	Studio & Equipment Hire Charges	5,743,752	9,160,471
vii.	Scrap Sale	1,104,453	2,618,812
	Gross Revenue from Operations	5,025,735,714	5,990,111,333
c.	<i>Less: Excise Duty</i>	202,800	1,429,468
	Net Revenue from Operations	5,025,532,914	5,988,681,865
15	Other Income		
a.	Interest Income	47,953,207	198,248,853
b.	Dividend Income	2,717,177	1,287,528
c.	Net Gain on Sale of Investments	278,064,758	243,697,834
d.	Unrealized Gain on Investment	-	748,964,359
e.	Other Non-Operating Income		
i.	Lease Rent Income	99,283,519	149,451,314
ii.	Lease Rent Accrual / Prior Period	-	19,883,943
iii.	Profit on Sale of Fixed Assets	1,046,204	1,774,303
iv.	Unclaimed Balances Written-Back	6,782,358	7,880,339
v.	Excess Provisions Written-Back	358,994	51,262
vi.	Duty Drawback	-	11,131
vii.	Discount & Commission	32,274	290,780
viii.	Insurance Claim	969,965	889,368
ix.	Net Foreign Exchange Gain	10,236	103,867
x.	Miscellaneous Income	31,999,864	41,039,431
	Total Other Income	469,218,556	1,413,574,312

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	For Year ended on 31/12/2017	For Year ended on 31/03/2017
16	Cost of Material Consumed		
a.	Raw Material		
i.	Opening Balance	11,680,674	16,377,033
ii.	Add: Purchases	22,150,366	57,997,432
iii.	Less: Transfer to Expense	-	(183,498)
iv.	Less: Sale	(73,500)	(2,120,311)
v.	Less: CENVAT on Inter-Unit Receipt	-	(119,202)
vi.	Less: Closing Balance	(9,653,751)	(11,680,674)
	Total Cost of Material Consumed	24,103,789	60,270,780
17	Other Operating Expenses		
a.	Consumable Stores Consumed	4,250,948	14,359,850
b.	Power & Fuel	9,912,033	17,733,835
c.	Job Work & Processing Charges	768,634	1,365,957
d.	Machinery Repairs	3,056,562	6,694,527
e.	Design & Art Work	146,247	498,844
f.	Cartage (Inward)	1,623,919	2,458,149
g.	Entry Tax	19,207	1,110,566
h.	Excise Duty Paid	134,133	892,806
i.	Loss From Films	1,033,265,777	578,757,252
j.	Satellite Rights / Digital Business Expenses	170,580,610	98,679,183
	Total Other Operating Expenses	1,223,758,069	722,550,969
18	Royalty, Recording & Shooting Expense		
a.	Royalty Expenses - Audio	755,985,891	1,336,472,070
b.	Royalty Expenses - Video	1,001,480	2,718,967
c.	Recording Expenses	39,743,310	81,409,616
d.	Shooting Expenses	318,258	-
e.	Sub-Title/Mastering/Censor/Telecast Charges	1,452,870	2,044,000
	Total Royalty, Recording & Shooting Expense	798,501,809	1,422,644,653

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	For Year ended on 31/12/2017	For Year ended on 31/03/2017
19	Changes in Inventory		
a.	Inventories at the end of the year		
i.	Work-in-Progress	-	-
ii.	Finished Goods (Manufactured)	15,819,902	21,167,926
iii.	Stock-in-Trade (Traded Goods)	37,546,361	33,916,229
iv.	Stock-in-Trade (Others)	-	-
v.	Goods-in-Transit	-	-
vi.	<i>Less: Transferred to Expenses</i>	-	-
vii.	<i>Less: Stock Reserve</i>	-	(1,602,558)
b.	Inventories at the beginning of the year		
i.	Work-in-Progress	-	-
ii.	Finished Goods (Manufactured)	21,167,926	29,466,281
iii.	Stock-in-Trade (Traded Goods)	19,277,486	18,814,654
iv.	Stock-in-Trade (Others)	14,638,743	1,938
v.	Goods-in-Transit	-	-
vi.	<i>Less: Transferred to Expenses</i>	-	1,984,913
vii.	<i>Less: Stock Reserve</i>	(1,602,558)	(1,015,960)
	Total Changes in Inventory	115,334	(4,229,771)
20	Employee Benefit Expenses		
a.	Salary, Wages and Bonus	193,789,787	248,344,336
b.	Remuneration to Directors	21,258,078	25,599,805
c.	MD Commission	76,696,560	102,495,900
d.	Contribution to Provident Fund and ESI	14,489,726	20,953,606
e.	Gratuity Expenses	-	10,371,550
f.	Staff Welfare Expenses	9,628,007	18,730,351
g.	Leave Encashment Expenses	-	15,007,870
	Total Employee Benefit Expenses	315,862,158	441,503,418
21	Finance Costs		
a.	Interest Paid	3,731,412	25,342,591
	Total Finance Costs	3,731,412	25,342,591

