

## **INDEPENDENT AUDITOR'S REPORT**

### **To The Members of Smaaash Entertainment Private Limited**

#### **Report on the Financial Statements**

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 (the Act) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due

to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2015, its loss and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 (the Order) issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

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**Deloitte  
Haskins & Sells LLP**

(1) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company does not have any pending litigations which would impact its financial position.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

  
Ketan Vora

Partner

Membership No. 100459

Place: Mumbai

Date: September 21, 2015

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

**Re: Smaaash Entertainment Private Limited**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
  - (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;
  - (c) The Company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and book records were not material.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, clause (iii) of paragraph 3 of the Order is not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in such internal control system.
- (v) The Company has not accepted deposits during the year.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013.
- (vii) According to the information and explanations given to us in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it with the appropriate authorities.

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Haskins & Sells LLP**

- (b) There are no dues of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess which have not been deposited as on March 31, 2015 on account of disputes.
- (c) In our opinion and according to the information and explanations given to us, there is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The accumulated losses of the Company at the end of the financial year are less than fifty per cent of its net worth and the Company has incurred cash losses in the current financial year and in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not defaulted in the repayment of dues to bank and debenture holders.
- (x) In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the term loan has been applied for the purpose for which they were obtained.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

  
Ketan Vora

Place: Mumbai

Date: September 21, 2015

Partner

Membership No. 100459



**Smaaash Entertainment Private Limited**  
Statement of Profit and Loss for the year ended 31 March, 2015



(Rs in Lacs)

Particulars	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
1) Revenue from operations	20	3,949.79	2,475.34
2) Other income	21	617.32	49.71
<b>3) Total Revenue (1+2)</b>		<b>4,567.11</b>	<b>2,525.05</b>
<b>4) Expenses</b>			
(a) Cost of materials consumed	22	404.05	296.17
(b) Purchases of stock-in-trade	23	670.23	-
(c) Changes in inventories of stock-in-trade	24	(65.69)	=
(d) Employee benefit expense	25	818.36	410.30
(e) Other expenses	27	3,199.29	2,013.04
<b>Total Expenses</b>		<b>5,026.24</b>	<b>2,719.51</b>
<b>5) Earnings before interest, tax, depreciation and amortisation (EBITDA) (3 - 4)</b>		<b>(459.13)</b>	<b>(194.46)</b>
6) Finance cost	26	235.87	152.40
7) Depreciation and amortisation expense (Refer note 42)	11	1,218.54	1,057.51
<b>8) Loss before tax (5-6-7)</b>		<b>(1,913.54)</b>	<b>(1,404.37)</b>
<b>9) Tax Expense/(Benefit)</b>			
Deferred tax		(40.93)	(56.73)
Net tax (benefit)		(40.93)	(56.73)
<b>10) Loss for the year (8-9)</b>		<b>(1,872.61)</b>	<b>(1,347.64)</b>
<b>Earnings per share (of Rs. 10 each) (Refer note 34)</b>			
Basic and diluted (amount in Rs )		(2.23)	(6.74)

See accompanying notes forming part of the financial statements

In terms of our report attached.

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Ketan Vora**  
Partner

For and on behalf of the Board of Directors

**Shripal Morakhia**  
Director

**Anand Krishnan**  
Director

**Vishwanath Kotian**  
Chief Financial Officer

**Srinidhi Rao**  
Chief Executive Officer



Place : Mumbai

Date : September 21, 2015

Place : Mumbai

Date : August 04, 2015



**Smaaash Entertainment Private Limited**  
Cash Flow Statement for the year ended 31 March, 2015



Particulars	(Rs in Lacs)	
	For the year ended 31 March 2015	For the year ended 31 March 2014
<b>A) Cash flow from operating activities</b>		
Loss before tax	(1,913.54)	(1,404.37)
<b>Adjustments for:</b>		
Depreciation and amortisation expense (Refer note 42)	1,218.54	1,057.51
Finance cost	235.87	152.40
Loss on fixed assets sold/written off	73.73	13.26
Sundry credit balances written back	(16.00)	(41.78)
Interest on deposit with bank	(195.57)	(3.86)
Preliminary expenses written off	-	0.37
Bad debts and advances written off	4.91	-
<b>Operating loss before changes in working capital</b>	<b>(592.06)</b>	<b>(226.47)</b>
<b>Changes in working capital:</b>		
Inventories	(147.72)	(42.57)
Trade receivables	(100.35)	(28.04)
Short term loans and advances	(508.00)	246.69
Long term loans and advances	(405.45)	(440.05)
Temporary overdrawn balance	(274.95)	328.63
Other current assets	(146.25)	34.04
Trade payables	(243.42)	217.94
Other current liabilities	(375.60)	293.60
Long term provisions	16.65	-
Short term provisions	2.68	-
<b>Cash (used in) / generated from operations</b>	<b>(2,182.41)</b>	<b>610.24</b>
Net income tax (paid)	(32.12)	(28.95)
<b>Net cash (used in) / generated from operations</b>	<b>(2,806.59)</b>	<b>354.82</b>
<b>B) Cash flow from investing activities</b>		
Purchase of fixed assets	(4,445.94)	(2,201.25)
Bank balances not considered as cash and cash equivalents	(47.76)	(4.92)
Interest on deposit with bank	187.64	3.86
Proceeds from sale of fixed assets	92.40	-
Investments in subsidiaries	(2.00)	-
<b>Net cash (used in) investing activities</b>	<b>(4,215.66)</b>	<b>(2,202.31)</b>
<b>C) Cash flow from financing activities</b>		
Loans received from holding company	-	2,797.37
Loans repaid to holding company	-	(5,081.30)
Proceeds from long-term borrowing	1,350.00	-
Repayment of long-term borrowing	(550.00)	(220.00)
Interest paid	(227.02)	(144.56)
Proceeds from issue of shares (Including share premium)	7,049.99	-
Share issue expenses	(357.37)	-
Share application money received	-	4,600.00
<b>Net cash generated from financing activities</b>	<b>7,265.60</b>	<b>1,951.51</b>
<b>Net increase in cash and cash equivalents</b>	<b>243.35</b>	<b>104.02</b>
Cash and cash equivalents at the beginning of the year	133.25	29.23
<b>Cash and cash equivalents at the end of the year</b>	<b>376.60</b>	<b>133.25</b>

