

Moser Baer Entertainment Limited
Balance Sheet as at 31 March 2017
(Amounts in rupees unless otherwise stated)

Particulars	Notes	As at 31 March 2017	As at 31 March 2016
Equity and liabilities			
Shareholders' funds			
Share capital	5	662,700,000	662,700,000
Reserves and surplus	6	<u>(2,403,153,563)</u>	<u>(2,250,693,190)</u>
		<u>(1,740,453,563)</u>	<u>(1,587,993,190)</u>
Non-current liabilities			
Other long term liabilities	7	780,191	780,191
Long-term provisions	8	<u>12,693,215</u>	<u>3,342,142</u>
		<u>13,473,406</u>	<u>4,122,333</u>
Current liabilities			
Short-term borrowings	9	76,700,000	44,700,000
Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	34	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	10	1,315,577,350	1,558,034,504
Other current liabilities	11	491,551,974	469,888,526
Short-term provisions	12	<u>1,445,904</u>	<u>179,400</u>
		<u>1,885,275,228</u>	<u>2,072,802,430</u>
Total		<u>158,295,071</u>	<u>488,931,573</u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	13	31,204	31,204
Long-term loans and advances	14	9,389,033	161,841,869
Other non-current assets	15	<u>2,566,131</u>	<u>571,345</u>
		<u>11,986,368</u>	<u>162,444,418</u>
Current assets			
Inventories	16	27,889,714	38,336,903
Trade receivables	17	89,191,219	258,436,295
Cash and cash equivalents	18	8,744,126	21,038,323
Short-term loans and advances	19	19,967,587	7,954,136
Other current assets	20	<u>516,057</u>	<u>721,498</u>
		<u>146,308,703</u>	<u>326,487,155</u>
Total		<u>158,295,071</u>	<u>488,931,573</u>

Notes from 1 to 43 form an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date.

For **Walker Chandiook & Co LLP**
Chartered Accountants

per **Neeraj Goel**
Partner

Place: New Delhi
Date: 23 May 2017

For and on behalf of the Board of Directors of
MOSER BAER ENTERTAINMENT LIMITED

Nita Puri
Managing Director
DIN - 00002331

Shaikh Nafis Anjum
Chief Financial Officer
PAN: APOPS5190N

Deepak Puri
Director
DIN - 00002189

Pramod Kalra
Company Secretary
M No. - A46651

Moser Baer Entertainment Limited
Statement of profit and loss for the year ended 31 March 2017
(Amount in rupees unless otherwise stated)

Particulars	Notes	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Income:			
Revenue from operations	21	1,901,056,719	1,608,545,790
Other income	22	2,343,380	2,777,680
Total Revenue		<u>1,903,400,099</u>	<u>1,611,323,470</u>
Expenses:			
Cost of materials consumed		329,752	13,534,680
Purchases of Stock-in-trade	23	1,773,520,990	1,462,610,939
Changes in inventories of stock-in-trade	24	10,447,188	(28,885,852)
Employee benefits expense	25	52,218,166	17,206,926
Finance costs	26	371,953	6,630,149
Depreciation and amortisation expense	13	-	62,546
Other expenses	27	73,636,503	98,360,759
Total expenses		<u>1,910,524,552</u>	<u>1,569,520,147</u>
(Loss)/profit before exceptional and extraordinary items and tax		(7,124,453)	41,803,323
Exceptional items	28	(145,335,920)	-
(Loss)/profit for the year/period		<u>(152,460,373)</u>	<u>41,803,323</u>
Loss per equity share:	29		
- Basic		(32.29)	(3.30)
- Diluted		(32.29)	(3.30)

Notes from 1 to 43 form an integral part of the financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiook & Co LLP**
Chartered Accountants

For and on behalf of the Board of Directors of
MOSER BAER ENTERTAINMENT LIMITED

per **Neeraj Goel**
Partner

Nita Puri
Managing Director
DIN - 00002331

Deepak Puri
Director
DIN - 00002189

Place : New Delhi
Date: 23 May 2017

Shaikh Nafis Anjum
Chief Financial Officer
PAN: APOPS5190N

Pramod Kalra
Company Secretary
M No. - A46651

Moser Baer Entertainment Limited
Cash flow statement for the year ended 31 March 2017
(Amount in rupees unless otherwise stated)

Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Cash flow from operating activities:		
Net (Loss)/profit before tax	(152,460,373)	41,803,323
Adjustments for:		
Depreciation, amortization and impairment	-	62,546
Interest expense	371,953	6,630,149
Interest income	(2,222,933)	(582,498)
Liability no longer required written back	(106,631)	(873,425)
Advances written off	-	8,550
Provision for staff benefits	8,002,173	-
Provision for warranty	3,507,306	2,472,604
Provision for doubtful debts	2,500,000	14,688,134
Provision for doubtful advances	145,335,920	6,418,462
Excess provision written back	-	(817,750)
Unrealised foreign exchange loss/(gain)	3,633,016	(201,813)
Operating profit before working capital changes	8,560,431	69,608,282
Adjustments for :		
Decrease in trade receivables	163,766,879	5,219,462
(Increase)/decrease in short term loans and advances	(12,013,451)	33,186,589
Decrease /(increase) in inventories	10,447,189	(28,885,852)
Decrease in trade payables	(242,928,852)	(77,255,452)
Decrease in provisions	(891,902)	(1,166,724)
Increase in other current liabilities	21,215,006	-
Decrease in long term loans and advances	1,686,413	11,438,054
Net cash (used in)/generated from operations	(50,158,287)	12,144,360
Income taxes refund/(paid)	7,183,030	(29,123)
Net cash (used in)/generated from operating activities	(42,975,257)	12,115,237
Cash flow from investing activities:		
Loans and advances from group companies	-	6,500,000
Fixed deposit matured during the year/period	1,385,002	2,555,769
Fixed deposit made during the year/period against margin money	(1,994,786)	(5,298,566)
Interest received	675,846	196,152
Net cash generated from investing activities	66,062	3,953,355
Increase/(decrease) in inter corporate loan	32,000,000	(9,800,000)
Interest paid	-	(4,350,710)
Net cash generated from/(used in) financing activities	32,000,000	(14,150,710)
Net (decrease)/increase in cash and cash equivalents	(10,909,195)	1,917,882
Cash and cash equivalents at beginning of the year/period	16,258,344	14,340,462
Cash and cash equivalents at end of the year/period	5,349,149	16,258,344
Components of cash and cash equivalents		
Balances with banks in current accounts	5,349,149	16,258,344
	5,349,149	16,258,344

Notes from 1 to 43 form an integral part of the financial statements.