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	For Year ended on 31/12/2017	For Year ended on 31/03/2017
22	Other Expenses		
a.	Administrative Expenses		
i.	Service tax / Sales Tax / Excise / Customs Paid	2,593,923	8,566,514
ii.	Electricity & Water Expenses	13,512,912	17,279,519
iii.	Insurance	3,108,168	4,216,809
iv.	Rent	11,886,273	15,502,839
v.	Rates and Taxes	9,735,225	10,213,041
vi.	Repair & Maintenance (Others)	13,542,912	20,495,607
vii.	Building Repairs & Maint.(Office)	6,731,088	10,914,281
viii.	Building Repairs & Maint.(Factory)	92,164	912,538
ix.	Travelling Expenses	16,580,170	34,372,511
x.	Payment to Auditors	144,000	3,052,000
xi.	Interest Expense - Others	58,359	86,235
xii.	General Expenses	4,515,854	14,324,733
xiii.	Subscription & Membership	1,396,494	1,798,037
xiv.	Charity & Donation	23,953,802	37,224,000
xv.	Watch & Ward Expenses	10,456,233	18,218,494
xvi.	Staff Recruitment Expenses	45,000	39,033
xvii.	Conveyance Expenses	5,982,369	7,500,025
xviii.	Motor Vehicles Maintenance	12,139,473	16,521,209
xix.	Discount,Commission & Brokerages	17,058,117	44,662,487
xx.	Printing & Stationary	2,274,349	3,982,753
xxi.	Legal & Professional Exp.	119,187,246	143,005,655
xxii.	Postage,Telephone & Internet Exp.	8,046,429	11,779,486
xxiii.	Diff. In Exchange	125,256	12,491
xxiv.	Loss in Sale of Fixed Assets	257,434	10,963,595
xxv.	Licence Fees	112,064	269,872
xxvi.	Previous Year Expenses	7,609	101,658
xxvii.	Newspaper,Books & preiodicals	73,481	102,503
xxviii.	Short & Excess	479	708
xxix.	Service Expenses	2,345,131	4,267,086
xxx.	Loss in Transit	-	74,759
xxxi.	Fines & Penalties	389,599	467,707
xxxii.	Anti Piracy Expenses	285,582	2,177,820
xxxiii.	Festival Expenses	367,273	540,257
xxxiv.	Computer Software Exp.	1,511,011	409,441
xxxv.	Amount written off	3,206,871	21,279,514
xxxvi.	Profit/Loss against I/U Transfer of Goods	6,318	17,005
xxxvii.	Bank Charges	675,011	1,191,299
b.	Selling & Distribution Expenses		
i.	Samples, Sales Promotion and Adv. Exp.	715,983,899	469,185,859
ii.	Freight & Cartage	6,205,700	8,667,965
iii.	Bad Debts	-	863,304
iv.	Packing & Forwarding Expenses	1,175,724	4,987,190
v.	Loading & Unloading charges	4,589,480	13,503,133
	Total Other Expenses	1,020,358,481	963,750,972

Super Cassettes Industries Private Limited
 Regd. Office: E-2/16, White House, Ansari Road, Daryaganj, Delhi - 110002
 CIN: U74899DL1983PTC016114

Balance Sheet as at 31st March, 2018
(Unaudited / Provisional)

(Amount in Rupees)