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**Smaaash Entertainment Private Limited**  
Cash Flow Statement for the year ended 31 March, 2015



Particulars	(Rs in Lacs)	
	For the year ended 31 March 2015	For the year ended 31 March 2014
<b>Notes to Cash flow statement</b>		
<b>i) Cash and cash equivalents at the year end comprise:</b>		
(a) Cash on hand	6.13	23.01
(b) Balances with banks		
- In current accounts	11.47	0.24
- In deposit accounts	359.00	110.00
<b>Total cash and cash equivalents</b>	<b>376.60</b>	<b>133.25</b>

ii) The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on 'Cash Flow Statement' as notified under the Companies Act, 2013

See accompanying notes forming part of the financial statements

In terms of our report attached.

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Ketan Vora**  
Partner

For and on behalf of the Board of Directors

**Shripal Morakhia**  
Director

**Anand Krishnan**  
Director

**Vishwanath Kotian**  
Chief Financial Officer

**Srinidhi Rao**  
Chief Executive Officer



Place: Mumbai

Date: September 21, 2015

Place: Mumbai

Date: August 04, 2015

**Note 1 - Company overview**

Smaaash Entertainment Private Limited ('Smaaash' or the 'Company') was incorporated as a private limited company on 30 November, 2009. The Company is engaged in the business of operating entertainment centers and Quick Service Restaurants ('QSR'). Smaaash presents an unmatched range of games that offer a superlative virtual-reality experience and combines the best of sports, music and dining into a highly immersive, interactive, innovative and involved entertainment experience.

**Note 2 - Significant accounting policies**

**a. Basis of preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting estimate for depreciation (Refer note 42).

**b. Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

**c. Fixed assets:**

*i) Tangible fixed assets*

Tangible fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. The cost of fixed assets includes freight, duties, taxes (to the extent not recoverable from tax authorities) and any directly attributable expenditure for making the assets ready for its intended use.

*ii) Intangible assets*

Intangible assets are stated at cost.

Cost related to purchased software and software licenses are capitalized as software.

Expenditure incurred for creating the Trade Mark are capitalized as Trade mark.

Cost relating to software license for Virtual reality cricket and related development are capitalized as virtual reality cricket.

The intellectual property rights acquired/created in relation to player images are capitalized as player rights

*iii) Capital Work in Progress / Intangible assets under development*

Projects under which assets are not ready for their intended use are carried at cost, comprising direct cost and related incidental expenses.

**d. Depreciation / Amortization**

*i) Tangible Assets:*

Depreciation on tangible fixed assets is provided on straight line method, at the rates prescribed under part C of schedule II of the Companies Act, 2013 except as under:

- Leasehold Improvements are amortized over the unexpired period of lease on a straight line basis.
- Individual assets costing upto Rs 5,000 are depreciated at the rate of 100% prorata over a period of one year from the date of purchase.

*ii) Intangible Assets:*

Intangible assets are amortized on a straight line basis over the estimated useful life of 8 years except as under;

- Software and software licenses are amortized over their estimated useful lives of 2.5 years.
- Player rights are amortized over the period of contract with the players.

**e. Impairment of assets**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

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**f. Investments**

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties

**g. Revenue recognition**

Revenue is recognized when it is earned and no significant uncertainty as to its realization or collection exists and is recognized as follows:

- Gaming - as and when the games are played by patrons.
- Sale of food and beverages - upon their delivery to customers.
- Banquet / party sales - when event take place.

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

**h. Employee benefits**

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined contribution plans

The Company's contribution to provident fund, employee state insurance scheme are considered as defined contribution plan and are charged as an expense based on amount of contribution required to be made and when services are rendered by the employee.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

**i. Inventories**

Inventories are valued at lower of cost and net realizable value. Cost of inventories includes cost of purchases and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on the First-In, First-Out ('FIFO') basis.

**j. Taxation**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

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## Smaaash Entertainment Private Limited

Notes forming part of the financial statements



### k. Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

### l. Foreign currency transactions

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognized as income or expense in the Statement of Profit and Loss.

### m. Share issue expenses

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilization in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of Profit and Loss.

### n. Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognized in the financial statements.

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## Smaaash Entertainment Private Limited

Notes forming part of the financial statements



### Note 3 - Share capital

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	(Rs. in Lacs)	No. of Shares	(Rs. in Lacs)
<b>Authorised:</b>				
Equity Shares of Rs. 10/- each	10,00,00,000	10,000.00	3,00,00,000	3,000.00
<b>Issued, Subscribed and Fully Paid-up:</b>				
Equity Shares of Rs. 10/- each	9,59,94,401	9,599.44	2,00,00,000	2,000.00
<b>Total</b>	<b>9,59,94,401</b>	<b>9,599.44</b>	<b>2,00,00,000</b>	<b>2,000.00</b>

#### a. Reconciliation of Equity Shares outstanding at the beginning and at the end of year

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	(Rs. in Lacs)	No. of Shares	(Rs. in Lacs)
Opening balance	2,00,00,000	2,000.00	2,00,00,000	2,000.00
Add :- Issued during the year (Refer note (d) below)	7,59,94,401	7,599.44	-	-
<b>Closing balance</b>	<b>9,59,94,401</b>	<b>9,599.44</b>	<b>2,00,00,000</b>	<b>2,000.00</b>

#### b. Terms/rights attached to Equity Shares

The Company is having only one class of Equity Shares having a par value of Rs. 10/- each. Each holder of Equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the Equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of Equity shares held by shareholders.