This is the Cash Flow Statement referred to in our report of even date.

For **Walker Chandiook & Co LLP**
Chartered Accountants

For and on behalf of the Board of Directors of
MOSER BAER ENTERTAINMENT LIMITED

per **Neeraj Goel**
Partner

Nita Puri
Managing Director
DIN - 00002331

Deepak Puri
Director
DIN - 00002189

Place : New Delhi
Date: 23 May 2017

Shaikh Nafis Anjum
Chief Financial Officer
PAN: APOPS5190N

Pramod Kalra
Company Secretary
M No. - A46651

Moser Baer Entertainment Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017

(Amount in rupees unless otherwise stated)

1 Company overview

Moser Baer Entertainment Limited (the "Company")/ ("MBEL"), a public limited company was incorporated on 14 September 2006. Its business primarily encompasses distribution of storage optical media , contents including replication of contents and various solid state lighting (LED) products.

2 Basis of preparation

The financial statements are prepared under historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India, including the Accounting Standards specified under section 133 of the Companies Act,2013 read with rule 7 of the Companies (Accounts) Rules 2014. All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company as per the guidance as set out in the Schedule III to the Companies Act, 2013.

3 Use of estimates

The preparation of financial statements in conformity with the principles generally accepted in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Example of such estimates include provisions for doubtful debts/ advances, employee retirement benefit plans, provision for income taxes, useful life of fixed assets, other probable obligations and inventory write down. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

4 Significant accounting policies

(a) Revenue recognition

(i) Revenue from sale of goods

Revenue from sale of goods is recognised on transfer of significant risks and rewards of ownership to the customer and when no significant uncertainty exists regarding realisation of the consideration. Sales are recorded net of sales returns, rebates, trade discounts and price differences, if any.

(ii) Interest income

Interest is accounted for based on a time proportion basis taking into account the amount invested and the rate of interest.

(b) Fixed assets

(i) Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes all expenses, direct and indirect, specifically attributable to its acquisition and bringing it to its working condition for its intended use.

(ii) Intangible assets

Intangible assets are being amortised on a straight line basis over the useful life, not exceeding 10 years, as estimated by management to be the economic life of the asset over which economic benefits are expected to flow.

Impairment, if any, in the carrying value of fixed assets is assessed at the end of each financial period in accordance with the accounting policy given below on "Impairment of Assets".

(c) Depreciation and amortisation

(i) Tangible assets

Depreciation on tangible fixed assets is provided under straight-line method at rates specified in Schedule XIV to the Companies Act, 1956, being representative of the useful lives of tangible fixed assets. Effective 01 January 2015, depreciation on tangible fixed assets is provided under straight-line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Depreciation on additions is being provided on pro-rata basis from the date of such additions. Similarly, depreciation of assets sold/disposed off during the year is being provided upto the date on which assets are sold/disposed off.

In respect of assets whose useful life has been revised, the unamortized depreciable amount is charged over the revised remaining useful life.

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Moser Baer Entertainment Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017

(Amount in rupees unless otherwise stated)

(ii) Intangible assets

Intangible assets other than copyrights/marketing and distribution rights are amortized on equated basis over their estimated economic life not exceeding 10 years.

Copyrights/ marketing and distribution rights are amortized from the date they are available for use, at the higher of the amount calculated on a straight line basis over the period the intangible asset is available for exploitation to the Company, not exceeding 10 years, and the number of units sold during the period basis.

Brand licenses and acquired goodwill are amortized using straight-line method over a period of 3 years.

(d) Inventories

(i) Traded goods

Traded goods held for resale are valued at lower of cost and net realizable value.

Cost of traded goods is determined on the basis of weighted average cost method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost to affect the sale.

Provision for inventory write down is made below cost based on management's best estimate of net realizable value.

(e) Employee benefits

Salaries, bonus and other short term benefits are accrued in the period in which the associated services are rendered by the employees of the Company.

(i) Provident fund and employees' state insurance

The Company makes contribution to statutory provident fund which is recognized by the income tax authorities in accordance with Employees Provident Fund and Miscellaneous provisions Act, 1952 which is a defined contribution plan. These funds are administered through Regional Provident Fund Commissioner and contribution paid or payable is recognized as an expense in the period in which the services are rendered by the employee. The Company has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

The Company's contributions to State plans namely Employee's State Insurance Fund and Employee's Pension Scheme 1995 are charged to statement of profit and loss in the period such contribution is due to be made.

(ii) Gratuity

Gratuity is a post employment benefit and is in the nature of defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date less the fair value of plan assets, together with adjustments for the unrecognized actuarial gains or losses. Gratuity Fund is administered through Life Insurance Corporation of India. The defined benefit obligation is calculated at the balance sheet date on the basis of actuarial valuation by an independent actuary using projected unit credit method. Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are recorded as expense or income in the statement of profit and loss in the period in which such gains and losses arise.

(iii) Unavailed leaves

The Company also provides a benefit of compensated absences to its employees which are in the nature of long term benefit plan. The compensated absences comprises of vesting as well as non vesting benefit. Liability in respect of compensated absences becoming due and expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefits expected to be availed by the employees. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the period in which such gains or losses arise.

(iv) Other short term benefits

Expense in respect of other short term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

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Moser Baer Entertainment Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017

(Amount in rupees unless otherwise stated)

(f) Foreign currency transactions

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Subsequent recognition

Foreign currency monetary assets and liabilities are reported using the closing rate as the reporting date. Non-monetary items are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rates at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or expense in the period in which they arise.

(g) Taxes

Tax expense comprises current tax and deferred tax.

Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the period. The provision for current income-tax is recorded based on the applicable provisions of the Income Tax Act, 1961 on assessable income and the tax rate applicable to the relevant assessment year.

Deferred tax

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In respect of carry forward losses and unabsorbed depreciation, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such losses can be set off.

Further, deferred tax asset appearing in books is reviewed at each reporting date and is written down to the extent it is not certain that the Company will pay taxes on future incomes against which such deferred tax asset may be adjusted.

(h) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets, are classified as 'Operating Leases'. Lease rentals in respect of assets taken under operating leases are charged to the statement of profit and loss on straight line basis over the term of lease.

(i) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is no indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

(j) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period/ year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Moser Baer Entertainment Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the period ended 31 March 2017

(Amount in rupees unless otherwise stated)

(k) Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

A disclosure of contingent liability is made when there is a :

- possible obligation, the existence of which will be confirmed by the occurrence or non-occurrence of one or more uncertain events, not fully within the control of the Company;
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- present obligation, where a reasonable estimate cannot be made.

Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

(l) Segment reporting

Business segments

For management purposes, the Company reviews the performance on the basis of business units identified as 'Storage media products' and 'Solid state lighting', which are reportable segments. Revenue, assets and liabilities in respect of other electronic goods traded by the Company are reported as 'Others'.

Geographic segments

The Company operates primarily in India, which is considered a single geographical segment as per Accounting Standard 17 on 'Segment Reporting' prescribed by Companies (Accounting Standards) Rules, 2006.

Other information

All segment revenues, expenses, assets and liabilities are directly attributable to the segments and disclosed accordingly. Segment revenues, expenses and results include transfers between business segments.

The accounting policies consistently used in the preparation of the financial statement are also applied to revenues and expenditure of individual segments.

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Moser Baer Entertainment Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017

(Amount in rupees unless otherwise stated)

5 Share capital

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number	Amount	Number	Amount
Authorised				
Equity shares of Rs. 10 each	10,300,000	103,000,000	10,300,000	103,000,000
Preference shares of Rs. 10 each	100,000,000	1,000,000,000	100,000,000	1,000,000,000
		1,103,000,000		1,103,000,000
Issued, Subscribed and fully paid up				
Equity Shares of Rs. 10 each	6,270,000	62,700,000	6,270,000	62,700,000
15% redeemable non-cumulative preference shares of Rs. 10 each	10,000,000	100,000,000	10,000,000	100,000,000
10% redeemable cumulative preference shares of Rs. 10 each	50,000,000	500,000,000	50,000,000	500,000,000
		662,700,000		662,700,000

Notes:

a) **Terms and rights attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

b) **Terms and rights attached to preference shares**

- i) 15% redeemable non-cumulative preference shares having a par value of Rs. 10 each. The shares are redeemable at the option of the holding company. These shares carry fixed 15% non cumulative dividend. In the event of liquidation of the Company, the preference shareholders will have priority over equity shares in payment of dividend and repayment of capital.
- ii) 10% redeemable cumulative preference shares having a par value of Rs. 10 each. The shares are redeemable at par on or before 31 March 2017 at the option of the holding Company. These shares carry fixed 10% cumulative dividend. In the event of liquidation of the Company, the preference shareholders will have priority over equity shares in payment of dividend and repayment of capital.

c) **Reconciliation of the number of shares outstanding**

i) Equity shares

Particulars	31 March 2017		31 March 2016	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year/period	6,270,000	62,700,000	6,270,000	62,700,000
Shares issued during the year/period	-	-	-	-
Shares bought back during the year/period	-	-	-	-
Shares outstanding at the end of the year/period	6,270,000	62,700,000	6,270,000	62,700,000

ii) 15% redeemable non cumulative preference shares

Particulars	31 March 2017		31 March 2016	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year/period	10,000,000	100,000,000	10,000,000	100,000,000
Shares issued during the year/period	-	-	-	-
Shares bought back during the year/period	-	-	-	-
Shares outstanding at the end of the year/period	10,000,000	100,000,000	10,000,000	100,000,000

iii) 10% redeemable cumulative preference shares

Particulars	31 March 2017		31 March 2016	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year/period	50,000,000	500,000,000	50,000,000	500,000,000
Shares issued during the year/period	-	-	-	-
Shares bought back during the year/period	-	-	-	-
Shares outstanding at the end of the year/period	50,000,000	500,000,000	50,000,000	500,000,000

Moser Baer Entertainment Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the period ended 31 March 2017**

(Amount in rupees unless otherwise stated)

d) Shares held by the Holding Company

Particulars	31 March 2017		31 March 2016	
	Number	% of holding	Number	% of holding
Moser Baer India Limited		*		*
Equity Shares of Rs. 10 each	6,269,994	100%	6,269,994	100%
15% redeemable non-cumulative preference shares of Rs. 10 each	10,000,000	100%	10,000,000	100%
10% redeemable cumulative preference shares of Rs. 10 each	50,000,000	100%	50,000,000	100%

e) Shareholders holding more than 5 % of Share Capital

Particulars	31 March 2017		31 March 2016	
	Number	% of holding	Number	% of holding
Moser Baer India Limited		*		*
Equity Shares of Rs. 10 each	6,269,994	100%	6,269,994	100%
15% redeemable non-cumulative preference shares of Rs. 10 each	10,000,000	100%	10,000,000	100%
10% redeemable cumulative preference shares of Rs. 10 each	50,000,000	100%	50,000,000	100%

* 6 shares held by a nominee, rounded off to 100%

f) No shares have been issued for consideration other than cash or as bonus shares in last five years preceding the current reporting period.