Particulars		Note No.	As at 31/03/2018	As at 31/03/2017
I.	ASSETS			
A.	Non-Current Assets			
a.	Property, Plant & Equipment	1	524,452,550	533,697,045
b.	Capital Work-in-Progress	1	1,004,187,404	1,006,546,153
c.	Investment Property	1a	807,803,451	683,747,219
d.	<u>Financial Assets</u>			
i.	Investments	2	11,890,252,832	9,482,966,915
ii.	Trade Receivables (Unsecured, Considered Good)		160,129,862	200,933,742
e.	Deferred Tax Assets (Net)		48,011,922	48,011,922
f.	Other Non-Current Assets	3	3,116,076,937	1,999,539,626
B.	Current Assets			
a.	Inventories	4	73,581,959	80,844,256
b.	<u>Financial Assets</u>			
i.	Investments	5	300,701,989	623,934,000
ii.	Trade Receivables (Unsecured, Considered Good)		1,179,591,819	527,010,723
iii.	Cash and Cash Equivalents	6	931,371,844	1,413,077,021
c.	Other Current Assets	7	3,266,386,882	3,614,305,473
	TOTAL ASSETS		23,302,549,449	20,214,614,095
II.	EQUITY & LIABILITIES			
1	<u>Equity</u>			
a.	Equity Share Capital	8	49,325,600	49,325,600
b.	Other Equity	9	19,240,895,265	16,696,315,667
2	<u>Liabilities</u>			
A.	Non-Current Liabilities			
a.	<u>Financial Liabilities</u>			
i.	Borrowings (Unsecured) from Related Parties		48,903,696	386,776,129
ii.	Trade Payables		90,004,191	50,607,194
b.	Provisions	10	49,916,362	62,571,787
c.	Deferred Tax Liabilities (Net)		-	-
d.	Other Non-Current Liabilities	11	2,117,585,083	241,672,201
B.	Current Liabilities			
a.	<u>Financial Liabilities</u>			
i.	Borrowings from Banks (Secured by Fixed Deposit)		96,520,613	720,138,318
ii.	Trade Payables		616,297,995	607,683,050
b.	Other Current Liabilities	12	993,101,097	1,399,482,723
c.	Provisions	13	-	41,417
	TOTAL EQUITY & LIABILITIES		23,302,549,449	20,214,614,095

For Super Cassettes Industries Private Limited

Sd/-
(Sudesh Kumari Dua)
 Whole Time Director
 DIN: 00128536

Sd/-
(Ved Prakash Chanana)
 Whole Time Director
 DIN: 00122597

Super Cassettes Industries Private Limited
 Regd. Office: E-2/16, White House, Ansari Road, Daryaganj, Delhi - 110002
 CIN: U74899DL1983PTC016114

Statement of Profit and Loss for the period ended 31st March, 2018
(Unaudited / Provisional)

(Amount in Rupees)

Particulars		Note No.	For Year ended on 31/03/2018	For Year ended on 31/03/2017
I.	REVENUE			
1	Revenue from Operations	14	7,063,965,657	5,988,681,865
2	Other Income	15	895,918,754	1,413,574,312
	TOTAL REVENUE (I)		7,959,884,411	7,402,256,178
II.	EXPENSES			
1	Cost of Materials Consumed	16	36,015,534	60,270,780
2	Other Operating Expenses	17	1,259,846,040	722,550,969
3	Purchase of Traded Goods		763,984,246	624,428,461
4	Royalty, Recording & Shooting Expense	18	1,237,912,129	1,422,644,653
5	Changes in Inventory	19	6,081,436	(4,229,771)
6	Employee Benefit Expense	20	433,282,031	441,503,418
7	Finance Costs	21	4,268,215	25,342,591
8	Depreciation - Property, Plant & Equipment		67,638,302	76,191,455
9	Depreciation - Investment Property		30,815,346	31,902,829
10	Other Expenses	22	1,479,275,303	963,750,972
	TOTAL EXPENSES (II)		5,319,118,580	4,364,356,359
III.	Profit before Exceptional Items and Tax (I - II)		2,640,765,831	3,037,899,819
IV.	Exceptional Item		-	-
V.	PROFIT BEFORE TAX (III - IV)		2,640,765,831	3,037,899,819
VI.	Tax Expense			
1	Current Income Tax		-	665,000,000
2	Deferred Tax		-	(585,870)
3	Tax Adjustment of Earlier Years		341,902	6,103,722
VII.	PROFIT/(LOSS) FOR THE PERIOD (V - VI)		2,640,423,929	2,367,381,967
VIII.	Other Comprehensive Income			
1	Actuarial Gains / (Losses) on Defined Benefit Obligation		-	3,574,557
2	Net Changes in Fair Value of Investments		-	-
IX.	TOTAL COMPREHENSIVE INCOME (VII + VIII)		2,640,423,929	2,370,956,524
X.	Earnings per Equity Share			
1	Basic		5,353	4,799
2	Diluted		NA	NA