#### c. Details of shareholders in the Company

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity Shares of Rs. 10 each fully paid</b>				
Aha Holdings Private Limited (Holding Company till 24 October, 2014)	4,79,58,963	50%	1,45,04,418	73%
FW Metis Ltd	3,78,12,683	39%	-	-
Bennett, Coleman and Company Limited	47,27,273	5%	100	0%
Sachin Ramesh Tendulkar	36,00,000	4%	36,00,000	18%
Samir Arun Patil	18,95,481	2%	18,95,481	9%
Kalpana S Morakhia	1	0%	1	0%

d. During the current year, the Company has entered into a subscription and shareholders agreement (SSA) with its erstwhile Holding Company and other related parties. In accordance with the SSA, the Company has issued 3,34,54,545 fully paid-up Equity Shares of Rs. 10/- each to Aha Holdings Private Limited and 47,27,173 fully paid-up Equity Shares of Rs.10/- each to Bennett, Coleman and Company Limited at a premium of Rs. 3.75 per Equity Share for an aggregate amount of Rs. 5,249.99 lacs (Also refer notes 28 and 29). Pursuant to the said SSA, the Company has also issued 3,78,12,683 fully paid-up equity shares of Rs.10/- each at premium of Rs.7.19 per Equity Share to FW Metis Ltd for an aggregate amount of Rs. 6,500 lacs. The total premium received aggregating Rs. 4,150.55 lacs has been accounted as securities premium account (Refer note 4).

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# Smaaash Entertainment Private Limited

Notes forming part of the financial statements



## Note 4 - Reserves and surplus

(Rs in Lacs)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>(a) Securities premium account</b>		
Opening balance	-	-
Add: Received during the year	4,150.55	-
	4,150.55	-
Less: Utilised during the year towards share issue expenses	357.37	-
<b>Closing balance</b>	<b>3,793.18</b>	-
<b>(b) Balance in statement of profit and loss</b>		
As per last balance sheet	(3,407.91)	(2,060.27)
Add: Loss for the year	(1,872.61)	(1,347.64)
	<b>(5,280.52)</b>	<b>(3,407.91)</b>
<b>Total</b>	<b>(1,487.34)</b>	<b>(3,407.91)</b>

## Note 5 - Long term borrowings

(Rs in Lacs)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Secured</b>		
Term Loan from bank (Refer note below) (Interest rate - 13.50%)	1,492.50	437.50
<b>Total</b>	<b>1,492.50</b>	<b>437.50</b>

Note:-

(a) Details of security:

- Term loan from banks are secured by first pari passu charge over all fixed assets of the Company and receivables of the Company both present and future.
- Also guaranteed by corporate guarantee of Aha Holdings Pvt. Ltd. and personal guarantee of Mr. Shripal Morakhia (Director).

(b) Above loans are repayable in equal quarterly installments as follows:

Particulars	As at 31 March 2015	As at 31 March 2014
Repayable within 1 year	295.00	250.00
Repayable within 2-3 years	880.00	437.50
Repayable within 3-5 years	612.50	-
<b>Total</b>	<b>1,787.50</b>	<b>687.50</b>

(c) For the current maturities of long term borrowings, refer note 9 other current liabilities.

## Note 6 - Other long term liabilities

(Rs in Lacs)

Particulars	As at 31 March 2015	As at 31 March 2014
Payables on purchase of fixed assets	92.46	195.57
<b>Total</b>	<b>92.46</b>	<b>195.57</b>

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## Smaaash Entertainment Private Limited

Notes forming part of the financial statements



### Note 7 - Long term provisions

(Rs in Lacs)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Provision for employee benefits :</b>		
i) Compensated absences	12.98	-
ii) Gratuity (Refer note 36)	3.67	-
<b>Total</b>	<b>16.65</b>	-

Note:-

The Company did not have any long-term contracts for which any provision was required for foreseeable losses.

### Note 8 - Trade payable

(Rs in Lacs)

Particulars	As at 31 March 2015	As at 31 March 2014
Total outstanding dues of micro enterprises and small enterprises (Refer note 31)		
Total outstanding dues of creditors other than micro enterprises and small enterprises	269.07	528.49
<b>Total</b>	<b>269.07</b>	<b>528.49</b>

### Note 9 - Other current liabilities

(Rs in Lacs)

Particulars	As at 31 March 2015	As at 31 March 2014
a) Current maturities of long-term debt		
i) From Bank (Refer note 5)	295.00	250.00
ii) From Financial institution (Refer note below)	-	300.00
b) Temporary overdrawn bank balance	54.87	329.82
c) Interest accrued but not due on borrowing	19.35	10.49
d) Other payables		
i) Statutory Dues	83.66	93.24
ii) Advances from Customer	171.32	537.34
<b>Total</b>	<b>624.20</b>	<b>1,520.89</b>

Note :-

Secured by way of hypothecation on all movable assets and current assets, both present and future. Also guaranteed by two of the Directors and Corporate Guarantee of Holding Company. The interest rate is 15.25% and the loan has been repaid during the year.

### Note 10 - Short-term provisions

(Rs in Lacs)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Provision for employee benefits :</b>		
Compensated absences	2.68	-
<b>Total</b>	<b>2.68</b>	-

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**Smaaash Entertainment Private Limited**  
Notes forming part of the financial statements