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Moser Baer Entertainment Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017

(Amount in rupees unless otherwise stated)

6 Reserves and surplus

Particulars	As at 31 March 2017	As at 31 March 2016
a. Securities premium reserve		
Balance at the beginning of the year/period	540,000,000	540,000,000
Add: Additions during the year/period	-	-
Balance at the end of the year/period [A]	540,000,000	540,000,000
b. Deficit balance as per Statement of Profit and Loss		
Balance at the beginning of the year/period	(2,790,693,190)	(2,832,433,853)
Add:(Loss)/profit for the year/period	(152,460,373)	41,803,324
Add: Adjustment in carrying value of fixed assets having no remaining life	-	(62,661)
Balance at the end of the year/period [B]	(2,943,153,563)	(2,790,693,190)
[A+B]	(2,403,153,563)	(2,250,693,190)

7 Other long term liabilities

Particulars	As at31 March 2017	As at31 March 2016
Balance payable to government authorities	780,191	780,191
	780,191	780,191

8 Long term provisions

Particulars	As at31 March 2017	As at31 March 2016
Provision for employee benefits		
-Gratuity (funded)(refer note 39)	4,907,896	380,638
-Unavailed leave*	1,979,730	488,900
-Provision for warranty **	5,805,589	2,472,604
	12,693,215	3,342,142

***Unavailed leaves**

Particulars	Non Current		Current	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Earned leave (refer note 39)	1,754,806	418,945	632,096	153,969
Casual leave	89,249	31,190	35,113	12,654
Sick leave	135,677	38,765	45,163	12,777
Total	1,979,732	488,900	712,372	179,400

****Provision for warranty**

Particulars	31 March 2017	31 March 2016
Opening provision	2,472,604	429,440
Add : Charged during the year/period	3,507,306	3,056,878
Less : Utilised during the year/period	174,321	1,013,714
Closing provision	5,805,589	2,472,604

9 Short-term borrowings

Particulars	As at31 March 2017	As at31 March 2016
Unsecured loans	76,700,000	44,700,000
	76,700,000	44,700,000

Note:

a. The unsecured loan amounting to Rs 44,700,000 was received from GMM Barter Private Limited carrying an interest rate of 18 % and is repayable in ten equal monthly installments from disbursement after a moratorium period of four months. The Company got interest waiver, accordingly the expense has been booked till 31 October 2015. Further, on 03 October 2015, the Company has received notice from the lender to repay the entire amount of loan including interest thereon. As the Company has not paid the loan till date, the same has been shown as default in payment of term loan. (refer note 40).

b. The unsecured loan amounting to Rs 32,000,000 has been received from Microgreen Electronics Private Limited during the year at the rate 14.775% p.a and shall be repayable on demand.

Moser Baer Entertainment Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017**

(Amount in rupees unless otherwise stated)

10 Trade payables

Particulars	As at31 March 2017	As at31 March 2016
(a) Trade payables		
- total outstanding dues of micro enterprises and small enterprises (refer note 34)	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,255,509,031	1,519,030,525
(b) Other payables		
- Employee dues	9,995,333	1,961,202
- Royalty payable	11,234,027	9,975,086
- Payable to holding company	18,680,753	-
- Others accrued liabilities	20,158,206	27,067,691
	1,315,577,350	1,558,034,504

11 Other current liabilities

Particulars	As at31 March 2017	As at31 March 2016
(a) Current maturities of long term borrowings (refer note below)	300,000,000	300,000,000
(b) Interest accrued and due on borrowings	116,597,032	116,148,591
(c) Creditors for capital assets	25,921,409	25,921,410
(d) Income received in advance	44,464,462	21,495,668
(e) Security deposits	2,000,000	4,200,000
(f) Statutory dues	2,569,070	2,122,857
	491,551,973	469,888,526

Notes:

(a) Term loan is from the Holding company - Moser Baer India Limited and was due for repayment on 31 March 2015. Since the same was due for repayment on 31 March 2015, it has been shown under Other current liabilities as 'Current maturities of long term debt'.

(b) The Company shall pay interest @ 50 bps above the relevant cost of borrowing of MBIL. The interest rate in previous years was 11.45%. In the year 2014-15, the Company got interest waiver, accordingly the expense was booked till 30 June 2014.

(c) The Company has defaulted in payment of term loan amounting to Rs. 300,000,000 (previous year Rs. 300,000,000) and interest amounting to Rs. 113,924,334 (previous year Rs. 113,924,334).

12 Short term provisions

Particulars	As at31 March 2017	As at31 March 2016
Provision for employee benefits		
Gratuity (funded) (refer note 39)	733,532	-
Unavailed leave (unfunded)(refer note 8)	712,372	179,400
	1,445,904	179,400

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13 Fixed Assets

Fixed Assets	Gross Block			Accumulated Depreciation					Impairment			Net Block		
	Balance as at 1 April 2016	Additions	Disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Charge for the year	Adjustment upon reserves	Adjustment upon deletions	Balance as at 31 March 2017	Balance as at 1 April 2016	Impairment for the year	Balance as at 31 March 2017	Balance as at 31 March 2017	Balance as at 31 March 2016
Tangible Assets														
Furniture and fixtures	164,200	-	-	164,200	164,200	-	-	-	164,200	-	-	-	-	-
Office equipments	392,934	-	-	392,934	389,058	-	-	-	389,058	-	-	-	3,876	3,876
Computers	867,160	-	-	867,160	839,832	-	-	-	839,832	-	-	-	27,328	27,328
Total	1,424,294	-	-	1,424,294	1,393,090	-	-	-	1,393,090	-	-	-	31,204	31,204
Previous period	1,424,294	-	-	1,424,294	1,393,090	0	62,661	-	1,393,090	-	-	-	31,204	31,204
Intangible Assets														
Goodwill	4,845,564	-	-	4,845,564	4,845,564	-	-	-	4,845,564	-	-	-	-	-
Brand license	41,673,675	-	-	41,673,675	41,673,675	-	-	-	41,673,675	-	-	-	-	-
Copyrights and marketing and distribution rights	1,782,331,642	-	-	1,782,331,642	1,549,280,040	-	-	-	1,549,280,040	233,051,602	-	233,051,602	-	-
Total	1,828,850,881	-	-	1,828,850,881	1,595,799,279	-	-	-	1,595,799,279	233,051,602	-	233,051,602	-	-
Previous period	1,828,850,881	-	-	1,828,850,881	1,595,799,279	-	-	-	1,595,799,279	233,051,602	-	233,051,602	-	-

Moser Baer Entertainment Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017**