For Super Cassettes Industries Private Limited

Sd/-
(Sudesh Kumari Dua)
 Whole Time Director
 DIN: 00128536

Sd/-
(Ved Prakash Chanana)
 Whole Time Director
 DIN: 00122597

NOTES FORMING PART OF THE BALANCE SHEET

Note No. 1 : PROPERTY, PLANT & EQUIPMENT AS AT 31/03/2018

Particulars	Useful Life (Years)	Gross Block			Depreciation			Net Block		
		As at 4/1/2017	Addition	Deletion	As at 3/31/2018	As at 4/1/2017	For The Year	Adjustments Deletion	As at 3/31/2018	As at 3/31/2017
Land	NA	122,089,739	3,663,000	-	125,752,739	-	-	-	125,752,739	122,089,739
Factory Building	30	106,396,428	-	-	106,396,428	74,168,897	3,819,429	-	77,988,326	28,408,102
Office Building	60	291,066,142	-	-	291,066,142	120,528,767	8,033,920	-	128,562,687	162,503,455
Plant & Machinery	15	871,393,979	2,923,300	146,866,567	727,450,712	763,447,486	18,010,932	144,967,276	636,491,142	90,959,569
Statue	60	1,303,258	-	1,303,258	-	1,303,258	-	1,303,258	-	-
Office Equipment	5	33,968,317	7,852,931	3,816,566	38,004,683	31,315,579	1,592,253	3,677,544	29,230,288	8,774,394
Furniture & Fixtures	10	78,156,376	2,365,425	8,956,950	71,564,851	65,484,654	3,369,167	8,671,036	60,182,785	11,382,066
Motor Vehicles	8	314,824,078	35,844,974	49,583,500	301,085,552	235,418,408	27,933,734	46,428,323	216,923,819	84,161,733
Computer & Equipments	3	48,058,100	11,276,370	2,140,349	57,194,121	42,034,246	4,874,036	2,087,557	44,820,725	12,373,396
Dies & Moulds	15	29,425,563	-	-	29,425,563	29,283,644	4,830	-	29,288,474	137,089
Temporary Erection	1	1,384,342	-	-	1,384,342	1,384,342	-	-	1,384,342	-
TOTAL		1,898,066,321	63,926,000	212,667,190	1,749,325,132	1,364,369,282	67,638,301	207,134,995	1,224,872,589	524,452,544
Capital Work in Progress		1,006,546,153	139,454,859	141,813,608	1,004,187,404	-	-	-	-	1,004,187,404
GRAND TOTAL		2,904,612,474	203,380,859	354,480,798	2,753,512,536	1,364,369,282	67,638,301	207,134,995	1,224,872,589	1,528,639,948
										1,540,243,193

Note No. 1a : INVESTMENT PROPERTY AS AT 31/03/2018

Particulars	Useful Life (Years)	Gross Block			Depreciation			Net Block		
		As at 4/1/2017	Addition	Deletion	As at 3/31/2018	As at 4/1/2017	For The Year	Adjustments Deletion	As at 3/31/2018	As at 3/31/2017
Land	NA	57,841,859	-	-	57,841,859	-	-	-	57,841,859	57,841,859
Factory Building	30	24,312,646	-	-	24,312,646	22,625,891	260,419	-	22,886,310	1,426,336
Office Building	60	775,188,165	154,871,577	-	930,059,742	150,969,560	30,554,927	-	181,524,486	748,535,256
									-	
									-	
									-	
									-	
									-	
									-	
									-	
									-	
									-	
									-	
TOTAL		857,342,670	154,871,577	-	1,012,214,247	173,595,451	30,815,346	-	204,410,797	807,803,450
									-	
GRAND TOTAL		857,342,670	154,871,577	-	1,012,214,247	173,595,451	30,815,346	-	204,410,797	807,803,450
										683,747,219