Particulars	Gross Block				Depreciation			Net Block				
	As at 01 April, 2014	Additions	Adjustments	Disposal	As at 31 March, 2015	As at 01 April, 2014	Depreciation for the year	Adjustments	On disposals	As at 31 March, 2015	As at 31 March, 2015	
<b>TANGIBLE ASSETS</b>												
Plant and machinery	1,247.33 (908.61)	224.38 (338.72)	33.75 (-)	226.91 (-)	1,278.55 (1,247.33)	103.56 (17.24)	152.66 (86.32)	1.69 (-)	110.74 (-)	147.17 (103.56)	1,131.38 (1,143.77)	
Computers	105.38 (93.14)	40.99 (12.24)	-	4.05 (-)	142.32 (105.38)	23.04 (6.99)	59.45 (16.05)	-	4.05 (-)	78.44 (23.04)	63.88 (82.34)	
Electrical equipments	586.09 (477.19)	81.74 (108.90)	(83.76) (-)	60.71 (-)	523.36 (586.09)	34.74 (9.08)	108.53 (25.67)	(4.41) (-)	60.71 (0.01)	78.15 (34.74)	445.21 (551.35)	
Furniture and fixtures	151.53 (89.29)	37.19 (62.24)	(1.74) (-)	3.32 (-)	183.66 (151.53)	9.40 (1.92)	31.98 (7.54)	(0.12) (-)	3.32 (0.06)	37.94 (9.40)	145.72 (142.13)	
Vehicles	2.55 (-)	11.20 (2.53)	-	-	13.73 (2.53)	0.07 (-)	0.97 (0.28)	-	-	1.04 (0.07)	12.69 (2.46)	
Office equipments	7.57 (6.47)	0.42 (1.10)	-	2.59 (-)	5.40 (7.57)	0.44 (0.09)	3.96 (0.35)	-	2.59 (-)	1.81 (0.44)	3.59 (7.13)	
Leasehold improvement	902.00 (662.75)	441.79 (239.25)	(0.51) (-)	-	1,343.28 (902.00)	228.85 (39.68)	294.63 (189.17)	(0.08) (-)	-	523.40 (228.85)	819.88 (673.15)	
<b>Total</b>	<b>3,002.43 (2,237.45)</b>	<b>837.71 (764.98)</b>	<b>(52.26) (-)</b>	<b>297.58 (-)</b>	<b>3,490.30 (3,002.43)</b>	<b>400.10 (75.00)</b>	<b>652.18 (325.38)</b>	<b>(2.92) (-)</b>	<b>181.41 (0.28)</b>	<b>867.95 (400.10)</b>	<b>2,622.35 (2,602.33)</b>	
<b>INTANGIBLE ASSETS</b>												
Software	76.18 (54.32)	3.28 (21.86)	(0.65) (-)	-	78.81 (76.18)	39.66 (13.81)	26.58 (25.85)	(0.29) (-)	-	65.95 (39.66)	12.86 (36.52)	
Trade marks	13.33 (10.02)	2.84 (3.31)	-	-	16.17 (13.33)	4.34 (1.78)	2.76 (2.56)	-	-	7.10 (4.34)	9.07 (8.99)	
Players rights	639.59 (588.12)	84.62 (51.47)	(9.23) (-)	263.54 (-)	451.44 (639.59)	341.27 (176.09)	149.46 (204.86)	(3.01) (-)	217.20 (39.68)	270.52 (341.27)	180.92 (298.32)	
Virtual reality cricket	2,381.63 (2,177.84)	50.16 (203.79)	(2.85) (-)	0.23 (-)	2,428.71 (2,381.63)	363.00 (137.47)	387.56 (225.53)	(0.57) (-)	-	749.99 (363.00)	1,678.72 (2,018.63)	
Website developments	4.70 (4.70)	-	-	4.70 (-)	-	1.31 (0.37)	-	-	1.31 (-)	-	-	
Brands	272.39 (-)	-	-	272.39 (-)	-	272.39 (-)	-	-	272.39 (-)	-	-	
<b>Total</b>	<b>3,387.82 (2,835.00)</b>	<b>140.90 (552.82)</b>	<b>(12.73) (-)</b>	<b>540.86 (-)</b>	<b>2,975.13 (3,387.82)</b>	<b>1,021.97 (329.52)</b>	<b>566.36 (732.13)</b>	<b>(3.87) (-)</b>	<b>490.90 (39.68)</b>	<b>1,093.56 (1,021.97)</b>	<b>1,881.57 (2,365.85)</b>	
Capital work-in-progress												
Intangible assets under development												
<b>Grand total</b>	<b>6,390.25 (5,072.45)</b>	<b>978.61 (1,317.80)</b>	<b>(64.99) (-)</b>	<b>838.44 (-)</b>	<b>6,465.43 (6,390.25)</b>	<b>1,422.07 (404.52)</b>	<b>1,218.54 (1,057.51)</b>	<b>(6.79) (-)</b>	<b>672.31 (39.96)</b>	<b>1,961.51 (1,422.07)</b>	<b>6,461.56 (4,977.42)</b>	

Notes :-

- a) Adjustments comprise of service tax credit paid on fixed assets purchased in earlier years considered as recoverable and reversal of related depreciation. (Refer note 4.3)
- b) Previous year figures are in brackets.

# Smaaash Entertainment Private Limited

Notes forming part of the financial statements



## Note 12 - Non current investment

(Rs in Lacs)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>A. Trade - unquoted (at cost):</b>		
<b><u>In Equity Instruments :</u></b>		
In Subsidiary companies:		
(i) 10,000 (Previous year Nil) Equity shares of Adrenaline Foods Private Limited of Rs 10/- each.	1.00	-
(ii) 10,000 (Previous year Nil) Equity shares of Smaaash Innovations Private Limited of Rs 10/- each.	1.00	-
<b>B. Other Investments</b>		
In Government securities :		
National Saving Certificate	0.20	0.20
<b>Total</b>	<b>2.20</b>	<b>0.20</b>

## Note 13 - Long-term loans and advances (Unsecured, considered good)

(Rs in Lacs)

Particulars	As at 31 March 2015	As at 31 March 2014
(a) Capital advances (Refer note below)	1,534.16	118.34
(b) Security deposits	764.80	359.34
(c) Advance income tax	69.82	37.69
<b>Total</b>	<b>2,368.78</b>	<b>515.37</b>

Note:

Includes Rs. 300 lacs paid to a related party towards purchase of land (Also Refer note 38)

## Note 14 - Other non-current assets

(Rs in Lacs)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>In Fixed deposit account with banks:</b>		
(i) Lien marked accounts		
a) Balances held as security against borrowings	80.20	33.76
b) Balances held as security against bank guarantee	6.24	4.92
<b>Total</b>	<b>86.44</b>	<b>38.68</b>