(Amount in rupees unless otherwise stated)

14 Long term loans and advances

Particulars	As at31 March 2017	As at31 March 2016
Loans and advances to related parties:		
Unsecured, considered doubtful	145,335,920	145,335,920
Less:- Allowance for doubtful advances	(145,335,920)	-
Capital advances		
-Unsecured, considered good	999,966	3,499,966
-Unsecured, considered doubtful	61,124,676	61,124,676
Less: Allowance for doubtful advances	(61,124,676)	(61,124,676)
Security deposits -unsecured, considered good	138,000	153,000
Prepaid taxes [net of provision for tax Rs. Nil (previous year Rs. 723,236)]	3,446,482	8,876,981
Balance with government authorities	4,658,394	3,976,002
Others		
-Unsecured, considered good	146,191	-
-Unsecured, considered doubtful	8,049,971	8,049,971
Less:- Allowance for doubtful advances	(8,049,971)	(8,049,971)
	9,389,033	161,841,869

15 Other non current assets

Particulars	As at31 March 2017	As at31 March 2016
Bank balances kept as margin money with government authorities	2,566,131	571,345
	2,566,131	571,345

16 Inventories

Particulars	As at31 March 2017	As at31 March 2016
Stock-in-trade	27,770,177	23,417,398
Goods in transit	119,537	14,919,505
	27,889,714	38,336,903

17 Trade receivables

Particulars	As at31 March 2017	As at31 March 2016
Debts outstanding for a period exceeding six months from the date they are due for payment		
-Unsecured, considered good	32,293,767	23,719,326
-Unsecured, considered doubtful	40,174,493	37,856,718
	72,468,260	61,576,044
Less:- Provision for doubtful debts	40,174,493	37,856,718
	32,293,767	23,719,326
Debts outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	56,897,452	234,716,969
	89,191,219	258,436,295

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Moser Baer Entertainment Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017

(Amount in rupees unless otherwise stated)

18 Cash and cash equivalents

Particulars	As at31 March 2017	As at31 March 2016
Cash and cash equivalents		
Balances with banks in current accounts	5,349,149	16,258,344
	<u>5,349,149</u>	<u>16,258,344</u>
Other bank balances		
Margin money with maturity less than 12 months	3,394,977	4,779,979
	<u>3,394,977</u>	<u>4,779,979</u>
	<u>8,744,126</u>	<u>21,038,323</u>

19 Short term loans and advances

Particulars	As at31 March 2017	As at31 March 2016
Other loans and advances		
Unsecured, considered doubtful		
Advances given for film rights		
Advances given for film rights	17,561,676	17,561,676
Less:- Allowance for doubtful advances	(17,561,676)	(17,561,676)
Unsecured, considered good		
Balances with government authorities	15,895,851	1,879,967
Advance to suppliers	3,625,272	5,112,069
Prepaid expenses	363,581	662,059
Others	82,883	300,041
	<u>19,967,587</u>	<u>7,954,136</u>

20 Other current assets

Particulars	As at31 March 2017	As at31 March 2016
Interest accrued on fixed deposits	516,057	721,498
	<u>516,057</u>	<u>721,498</u>

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Moser Baer Entertainment Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017

(Amount in rupees unless otherwise stated)

21 Revenue from operations

Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Sale of traded goods	1,901,056,719	1,608,545,790
	1,901,056,719	1,608,545,790
Detail of products sold		
Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Optical media products	1,602,159,986	1,230,443,560
Solid state lighting	136,902,104	156,676,000
Others	161,994,629	221,426,230
	1,901,056,719	1,608,545,790

22 Other income

Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Interest income on		
-Fixed deposits	470,403	582,498
-Income tax refund	1,752,530	-
Net gain of foreign currency translation	-	201,813
Liabilities no longer required written back	-	817,750
Credit balances written back	106,631	873,425
Miscellaneous income	13,816	302,194
	2,343,380	2,777,680

23 Purchase of stock in trade

Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Purchase of traded goods	1,773,520,990	1,462,610,939
	1,773,520,990	1,462,610,939
Detail of products purchased		
Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Optical media products	1,496,995,342	1,138,060,052
Solid State Lighting	115,474,314	143,068,157
Others	161,051,334	181,482,730
	1,773,520,990	1,462,610,939

24 Changes in inventories of Stock-in-trade

Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Closing inventory		
-Stock in trade (including goods in transit)	27,889,714	38,336,902
	27,889,714	38,336,902
Opening inventory		
-Stock in trade (including goods in transit)	38,336,902	9,451,050
	38,336,902	9,451,050
Net Change in inventories	10,447,188	(28,885,852)

Moser Baer Entertainment Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017

(Amount in rupees unless otherwise stated)

25 Employee benefit expense

Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Salaries and bonus	42,965,491	15,724,174
Contribution to-(refer note 39)		
-Provident fund	2,403,166	837,945
-Gratuity fund	5,653,338	207,550
Staff welfare	1,196,171	437,257
	52,218,166	17,206,926

26 Finance costs

Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Interest expense	371,953	6,630,149
	371,953	6,630,149

27 Other expenses

Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Advertisement and sales promotion	10,575,046	13,536,228
Distribution expenses	2,330,169	1,714,844
Electricity and water charges	7,770	42,957
Freight and forwarding	15,961,976	43,887,878
Insurance	1,145,251	746,702
Legal and professional(refer note below)	10,195,832	8,112,130
Postage, telephone and fax expenses	1,154,482	578,107
Rent	996,180	582,283
Repairs and maintenance	69,683	4,179
Royalty	9,452,847	300,671
Travel and conveyance	11,011,084	3,305,204
Printing and stationery	33,898	17,490
Provision for doubtful advances	-	6,418,462
Provision for doubtful debts*	2,500,000	14,688,134
Provision for warranty	3,507,306	3,056,878
Net loss of foreign currency translation	2,739,007	-
Rates and taxes	525,827	204,468
General expenses	1,430,145	1,164,144
	73,636,503	98,360,759

***Provision for doubtful debts**

Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Opening provision	37,856,718	23,168,584
Add : Provision for the year/period	2,500,000	14,688,134
Less : Bad debts written off	182,225	-
Closing provision	40,174,493	37,856,718