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	As at 31/03/2018	As at 31/03/2017
2	Investments (Non-Current)		
a.	Non-Trade Investments		
i.	Quoted (At Fair Value through P&L Account)		
	- Investment in Equity Instruments	15,082,500	12,273,500
	- Investment in Mutual Funds	-	-
	- Investment in Bonds	409,014,000	486,689,960
	- Investment in Debt Fund	10,405,049,526	8,576,419,581
	- Investment in Gold ETF	112,454,106	107,132,624
	- Investment in Fixed Maturity Plans	940,574,900	292,773,450
ii.	Unquoted (At Amortized Cost)		
	- Investment in Equity Instruments	8,077,800	7,677,800
	Total Investments (Non-Current)	11,890,252,832	9,482,966,915
3	Other Non-Current Assets		
a.	Unsecured & Considered Good		
i.	Advance Recoverable in Cash or Kind	266,069,921	350,509,417
ii.	Capital Advances	1,787,514,512	1,434,832,108
iii.	Security Deposits	24,813,635	25,182,622
iv.	Other Loans and Advances		
	- Advances against Projects under Production	11,302,836	3,904,501
	- Advances to Employees	184,000	537,000
	- Advances to Suppliers	1,676,794	908,668
	- Due From Sister Concerns	15,321,335	15,260,459
	- Tax Deducted at Source	509,443,811	104,311,132
	- Advance Income Tax	438,477,821	10,272,663
	- Service Tax	2,135,963	1,358,225
	- Excise Duty	19,796,118	19,796,118
	- Sales Tax / VAT	12,753,892	12,782,770
	- Lease Rent Accruals	26,586,300	19,883,943
	Total Other Non-Current Assets	3,116,076,937	1,999,539,626

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	As at 31/03/2018	As at 31/03/2017
4	Inventories		
	(as valued & certified by management)		
a.	Raw Materials		
	- In Hand	8,622,886	11,680,674
	- In Transit	-	4,026
b.	Consumables, Spares & Packing Material		
	- In Hand	13,925,610	15,194,794
	- In Transit	15,460	47,813
c.	Work-in-Progress	-	-
d.	Finished Goods (Manufactured)		
	- In Hand	14,040,996	21,167,929
	- In Transit	-	-
e.	Stock-in-Trade (Traded Goods)		
	- In Hand	33,359,166	33,916,230
	- In Transit	3,477,819	435,348
f.	Stock-in-Trade (Others)		
	- In Hand	140,022	-
	- In Transit	-	-
g.	<i>Less: Stock Reserve</i>	-	(1,602,558)
	Total Inventories	73,581,959	80,844,256
5	Investments (Current)		
a.	Non-Trade Investments		
i.	Quoted (At Fair Value through P&L Account)		
	- Investment in Equity Instruments	-	-
	- Investment in Mutual Funds	-	-
	- Investment in Bonds	-	-
	- Investment in Debt Fund	-	-
	- Investment in Gold ETF	-	-
	- Investment in Fixed Maturity Plans	-	623,934,000
	- Investment in Liquid Fund	300,701,989	-
ii.	Unquoted (At Amortized Cost)		
	- Investment in Equity Instruments	-	-
	Total Investments (Current)	300,701,989	623,934,000

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	As at 31/03/2018	As at 31/03/2017
6	Cash and Cash Equivalents		
a.	<u>Cash & Cash Equivalent</u>		
i.	Balances with Banks	(2,679,363)	(142,192)
ii.	Cheques in Hand	8,937,847	11,003,288
iii.	Cash in Hand	2,175,006	2,076,214
iv.	Imprest Balances	189,352	139,711
b.	<u>Deposits With Banks</u>		
i.	Bank Deposits with original maturity \geq 12 months	922,749,002	1,400,000,000
	Total Cash and Cash Equivalents	931,371,844	1,413,077,021
7	Other Current Assets		
a.	<u>Unsecured & Considered Good</u>		
i.	Advance Recoverable in Cash or Kind	1,324,507,445	1,056,799,692
ii.	Security Deposits	1,634,157	223,371
iii.	Other Loans and Advances		
	- Prepaid Expenses	6,677,862	7,481,990
	- Advances against Projects under Production	1,355,869,873	2,443,811,797
	- Service Tax	712,292	4,502,926
	- Excise Duty	128,647	98,395
	- Sales Tax / VAT	5,815,523	110,537
	- Due From Sister Concerns	-	-
	- Advances to Suppliers	456,935,697	80,803,981
	- Advances to Employees	6,915,038	7,533,074
	- Interest Accrued	105,144,499	12,788,312
	- Lease Rent Receivable	2,045,849	151,398
	Total Other Current Assets	3,266,386,882	3,614,305,473
8	Equity Share Capital		
a.	Authorized		
	10,00,000 Equity Shares of Rs. 100/- each	100,000,000	100,000,000
b.	Issued, Subscribed & Fully Paid Shares		
	4,93,256 Equity Shares of Rs. 100/- each	49,325,600	49,325,600
c.	Reconciliation of Number of Shares		
	<u>Current Year</u>	<u>No. of Shares</u>	<u>Amount</u>
	Outstanding as on 31/03/2017	493,256	49,325,600
	Changes during the year	-	-
	Outstanding as on 31/03/2018	493,256	49,325,600
	<u>Previous Year</u>	<u>No. of Shares</u>	<u>Amount</u>
	Outstanding as on 31/03/2016	493,256	49,325,600
	Changes during the year	-	-
	Outstanding as on 31/03/2017	493,256	49,325,600