## Note 15 - Inventories

(Rs in Lacs)

Particulars	As at 31 March 2015	As at 31 March 2014
<b>Inventories</b>		
(a) Food and beverages	18.86	11.39
(b) Consumables	57.07	34.85
(c) Stores and spares	81.68	29.34
(d) Trading inventory	65.69	-
<b>Total</b>	<b>223.30</b>	<b>75.58</b>

## Note 16 - Trade receivables (Unsecured, considered good)

(Rs in Lacs)

Particulars	As at 31 March 2015	As at 31 March 2014
Outstanding for a period exceeding six months from the date they were due for payment	0.94	2.25
Others	158.97	59.26
<b>Total</b>	<b>159.91</b>	<b>61.51</b>

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## Smaaash Entertainment Private Limited

Notes forming part of the financial statements



### Note 17 - Cash and cash equivalents

(Rs in Lacs)

Particulars	As at	As at
	31 March 2015	31 March 2014
(a) Cash on hand	6.13	23.01
(b) Balances with banks		
- In current accounts	11.47	0.24
- In deposit accounts	359.00	110.00
<b>Total</b>	<b>376.60</b>	<b>133.25</b>
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash flow statement is:	376.60	133.25

### Note 18 - Short-term loans and advances (Unsecured, considered good)

(Rs in Lacs)

Particulars	As at	As at
	31 March 2015	31 March 2014
(a) Security deposit	13.00	106.39
(b) Loans and advances to employees	5.59	4.17
(c) Prepaid expenses	67.29	54.85
(d) Advances to vendors	298.64	25.70
(e) Balances with government authorities		
- Service tax (Refer note 43)	168.04	17.96
(f) Served from India scheme (SFIS) credit (Refer note 40)	219.75	
<b>Total</b>	<b>772.31</b>	<b>209.07</b>

### Note 19 - Other current assets

(Rs in Lacs)

Particulars	As at	As at
	31 March 2015	31 March 2014
(a) Unbilled revenue	12.48	
(b) Accruals		
- Interest accrued on fixed deposits with banks	12.31	4.39
(c) Contractually reimbursable expenses (Refer note 44)	133.77	
(d) Preliminary expenses		0.37
Less: written off during the year		(0.37)
<b>Total</b>	<b>158.56</b>	<b>4.39</b>

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# Smaaash Entertainment Private Limited

Notes forming part of the financial statements



## Note 20 - Revenue from operations

(Rs in Lacs)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Revenue from:		
Gaming	1,245.34	1,091.16
Food and beverages	619.87	528.61
Banquet sales	545.12	374.22
Sale of equipments	710.43	-
Sponsorship fees ( Including Rs. 310 lacs in respect of earlier years)	650.00	338.79
Revenue Share	49.10	0.08
Event management income	-	120.25
Other operating revenue:		
Rental income	42.76	7.23
Professional charges	72.08	-
Income from exhibits, merchandise and others	15.09	15.00
<b>Total</b>	<b>3,949.79</b>	<b>2,475.34</b>

## Note 21 - Other income

(Rs in Lacs)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Interest on fixed deposits with banks	195.57	3.86
Served from India scheme credit (Refer note 40)	307.97	-
Foreign exchange gain (net)	2.51	1.20
Sundry credit balances written back	16.00	41.78
Excess provision of earlier year written back	48.90	-
Service tax credit availed (includes depreciation reversal Rs. 6.79 lacs) (Refer note 43)	45.89	-
Other non-operating income:		
Scrap Sale	0.33	0.04
Miscellaneous Income	0.15	2.83
<b>Total</b>	<b>617.32</b>	<b>49.71</b>

## Note 22 - Cost of materials consumed

(Rs in Lacs)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Opening stock		
- Food and beverages	11.39	9.31
- Consumables	34.84	114.14
Add: Purchases	433.75	218.95
	<b>479.98</b>	<b>342.40</b>
Less: Closing stock		
- Food and beverages	18.86	11.39
- Consumables	57.07	34.84
<b>Cost of materials consumed</b>	<b>404.05</b>	<b>296.17</b>

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# Smaaash Entertainment Private Limited

Notes forming part of the financial statements



## Note 23 - Purchases of stock-in-trade (traded goods)

(Rs in Lacs)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Purchase of equipments	670.23	-
<b>Total</b>	<b>670.23</b>	<b>-</b>

## Note 24 - Changes in inventories of stock-in-trade

(Rs in Lacs)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
<b>Inventories at the end of the year:</b>		
Trading goods	(65.69)	-
<b>Inventories at the beginning of the year:</b>		
Trading goods	-	-
<b>(Increase)</b>	<b>(65.69)</b>	<b>-</b>

## Note 25 - Employee benefit expense

(Rs in Lacs)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Salary	702.62	342.34
Contributions to provident and other funds	62.27	8.28
Staff welfare	44.75	55.96
Gratuity expense (Refer note 36)	8.72	3.72
<b>Total</b>	<b>818.36</b>	<b>410.30</b>

## Note 26 - Finance costs

(Rs in Lacs)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
a) Interest on term loan :		
(i) from bank	105.69	107.10
(ii) from financial institution	27.63	45.30
b) Processing fees and related cost	102.55	-
<b>Total</b>	<b>235.87</b>	<b>152.40</b>

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**Smaaash Entertainment Private Limited**  
Notes forming part of the financial statements



**Note 27 - Other expenses**

(Rs in Lacs)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Stores and spares consumed	51.20	19.67
Power and fuel	202.62	130.69
Rent (Refer note 35)	1,065.65	705.38
Repair and maintenance charges	72.96	62.28
Insurance	22.86	14.78
Rates, taxes and license fee	388.47	138.55
Communication expenses	11.92	5.76
Travelling and conveyance expenses	121.37	33.07
Printing and stationery	35.01	19.65
Advertisement and business promotion	403.33	270.87
Professional fees	504.22	420.90
House keeping charges	48.88	37.51
Hire charges	14.25	26.56
Labour charges	22.47	9.52
Revenue share	75.48	48.24
Security charges	39.37	29.04
Payment to auditors (Refer note below)	7.50	1.00
Bank charges and credit card commission	20.37	14.36
Bad debts and advances written off	4.91	-
Loss on fixed assets sold/written off	73.73	13.26
Preliminary expenses written off	-	0.37
Miscellaneous expenses	12.72	11.58
<b>Total</b>	<b>3,199.29</b>	<b>2,013.04</b>