Note:

Remuneration to auditors excluding service tax (included in legal and professional expense)

Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
As auditors (excluding taxes thereon)	1,350,000	3,297,500
For other services	-	342,000
For reimbursement of expenses	67,739	473,835
	1,417,739	4,113,335

28 Exceptional Items

Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Provision for advances given to related party	145,335,920	-
	145,335,920	-

Moser Baer Entertainment Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017

(Amount in rupees unless otherwise stated)

29 Loss per share

Calculation of weighted average number of equity shares

Basic / diluted loss per share	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Number of shares at the beginning of the year/period	6,270,000	6,270,000
Total number of equity shares outstanding at the end of the year/period	6,270,000	6,270,000
Weighted average number of equity shares outstanding during the year/ period	6,270,000	6,270,000
(Loss)/profit as per statement of profit and loss	(152,460,373)	41,803,324
Less: Preference dividend not provided for	(50,000,000)	(62,500,000)
Loss attributable to the equity shareholders	(202,460,373)	(20,696,676)
Loss per share (face value per share Rs 10 each)		
- Basic	(32.29)	(3.30)
- Diluted	(32.29)	(3.30)

30 Contingent liabilities

- (a) Disputed demands (gross) in respect of

Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Income tax	-	172,344,760
Sales tax	14,084,488	56,380,364
{Amount paid under protest Rs 3,838,394 (previous period Rs.3,156,002)}		

Management is of the view that above claims are not tenable and will not have any material adverse effect on the company's financial position and results of operations.

- (b) Arrears of 10% redeemable cumulative preference shares dividend amounting to Rs 339,589,041 (previous period Rs 289,589,041)
- (c) The company has given the following sureties on behalf of other companies:-
- (i) Rs.3,955,339 is combined surety by Company and Helios Photo Voltaic Limited (group company) on behalf of Moser Baer Solar Limited, to UP government against appeal order for AY 2009-10 and AY 2011-12.
- (ii) Surety given by Company jointly with Helios Photo Voltaic Limited (fellow subsidiary) on behalf of Moser Baer Solar Limited (group company) to UP government in lieu of VAT demand imposed u/s 28 (2) of UP VAT Act 2008 on Moser Baer Solar Limited for non payment of tax for AY 2009-10 – Rs Nil (Previous period Rs 7,299,288)
- (iii) Surety of Rs Nil (Previous period Rs. 12,343,836) given by the Company and Rs. Nil (Previous period 62,743,734) is the combined surety given by MBEL and Moser Baer Solar Limited on behalf of Moserbaer India Limited, the holding company, to UP government in lieu of penalty imposed u/s 54 (1) (2) of UP VAT Act 2008 on MBIL for short payment of tax for AY 2007-08 and AY 2008-09.

31 Foreign currency transactions

Particulars	Year ended 31 March 2017	Fifteen months Period ended 31 March 2016
Value of Imports on CIF basis		
Purchase of trading goods	383,857,475	133,007,943
Earnings in foreign exchange (on accrual basis):		
Value of exports on FOB basis	-	12,249,832
Expenditure in foreign currency (on accrual basis):		
Royalty	9,452,847	300,671

- 32 Total lease payments recognised in the Statement of Profit and Loss : Rs 996,180 (previous period Rs. 582,283)

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33 The Company has made a loss of Rs. 152,460,373 during the year 31 March 2017 (previous period profit of Rs. 41,803,324), and, as of that date, the Company's accumulated losses amounts to Rs. 2,943,153,563 (previous period Rs. 2,790,693,190) and it has negative net worth of Rs. 1,740,453,563 (previous period Rs. 1,587,993,190). Further, as of 31 March 2017, the Company's current liabilities exceeded its current assets by Rs. 1,738,966,525 (previous period Rs. 1,746,315,275).

Company's operations are dependent on the business from holding company. During the year, the holding company exited from CDR mechanism and lender banks of holding company have served notices under SARFESI Act. The holding company has already challenged the said loan recall and enforcement action in its response to the notices under section 13(2) of the SARFESI Act received and will take further appropriate steps as may be advised by its lawyers. The holding company is pursuing resolution of debt with secured lenders and is expecting support from lender banks in terms of removal/ reduction of tagging.

Conditions explained above, indicate existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern due to which the Company may not be able to realize its assets and discharge its liability in the normal course of business. However, in anticipation of going concern of the holding company and its continued support, management expects to operate at a reasonable level and with reduction in fixed costs, Company expects to improve its operational performance and generate position cash flow from operations. Accordingly, these financial statements have been prepared on a going concern basis.

34 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Based on the information available with the Company, the balance due to Micro and Small enterprises as defined under the MSMED Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest during the year has been paid or is payable under the terms of MSMED Act, 2006. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Particulars		As at March 31, 2017	As at March 31, 2016
(a)	Amount remaining unpaid to micro ,small and medium enterprises at the end of year		
	Principal amount	-	-
	Interest thereon	-	-
	Total	-	-
(b)	Amount of payments made to micro, small and medium enterprises beyond the appointed date during the year		
	Principal amount	-	-
	Interest actually paid u/s 16 of the act.	-	-
	Total	-	-
(c)	Interest accrued (including interest u/s 16 of the act) and remaining unpaid at the end of the year		
	Interest accrued during the year.	-	-
	Interest remaining unpaid during the year.	-	-

35 Foreign currency exposures not hedged as at period end are as under:

Currency exchange	As at 31 March 2017		As at 31 March 2016	
	Receivables	Payables	Receivables	Payables
USD	48,314	96,331	43,495	262,891
Rs. Value	3,133,186	6,246,111	2,881,977	17,419,145
SGD	-	300	-	-
Rs. Value	-	13,926	-	-

36 Taxation

Provision for taxation has not been made in the absence of assessable taxable profits as per the Income Tax Act, 1961.

No deferred tax asset has been created on the carried forward losses in the absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realised.