d. Rights, Preferences and Restrictions attached to Shares

The Company has one class of equity shares having a par value of Rs. 100/- each. Each shareholder is eligible for one vote per share held.

The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board is subject to the the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

e. Details of Shareholders holding more than 5% of the aggregate Shares

Current Year

	No. of Shares	% Holding
Mr. Bhushan Kumar Dua	344,808	69.90%
Mrs. Sudesh Kumari Dua	139,752	28.33%

Previous Year

	No. of Shares	% Holding
Mr. Bhushan Kumar Dua	344,808	69.90%
Mrs. Sudesh Kumari Dua	139,752	28.33%

9 Other Equity

a.	Capital Reserve	31,413,526	31,413,526
b.	Securities Premium Reserve	63,280,800	63,280,800
c.	Amalgamation Reserve	15,650,872	15,650,872
d.	Capital Subsidy	-	-
e.	General Reserve	7,508,941,568	7,508,941,568

f. Surplus/(Deficit)

i.	Balance as per last Financial Statements	9,068,226,808	6,700,844,841
ii.	Profit/(Loss) for the year	2,663,313,862	2,367,936,851
iii.	Ind-AS Transition	-	-
	Profit/(Loss) for the year transferred to H.O	-	(554,884)

Less: Appropriations;

iv.	Transfer to General Reserve	-	-
v.	Dividend Distribution	(98,651,200)	-
vi.	Corporate Dividend Tax	(20,083,064)	-
	Net Surplus/(Deficit)	11,612,806,406	9,068,226,808

g. Other Comprehensive Income

i.	Balance as per last Financial Statements	8,802,093	5,227,536
ii.	For the year	-	3,574,557
	Total Other Comprehensive Income	8,802,093	8,802,093

Total Other Equity	19,240,895,265	16,696,315,667
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	As at 31/03/2018	As at 31/03/2017
10	Provisions		
a.	Provision for Gratuity	34,908,492	47,563,917
b.	Provision for Leave Encashment	15,007,870	15,007,870
	Total Provisions	49,916,362	62,571,787
11	Other Non-Current Liabilities		
a.	Customers at Credit	94,916,678	125,708,867
b.	Due to Staff	79,034	295,223
c.	Security Deposits	21,087,548	20,249,076
d.	Other Liabilities	1,996,441,856	84,221,498
e.	Due to Sister Concern	5,059,967	11,197,537
	Total Other Non-Current Liabilities	2,117,585,083	241,672,201
	** "Other Liabilities" includes Statutory Dues		
12	Other Current Liabilities		
a.	Due to Staff	16,006,073	27,493,384
b.	Customers at Credit	871,874,265	1,230,664,831
c.	Due to Sister Concerns	-	-
d.	Other Liabilities**	76,751,438	104,555,498
e.	Expenses Payable	28,469,321	36,769,011
	Total Other Current Liabilities	993,101,097	1,399,482,723
13	Provisions (Current)		
a.	Proposed Dividend	-	-
b.	Provision for Corporate Dividend Tax	-	-
c.	Provision for Income Tax	-	-
d.	Provision for Excise Duty on Finished Goods	-	41,417
e.	Provision for Wealth Tax	-	-
	Total Provisions (Current)	-	41,417