**Note:**

(Rs in Lacs)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
<b>Payment to auditors (excluding service tax)</b>		
For statutory audit	7.50	1.00
<b>Total</b>	<b>7.50</b>	<b>1.00</b>

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**Smaaash Entertainment Private Limited**  
Notes forming part of the financial statements



**28 Money received against share warrants**

In an earlier year, the Company received Rs.100.00 lacs towards share warrant subscription amount from Bennett, Coleman and Company Limited ('BCCL'). Further, During the year, an amount of Rs 549.99 lacs was received as share application money from BCCL. During the year, BCCL has exercised its share warrants option, pursuant to which the Company has issued 47,27,173 fully paid-up Equity Shares of Rs. 10/- each at a premium of Rs. 3.75 per Equity Share aggregating to an amount of Rs 649.99 lacs to BCCL. (Also refer note 3(d))

**29 Share Application Money Pending Allotment**

In the previous year, the Company has received Rs. 4,600.00 lacs as share application money from Aba Holdings Private Limited. During the year, the Company has issued 3,34,54,545 fully paid-up Equity Shares of Rs. 10/- each at a premium of Rs. 3.75 per Equity Share aggregating to an amount of Rs. 4600.00 lacs (Also refer note 3(d))

**30 Contingent liabilities and commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

		(Rs in Lacs)	
		As at	As at
		31 March 2015	31 March 2014
		948.75	154.33
		<b>948.75</b>	<b>154.33</b>

**31 MSMED disclosure**

As per the information available with the company, none of the creditors have confirmed that they are registered under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, disclosure as required by the said Act is made on that basis.

**32 Particulars of un-hedged foreign currency exposure as at the balance sheet date**

(a) Foreign currency transactions of the Company are not hedged by derivative instruments or otherwise.  
(b) The Details of the foreign currency exposure of the Company are :

Underlying asset / liability	As at 31 March 2015		As at 31 March 2014	
	Amount in	Amount in FCY	Amount in	Amount in FCY
	INR		INR	
Advances paid				
USD	-	-	35.24	0.59
GBP	32.41	0.35	6.26	0.06
AUD	-	-	22.23	0.40
EURO	3.90	0.06	-	-

**33 CIF value of imports**

Capital goods  
Components and spares

		(Rs in Lacs)	
		Year ended	Year ended
		31 March 2015	31 March 2014
		607.60	41.89
		11.07	-
		<b>618.67</b>	<b>41.89</b>

**34 Earnings per share (EPS)**

Net loss after tax attributable to equity shareholders  
(Numerator used for calculation of Basic and diluted EPS)

Weighted average number of equity shares outstanding during the year – Basic and Diluted

Basic and Diluted loss per share of face value of Rs. 10/- each

		(Rs in Lacs)	
		Year ended	Year ended
		31 March 2015	31 March 2014
	(A)	(1,872.61)	(1,347.64)
	(B)	8,38,28,245	2,00,00,000
	(A)/(B)	(2.23)	(6.74)

Note:

In the previous year, the Company has not considered the effect of the outstanding share application money and share warrants for the purpose of calculation of diluted EPS, since the effect of the same was antidilutive.

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**35 Lease**

Operating lease

The Company has entered into 16 (31 March 2014: 5) lease arrangements for office premises and godown at various locations. Some of the agreements / arrangements involve escalation of rentals over the lease term.

The lease rent charges recognized in the Statement of Profit and Loss during the year ended 31 March 2015 is Rs. 906.23 lacs (31 March 2014: Rs. 607.62 lacs).

**Obligation of the Company towards future lease payments for non cancellable lease** (Rs in Lacs)

Particulars	31 March 2015	31 March 2014
Not later than one year	1,161.78	702.09
Later than one year but not later than five years	1,393.67	1,722.31
Later than five years	-	-

Significant leasing arrangements:

- a) The period of lease for the premises varies by location and ranges from 11 months to 5 years.
- b) Renewal of the lease at the end of the initial term is at mutual consent of both parties.

**36 Employee benefits**

**Defined Contribution Plans**

Amounts contributed to provident fund aggregating to Rs. 31.84 lacs (31 March 2014: Rs. 4.28 lacs) recognised as an expense and included in "Employee benefits expense" in the Statement of Profit and Loss.

**Defined Benefit Plans**

**General description of significant defined benefit plans**

**i) Gratuity Plan**

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

**ii) Defined benefit obligation**

	Gratuity (Rs. In Lacs)	
	As at	As at
	31 March 2015	31 March 2014
Projected benefit obligation at beginning of the year	3.72	-
Current service cost	6.51	3.72
Interest cost	0.93	-
Actuarial (gain)/loss due to change in assumptions	3.18	-
Benefits paid	-	-
<b>Projected benefit obligation at end of the year</b>	<b>14.34</b>	<b>3.72</b>

**iv) Fair value of assets**

	Gratuity (Rs. In Lacs)	
	As at	As at
	31 March 2015	31 March 2014
Fair value of plan assets at beginning of the year	6.57	-
Expected return on plan assets	0.52	-
Actuarial gain / (loss)	0.16	-
Contribution by employer	3.42	6.57
Benefits paid	-	-
<b>Fair value of plan assets at end of the year</b>	<b>10.67</b>	<b>6.57</b>

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v) Expense recognised in the Statement of Profit and Loss