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Moser Baer Entertainment Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017

(Amount in rupees unless otherwise stated)

37 Segment reporting
Identification of segment:
Primary segments

The Company has considered business segments as the primary segment for disclosure according to the nature of the products sold, with each segment representing a strategic business unit. The Company has accordingly identified primary business segments, i.e. 'Storage media products' and 'Solid State Lighting'. Revenue, assets and liabilities in respect of other electronic goods traded by the Company are reported as 'Others'.

Secondary segments

The Company operates primarily in India, which is considered a single geographical segment as per Accounting standard 17 on 'Segment Reporting' prescribed by Companies (Accounting standards) Rules, 2014.

The accounting principles consistently used in preparation of the financial statements are also consistently applied to record income and expenditure for individual segments. These are stated in the note on significant accounting policies.

Unallocated items

Long term loans and advances, prepaid taxes, margin money, borrowings and interest thereon etc. which are not directly associated to any reportable segment are separately disclosed as 'unallocated'.

Information about primary business segments

- Financial information about business for the year ended 31 March 2017 is as follows:

Particulars	Storage media products	Solid State Lighting	Others	Total
Revenue:				
Segment revenue	1,602,159,986	136,902,104	161,994,629	1,901,056,719
Result:				
Segment result	10,256,928	(4,976,103)	(5,478,165)	(197,340)
Unallocated corporate expenses (net)	-	-	-	(154,114,013)
Interest Income (net of interest expenses)	-	-	-	1,850,980
Loss before tax	-	-	-	(152,460,373)
Net loss for the year	-	-	-	(152,460,373)
Other information:				
Segment assets	71,087,289	34,231,379	21,077,114	126,395,782
Unallocated corporate assets	-	-	-	31,899,289
Total assets	-	-	-	158,295,071
Segment liabilities	1,263,533,089	98,077,853	32,157,868	1,393,768,810
Unallocated corporate liabilities	-	-	-	504,979,824
Total liabilities	-	-	-	1,898,748,634
Depreciation, amortization and impairment	-	-	-	-
Total depreciation, amortisation and impairment	-	-	-	-

Financial information about business for the period ended 31 March 2016 is as follows:-

Particulars	Storage media products	Home Entertainment	Solid State Lighting	Others	Total
Revenue:					
Segment revenue	1,230,443,560	-	156,676,000	221,426,230	1,608,545,790
Result:					
Segment result	34,704,852	-	11,833,467	1,312,657	47,850,976
Unallocated corporate expenses (net)	-	-	-	-	-
Interest expense (net of interest income)	-	-	-	-	(6,047,653)
Profit before tax	-	-	-	-	41,803,323
Provision for taxation	-	-	-	-	-
Net profit for the period	-	-	-	-	41,803,323
Other Information:					
Segment assets	282,052,795	-	20,830,114	21,653,939	324,536,848
Unallocated corporate assets	-	-	-	-	164,394,725
Total assets	-	-	-	-	488,931,573
Segment liabilities	1,571,275,289	38,323,298	19,994,636	12,404,359	1,641,997,582
Unallocated corporate liabilities	-	-	-	-	434,927,181
Total liabilities	-	-	-	-	2,076,924,763
Depreciation, amortization and impairment	-	-	-	62,546	62,546
Total depreciation, amortisation and impairment	-	-	-	62,546	62,546

Moser Baer Entertainment Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017**

(Amount in rupees unless otherwise stated)

38 Related party transactions

In accordance with the requirements of Accounting Standard - 18 (AS 18) 'Related Party Disclosures' the names of the related parties where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and period/ year end balances with them as identified and certified by the management are given below:

(a) Names of related parties and nature of relationship :

Name of the related party	Nature of relationship
Moser Baer India Limited (MBIL)	Holding Company- 100% share holding
Moser Baer Investment Limited	Fellow subsidiary

Enterprises over which key management personnel exercise significant influence:

-Microgreen Electronics Private Limited (formerly known as COBOL Power & Technologies Private Limited)
-Natia Consultancy

Key management personnel *

- Managing director : Mrs. Nita Puri

- Director : Mr. Deepak Puri

* No remuneration paid during the period

Pursuant to the Companies Act 2013, following to personnel has been considered as key managerial personnel : -

- Chief financial officer : Mr. Shaikh Nafis Anjum

- Company secretary : Mr. Pramod Kalra

b) Details of transactions with related parties in the ordinary course of business:

Particulars	Microgreen Electronics Private Limited		Moser Baer India Limited (Holding Company)		Moser Baer Investment Limited (Fellow Subsidiary)	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Transactions during the year/period						
Loan taken	32,000,000	-	-	-	-	-
Sales of goods	-	-	483,739,388	241,585,582	-	-
Purchase of goods and services	-	-	1,089,795,648	1,108,624,308	-	-
Expenses incurred by holding company	-	-	147,249	1,738,135	-	-
Interest charged on inter corporate loan	197,000	-	-	-	-	-
Advance paid/ (Return)	-	-	-	(17,000,000)	-	-
Fund received on behalf of related party	-	-	176,925,529	139,868,600	-	-
Recovery of loan amount	-	-	-	-	-	6,500,000
Outstanding payables						
-Inter corporate loan and Interest accrued and due thereon	32,197,000	-	413,924,334	413,924,334	-	-
- In respect of expenses/purchases	-	-	1,215,407,861	1,300,691,311	-	-
- In respect of advance	-	-	-	-	-	-
Outstanding receivables(net of provision)						
- In respect of sales	-	-	14,946,084	72,110,989	-	-
- In respect of loans given	-	-	-	-	-	145,335,920

Moser Baer Entertainment Limited**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2017**

(Amount in rupees unless otherwise stated)

39 Employee benefits**(a) Defined contribution plans**

During the year, the Company has recognised Rs. 2,403,166 (previous period – Rs. 837,945) as contribution to provident fund.

(b) Gratuity and unavailed leaves

The Company is following Accounting Standard 15 (Revised 2005) 'Employee Benefits' estimating the liability in respect of gratuity and unavailed leaves using Projected Unit Credit Method and other assumptions as per the market.