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	For Year ended on 31/03/2018	For Year ended on 31/03/2017
14	Revenue from Operations		
a.	<u>Sale of Products (Net of Sales Returns)</u>		
i.	Manufactured Goods	71,520,305	119,109,173
ii.	Traded Goods	918,750,869	726,275,104
b.	<u>Sale of Services</u>		
i.	Content Aggregation Sales	417,416,131	628,289,033
c.	<u>Other Operating Revenue</u>		
i.	Royalty and License Fees	4,952,325,574	4,435,449,958
ii.	Income from Artist	23,756,657	20,356,597
iii.	Royalty from Satellite Rights of Films	268,750,000	2,500,000
iv.	Service / Job Work Charges	17,670,527	46,352,185
v.	Advertisement & Sponsorship	384,872,212	-
vi.	Studio & Equipment Hire Charges	7,473,987	9,160,471
vii.	Scrap Sale	1,623,785	2,618,812
	Gross Revenue from Operations	7,064,160,047	5,990,111,333
c.	<i>Less: Excise Duty</i>	194,390	1,429,468
	Net Revenue from Operations	7,063,965,657	5,988,681,865
15	Other Income		
a.	Interest Income	176,079,539	198,248,853
b.	Dividend Income	3,243,620	1,287,528
c.	Net Gain on Sale of Investments	278,064,758	243,697,834
d.	Unrealized Gain on Investment	234,423,906	748,964,359
e.	Other Non-Operating Income		
i.	Lease Rent Income	132,571,227	149,451,314
ii.	Lease Rent Accrual / Prior Period	6,702,357	19,883,943
iii.	Profit on Sale of Fixed Assets	1,171,963	1,774,303
iv.	Unclaimed Balances Written-Back	16,447,858	7,880,339
v.	Excess Provisions Written-Back	-	51,262
vi.	Duty Drawback	-	11,131
vii.	Discount & Commission	136,324	290,780
viii.	Insurance Claim	1,636,604	889,368
ix.	Net Foreign Exchange Gain	20,441	103,867
x.	Miscellaneous Income	45,420,157	41,039,431
	Total Other Income	895,918,754	1,413,574,312

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	For Year ended on 31/03/2018	For Year ended on 31/03/2017
16	Cost of Material Consumed		
a.	Raw Material		
i.	Opening Balance	11,680,674	16,377,033
ii.	Add: Purchases	34,827,114	57,997,432
iii.	Less: Transfer to Expense	-	(183,498)
iv.	Less: Sale	(1,869,368)	(2,120,311)
v.	Less: CENVAT on Inter-Unit Receipt	-	(119,202)
vi.	Less: Closing Balance	(8,622,886)	(11,680,674)
	Total Cost of Material Consumed	36,015,534	60,270,780
17	Other Operating Expenses		
a.	Consumable Stores		
i.	Opening Balance	3,792,299	6,764,407
ii.	Add: Purchases	6,106,707	13,749,974
iii.	Add: Inter-Unit Receipts	6,030,930	3,692,335
iv.	Less: Inter-Unit Transferred	(6,100,788)	(4,456,598)
v.	Less: Transfer to Expense	(56,295)	(18,500)
vi.	Less: Sale	(1,564,439)	(1,579,469)
vii.	Less: CENVAT on Inter-Unit Receipt	-	-
viii.	Less: Closing Balance	(3,089,522)	(3,792,299)
a.	Consumable Stores Consumed	5,118,891	14,359,850
b.	Power & Fuel	11,769,586	17,733,835
c.	Job Work & Processing Charges	971,851	1,365,957
d.	Machinery Repairs	3,171,791	6,694,527
e.	Design & Art Work	146,247	498,844
f.	Cartage (Inward)	3,431,019	2,458,149
g.	Entry Tax	202,473	1,110,566
h.	Excise Duty Paid	132,520	892,806
i.	Loss From Films	1,050,642,413	578,757,252
j.	Satellite Rights / Digital Business Expenses	184,259,249	98,679,183
	Total Other Operating Expenses	1,259,846,040	722,550,969
18	Royalty, Recording & Shooting Expense		
a.	Royalty Expenses - Audio	1,164,637,885	1,336,472,070
b.	Royalty Expenses - Video	1,001,682	2,718,967
c.	Recording Expenses	69,749,368	81,409,616
d.	Shooting Expenses	958,124	-
e.	Sub-Title/Mastering/Censor/Telecast Charges	1,565,070	2,044,000
	Total Royalty, Recording & Shooting Expense	1,237,912,129	1,422,644,653