	Gratuity (Rs. In Lacs)	
	As at	As at
	31 March 2015	31 March 2014
Current service cost	6.51	3.72
Interest cost	0.93	-
Expected return on plan assets	(0.52)	-
Net actuarial (gain) / loss to be recognised in the year	3.02	-
Past Service Cost	(1.22)	-
<b>Expense recognised in the Statement of Profit and Loss</b>	<b>8.72</b>	<b>3.72</b>

vi) Actuarial assumptions

	Gratuity	
	As at	As at
	31 March 2015	31 March 2014
Discount rate	7.95%	9.05%
Expected rate of return on assets	8.00%	8.00%
Salary escalation	7.00%	7.00%

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increase takes into account the inflation, seniority, promotion and other relevant factors.

vii) Experience adjustments

	(Rs. In Lacs)	
	As at	As at
	31 March 2015	31 March 2014
Defined Benefit Obligation	14.34	3.72
Plan Assets	10.67	6.57
Surplus/(Deficit)	(3.67)	2.85
Experience Adjustment on Plan Liabilities	1.17	-
Experience Adjustment on Plan Assets	0.16	-

37 Segment information

The business of the Company is divided into two segments, Entertainment centers and Quick Service Restaurants ('QSR'). Segments have been identified taking into account the nature of the business, the differing risks and returns, the organisation structure and internal reporting system. Accordingly, the Company has considered business segment as the primary segment

The Company presently caters to the domestic market and hence there are no reportable Geographic segments

Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each segment as also amounts allocable on a reasonable basis. Income and expenses which are not directly attributable to any business segments are shown as unallocated corporate income / expenses. Assets and liabilities that cannot be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively.

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(RS in Lacs)

Particulars	Entertainment centers		QSR		Total	Total
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Segment revenue*	3,864.88	2,517.12	100.91	-	3,965.79	2,517.12
Segment EBIDTA	582.21	246.34	(75.46)	-	506.75	246.34
Depreciation and amortisation expense	640.26	342.08	16.00	-	656.26	342.08
Segment result	(58.05)	(95.74)	(91.46)	-	(149.51)	(95.74)
Add: Other income					601.32	7.93
Less: Unallocated expenses					1,567.20	448.73
Less: Finance cost					235.87	52.39
Less: Unallocated Depreciation and amortisation expense					562.28	715.44
Loss before tax					(1,913.54)	(1,404.37)
Tax expenses					(40.93)	(56.73)
<b>Loss for the year</b>					<b>(1,872.61)</b>	<b>(1,347.64)</b>

\* Segmental revenue comprise revenue from operations and sundry credit balances written back

(RS in Lacs)

Particulars	Entertainment centers		QSR		Total	Total
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
<b>Other information</b>						
Segmental assets	6,005.15	3,537.31	159.22	4.78	6,164.38	3,542.09
Unallocated corporate assets					4,445.28	2,473.38
<b>Total Assets</b>	<b>6,005.15</b>	<b>3,537.31</b>	<b>159.22</b>	<b>4.78</b>	<b>10,609.66</b>	<b>6,015.47</b>
Segmental liabilities	316.06	1,063.60	34.86	-	350.92	1,063.60
Unallocated corporate liabilities					2,146.64	1,659.78
<b>Total liabilities</b>	<b>316.06</b>	<b>1,063.60</b>	<b>34.86</b>	<b>-</b>	<b>2,497.56</b>	<b>2,723.38</b>
Capital expenditure	2,751.65	1,686.73	108.80	-	2,860.45	1,686.73
Unallocated capital expenditure					1,585.49	514.53
Depreciation / amortisation	640.26	342.08	16.00	-	656.26	342.08
Unallocated corporate depreciation / amortisation					562.28	715.43

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**Smaaash Entertainment Private Limited**  
Notes forming part of the financials statements



**38. Related party transactions**

Enterprises which have significant influence over the Company

<u>Name of the party</u>	<u>Nature of relationship</u>
Aha Holdings Private Limited	Holding Company (till 24 October, 2014)
<b>Subsidiary Companies</b>	
1) Smaaash Innovations Private Limited	Wholly owned subsidiary (from 22 December, 2014)
2) Adrenaline Foods Private Limited	Wholly owned subsidiary (from 26 November, 2014)
<b>Key Managerial Personnel</b>	
1) Shripal Morakhia - Director	(upto 7 February, 2015)
2) Abhishek Zaveri - Director	(from 13 May, 2014)
3) Anand Krishnan - Director	(from 1 April, 2014)
4) Srinidhi Rao - Chief Executive Officer	(from 1 January, 2015)
5) Vishwanath Kotian - Chief Financial Officer	
<b>Companies over which Key managerial personnel are able to exercise significant influence</b>	
1) Aha Holdings Private Limited	(From 25 October, 2014)
2) F.V. Meats Ltd	(from 13 May, 2014)
3) Lifestyle Networks Limited	(upto 7 February, 2015)
4) YoBollo New Media Private Limited	(upto 31 March 2015)

59



**Smaaash Entertainment Private Limited**  
Notes forming part of the financials statements



	Related party transactions (Rs. in Lacs)											
	Holding Company (till 24th October 2014)		Subsidiary Companies		Key Managerial Personnel		Companies over which Key managerial personnel are able to exercise significance influence		Total			
	Year ended 31 March 15	Year ended 31 March 14	Year ended 31 March 15	Year ended 31 March 14	Year ended 31 March 15	Year ended 31 March 14	Year ended 31 March 15	Year ended 31 March 14	Year ended 31 March 15	Year ended 31 March 14		
<b>Transactions during the year</b>												
Issue of Shares including Share Premium Aha Holdings Private Limited SW Metis Ltd	4,600.00	-	-	-	-	-	-	6,500.00	-	4,600.00	6,500.00	-
Purchase of Cricket Equipments Lifestyle Networks Limited	-	-	-	-	-	-	6.72	12.01	6.72	12.01	12.01	-
Professional Services received Lifestyle Networks Limited	-	-	-	-	-	-	64.90	33.18	64.90	33.18	33.18	-
Capital advances given Aha Holdings Private Limited	-	-	-	-	-	-	300.00	-	300.00	-	300.00	-
Short term borrowings taken Aha Holdings Private Limited	-	2,797.37	-	-	-	-	-	-	-	-	-	2,797.37
Short term borrowings repaid Aha Holdings Private Limited	-	5,081.30	-	-	-	-	-	-	-	-	-	5,081.30
Survived from India scheme credit (refer note below) YoBoHo New Media Private Limited	-	-	-	-	-	-	-	-	-	-	-	-
Investment in Share Capital Smaaash Innovations Private Limited Adrenaline Foods Private Limited	-	-	1.00	1.00	-	-	-	-	-	1.00	1.00	-
Remuneration paid Shripal Morakhia Abhishek Zaveri Srimidhi Rao Vishwanath Kotian	-	-	-	-	-	1.19	19.71	62.47	14.48	1.19	19.71	62.47
<b>Balance outstanding</b>												
Capital advances Aha Holdings Private Limited Professional fees payable Lifestyle Networks Limited	-	-	-	-	-	-	300.00	4.92	7.24	300.00	4.92	7.24