(i) The weighted average actuarial assumptions used to determine benefit obligations and net periodic cost for gratuity and unavailed leaves as at the reporting date are as follows:-

	Unavailed leaves (unfunded)		Gratuity (funded)	
	Year ended 31 March 2017	Period ended 31 March 2016	Year ended 31 March 2017	Period ended 31 March 2016
Discount rate	7.00%	7.84%	7.00%	7.84%
Future salary increase rate	5.00%	5.00%	5.00%	5.00%
Rate of return on plan assets	NA	NA	7.00%	7.84%
Average remaining working life of employees (years)	3.76	3.76	3.76	3.76

(ii) Reconciliation of opening and closing balances of the present value of the defined benefit obligations:-

	Unavailed leaves (unfunded)		Gratuity (funded)	
	Year ended 31 March 2017	Period ended 31 March 2016	Year ended 31 March 2017	Period ended 31 March 2016
Present value of obligations as at beginning of the period	572,916	545,903	1,704,235	1,491,971
Add: Interest cost	42,356	40,923	118,417	120,108
Add: Current service cost	88,646	91,225	148,095	498,455
Less: Benefits paid	(317,579)	(110,024)	(296,614)	(41,322)
Add: Actuarial (gain)/loss on obligations	2,000,563	4,889	5,474,390	(364,977)
Present value of obligations as at end of the year/period*	2,386,902	572,916	7,148,523	1,704,235

*Excludes present value of obligation for sick leave and casual leave

(iii) Break up of the expense recognised in the statement of profit and loss is as follows:-

	Unavailed leaves (unfunded)		Gratuity (funded)	
	Year ended 31 March 2017	Period ended 31 March 2016	Year ended 31 March 2017	Period ended 31 March 2016
Current service cost	88,646	91,225	148,095	498,455
Add: Interest cost	42,356	40,923	118,417	120,108
Add: Expected return on plan assets	-	-	(91,093)	(135,920)
Add: Net actuarial (gain)/loss recognized	2,000,563	4,889	5,477,919	(275,094)
Expenses recognised in statement of profit and loss	2,131,565	137,037	5,653,338	207,549

(iv) Reconciliation of opening and closing balances of the fair value of plan assets:-

	Gratuity (funded)	
	Year ended 31 March 2017	Period ended 31 March 2016
Fair value of plan assets at beginning of period	1,323,597	337,891
Add: Expected return on plan assets	91,093	135,920
Add: Contributions	392,548	980,991
Add: Benefits paid	(296,614)	(41,322)
Add: Net actuarial loss recognised	(3,529)	(89,883)
Fair value of plan assets at the end of year/period	1,507,095	1,323,597

(v) Amounts to be recognized in the balance sheet as at end of the period:-

	Gratuity (funded)	
	Year ended 31 March 2017	Period ended 31 March 2016
Present value of obligations as at the end of period	7,148,523	1,704,235
Fair value of plan assets as at the end of the period	1,507,095	1,323,597
Net liability recognised in balance sheet	5,641,428	380,638

(vi) Reconciliation of fair value of assets and obligations for current and previous years:-

(a) Particulars	Employee's Gratuity Fund				
	31 March 2017	31 March 2016	31 December 2014	31 December 2013	31 March 2013
Fair value of plan assets, end of period	1,507,095	1,323,597	337,889	2,922,201	3,470,036
Projected benefit obligation, end of period	7,148,523	1,704,235	1,491,970	5,069,889	5,927,643
(Surplus) / deficit in the Plan	5,641,428	380,638	1,154,081	2,147,688	2,457,607
Experience adjustments on plan assets	(3,529)	(89,883)	52,875	-	23,220
(Gain)/ losses due to change in assumptions	354,163	33,307	86,306	(1,243,644)	225,418
Experience (gain) / losses on Present value of defined benefit obligation	5,120,227	(398,283)	(369,641)	14,538	(610,288)
Total (gain)/loss on Present value of defined benefit obligation	5,474,390	(364,976)	(283,335)	(1,229,106)	(384,870)

(b) Particulars	Unavailed leaves (Unfunded)				
	31 March 2017	31 March 2016	31 December 2014	31 December 2013	31 March 2013
Fair value of plan assets, end of period	-	-	-	-	-
Projected benefit obligation, end of period	2,386,902	572,914	545,901	3,033,974	4,078,945
(Surplus) / deficit in the Plan	2,386,902	572,914	545,901	3,033,974	4,078,945
Experience adjustments on plan assets	-	-	-	-	-
(Gain)/ losses due to change in assumptions	127,593	5,944	57,721	(620,448)	125,353
Experience (Gain) / losses on Present value of defined benefit obligation	1,872,972	(1,055)	(229,528)	(894,868)	(2,990,394)
Total (Gain)/Loss on Present value of defined benefit obligation	2,000,565	4,889	(171,807)	(1,515,316)	(2,865,041)

40 Details of defaults in repayment of unsecured loans

Name of Entity	Due Date	Amount	Delays in days
	31-May-15	5,524,986	671
	30-Jun-15	6,045,184	640
GMM Barter Private Limited	31-Jul-15	6,065,023	609
	31-Aug-15	6,065,023	578
	30-Sep-15	6,045,184	548
	31-Oct-15	18,207,879	517

41 The details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016 is as follows:-

Particulars	Specified banking notes	Other denomination notes	Total
Closing cash in hand as on 8 November 2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30 December 2016	-	-	-

42 During the previous period, the Company prepared financial statements for 15 months ended 31 March 2016, whereas current financial year consisted of 12 months period. Accordingly, current financial period figures are not comparable with those of the previous year.

43 Figures of the previous year have been re - grouped and re-arranged wherever necessary to make them comparable.

For Walker Chandiok & Co LLP

Chartered Accountants

per Neeraj Goel
Partner

For and on behalf of the Board of Directors of

MOSER BAER ENTERTAINMENT LIMITED

Nita Puri
Managing Director
DIN - 00002331Deepak Puri
Director
DIN - 00002189Place: New Delhi
Date: 23 May 2017Shaikh Nafis Anjum
Chief Financial Officer
PAN: APOPS5190NPramod Kalra
Company Secretary
M No. - A46651