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	For Year ended on 31/03/2018	For Year ended on 31/03/2017
19	Changes in Inventory		
a.	Inventories at the end of the year		
i.	Work-in-Progress	-	-
ii.	Finished Goods (Manufactured)	14,040,996	21,167,926
iii.	Stock-in-Trade (Traded Goods)	33,359,166	33,916,229
iv.	Stock-in-Trade (Others)	-	-
v.	Goods-in-Transit	-	-
vi.	<i>Less: Transferred to Expenses</i>	-	-
vii.	<i>Less: Stock Reserve</i>	-	(1,602,558)
b.	Inventories at the beginning of the year		
i.	Work-in-Progress	-	-
ii.	Finished Goods (Manufactured)	21,167,926	29,466,281
iii.	Stock-in-Trade (Traded Goods)	19,277,486	18,814,654
iv.	Stock-in-Trade (Others)	14,638,743	1,938
v.	Goods-in-Transit	-	-
vi.	<i>Less: Transferred to Expenses</i>	-	1,984,913
vii.	<i>Less: Stock Reserve</i>	(1,602,558)	(1,015,960)
	Total Changes in Inventory	6,081,436	(4,229,771)
20	Employee Benefit Expenses		
a.	Salary, Wages and Bonus	265,896,151	248,344,336
b.	Remuneration to Directors	28,778,515	25,599,805
c.	MD Commission	102,262,080	102,495,900
d.	Contribution to Provident Fund and ESI	21,642,305	20,953,606
e.	Gratuity Expenses	-	10,371,550
f.	Staff Welfare Expenses	14,695,726	18,730,351
g.	Leave Encashment Expenses	7,254	15,007,870
	Total Employee Benefit Expenses	433,282,031	441,503,418
21	Finance Costs		
a.	Interest Paid	4,268,215	25,342,591
	Total Finance Costs	4,268,215	25,342,591

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

NOTE	PARTICULARS	For Year ended on 31/03/2018	For Year ended on 31/03/2017
22	Other Expenses		
a.	Administrative Expenses		
i.	Service tax / Sales Tax / Excise / Customs Paid	3,796,931	8,566,514
ii.	Electricity & Water Expenses	19,845,392	17,279,519
iii.	Insurance	3,996,587	4,216,809
iv.	Rent	14,237,983	15,502,839
v.	Rates and Taxes	9,175,362	10,213,041
vi.	Repair & Maintenance (Others)	18,037,080	20,495,607
vii.	Building Repairs & Maint.(Office)	11,847,030	10,914,281
viii.	Building Repairs & Maint.(Factory)	91,186	912,538
ix.	Travelling Expenses	25,018,162	34,372,511
x.	Payment to Auditors	3,338,000	3,052,000
xi.	Interest Expense - Others	66,825	86,235
xii.	General Expenses	4,828,563	14,324,733
xiii.	Subscription & Membership	1,900,889	1,798,037
xiv.	Charity & Donation	39,157,900	37,224,000
xv.	Watch & Ward Expenses	15,813,310	18,218,494
xvi.	Staff Recruitment Expenses	45,000	39,033
xvii.	Conveyance Expenses	8,675,045	7,500,025
xviii.	Motor Vehicles Maintenance	18,510,667	16,521,209
xix.	Discount,Commission & Brokerages	35,397,316	44,662,487
xx.	Printing & Stationary	3,380,266	3,982,753
xxi.	Legal & Professional Exp.	183,645,995	143,005,655
xxii.	Postage,Telephone & Internet Exp.	10,277,994	11,779,486
xxiii.	Diff. In Exchange	134,059	12,491
xxiv.	Loss in Sale of Fixed Assets	304,789	10,963,595
xxv.	Licence Fees	194,679	269,872
xxvi.	Previous Year Expenses	766,540	101,658
xxvii.	Newspaper,Books & preiodicals	124,972	102,503
xxviii.	Short & Excess	(618)	708
xxix.	Service Expenses	4,833,528	4,267,086
xxx.	Loss in Transit	70,916	74,759
xxxi.	Fines & Penalties	611,807	467,707
xxxii.	Anti Piracy Expenses	295,542	2,177,820
xxxiii.	Festival Expenses	507,082	540,257
xxxiv.	Computer Software Exp.	2,508,539	409,441
xxxv.	Amount written off	5,730,428	21,279,514
xxxvi.	Profit/Loss against I/U Transfer of Goods	-	17,005
xxxvii.	Bank Charges	1,281,418	1,191,299
b.	Selling & Distribution Expenses		
i.	Samples, Sales Promotion and Adv. Exp.	1,010,968,426	469,185,859
ii.	Freight & Cartage	12,662,431	8,667,965
iii.	Bad Debts	75,029	863,304
iv.	Packing & Forwarding Expenses	1,282,384	4,987,190
v.	Loading & Unloading charges	5,839,871	13,503,133
	Total Other Expenses	1,479,275,303	963,750,972

Route Map for the venue of the meeting