Note: During the year, the Company has received duty credit entitlement certificate issued by Director General of Foreign Trade (DGFT) under Served from India Scheme (SFIS) aggregating Rs.307.97 lacs from YoBoHo New Media Private Limited for Rs.Nil. (Also refer note 40)

**Smaaash Entertainment Private Limited**  
Notes forming part of the financials statements



**39 Deferred tax asset**

(Rs in Lacs)

	As at 31 March 2015	As at 31 March 2014
<u>The components of deferred tax balances are as follows:</u>		
<b>Deferred tax asset</b>		
On timing difference arising on account of:		
Leave encashment provision	4.67	-
Gratuity provision	1.13	-
Unabsorbed depreciation loss/ carry forward loss	1,615.64	-
	<u>1,621.44</u>	-
<b>Deferred tax liability</b>		
On timing difference arising on account of:		
Depreciation and amortisation	295.85	40.93
	<u>295.85</u>	<u>40.93</u>
<b>Net deferred tax asset / (liability)</b>	<u><b>1,325.59</b></u>	<u><b>(40.93)</b></u>

During the year, the Company has not recognised Deferred tax assets (net) as these assets are not considered to be virtually certain of realisation.

**40 Served from India scheme (SFIS) credit**

During the year, the Company has received duty credit entitlement certificate issued by Director General of Foreign Trade (DGFT) under Served from India Scheme (SFIS) aggregating Rs.307.97 lacs from a related party for Rs Nil (Refer note 38). The Company has utilised part of the said entitlement against the import of capital goods during the year and the balance amount yet to be utilized aggregating Rs 219.75 lacs, is disclosed under short term loans and advances (Refer note 18).

**41 Expenditure in foreign currency (accrual basis)**

(Rs in Lacs)

	Year ended 31 March 2015	Year ended 31 March 2014
Rent	116.40	16.06
Professional fees	130.00	9.44
Maintenance expenses	6.81	5.40
Travelling expenses	30.94	6.47
Membership charges	0.06	-
Business promotion expenses	2.95	10.53
Miscellaneous expenses	-	0.24
	<u><b>287.16</b></u>	<u><b>48.14</b></u>

**42 Depreciation as per Schedule II of the Companies Act, 2013 on tangible fixed assets**

During the year, pursuant to the notification of Schedule II to the Companies Act, 2013, with effect from April 1, 2014, the Company revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. The details of previously applied rates / useful life are as follows:

Asset	Previous estimated useful life (Years)	Revised estimated useful life (Years)
Plant and machinery	20	15
Computers	6	3
Electrical equipments	20	10
Furniture and fixtures	15	10
Vehicles	10	8
Office equipments	20	5
Virtual reality cricket	10	8

The depreciation expense in the Statement of Profit and Loss for the year is higher by Rs. 384.30 lacs consequent to the change in the useful life of the assets.

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**43 Service tax credit**

During the year, the Company based on industry practice, has considered service tax paid on certain expenses and fixed assets purchased (including for earlier years) as recoverable and filed the revised service tax returns with the authorities. The aforesaid amounts pertaining to earlier years aggregating Rs.39.10 lacs relating to expenses and the impact of reversal of depreciation on the service tax pertaining to fixed assets aggregating Rs.6.79 lacs has been disclosed as other income (Refer note 21).

**44 Contractually reimbursable expenses**

The Company based on a term sheet entered into with a third party for incorporating a Joint Venture Company (JV Company) has commenced work for setting up of an entertainment center in Dubai. Pursuant to the said term sheet, the expenses incurred for setting up the entertainment center aggregating Rs.133.77 lacs, has been considered recoverable from the JV Company and is disclosed under other current assets (Refer note 19).

**45 Details of Loans given, Investment made and Guarantee given covered under section 186(4) of the Companies Act, 2013:**

- (i) The Company has not given any Loans.
- (ii) Investments made by the Company as at 31 March 2015 ( Refer note 12)

**46 In accordance with section 134 of the Companies Act, 2013 (the Act), the financial statements are required to be signed by the Company Secretary (CS) of the Company, wherever appointed. The Company however, is in the process of recruiting a whole time CS as required by section 203 of the Act. Accordingly, the financial statements have not been signed by CS of the Company.**

**47 Previous year figures**

Previous year's figures have been regrouped and reclassified wherever necessary to confirm with the current year's presentation.

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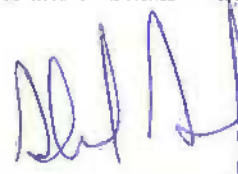
**Signature to Notes 1 to 47**

For Deloitte Haskins & Sells LLP  
Chartered Accountants



**Ketan Vora**  
Partner

**For and on behalf of the Board of Directors**



**Shripal Morakhia**  
Director



**Anand Krishnan**  
Director



**Vishwanath Kotian**  
Chief Financial Officer



**Srinidhi Rao**  
Chief Executive Officer

Place: Mumbai  
Date: September 21, 2015

Place: Mumbai  
Date: August 04, 2015