

SHEMAROO ENTERTAINMENT INC

FINANCIAL YEAR – 2015-2016

SHEMAROO ENTERTAINMENT INC
C/o 29, Meadow Bluff Road, Morris Plains, NJ 07950, USA

Balance Sheet as at 31st March, 2016

Particulars	Notes	As at 31st March, 2016	As at 31st March, 2015			
I. EQUITY AND LIABILITIES						
(1) Shareholder's Funds						
(a) Share Capital	2.1	663,375	625,908			
(b) Reserves and Surplus	2.2	(1,109,188)	(984,495)			
(2) Current Liabilities						
(a) Short-term borrowings	2.3	520,239	438,136			
(b) Trade payables	2.4	137,177	129,430			
(c) Other current liabilities	2.5	-	156,477			
Total		211,603	365,455			
II. ASSETS						
(1) Current assets						
(a) Cash and cash equivalents	2.6	211,603	365,455			
Total		211,603	365,455			
Significant Accounting Policies and Notes to the Financial Statements	1 & 2					
<p>As per our report of even date attached. For M.K. Dandekar & Co. Chartered Accountants (ICAI FRN.: 000679S)</p> <p style="text-align: right;">For and on behalf of Shemaroo Entertainment Inc.</p> <table style="width: 100%; margin-top: 20px;"> <tr> <td style="width: 33%; vertical-align: top;"> <p>Sd/- S. Poosaidurai Partner Membership No.: 223754 Place :- Mumbai Date:- 3rd May, 2016</p> </td> <td style="width: 33%; vertical-align: top; text-align: center;"> <p>Sd/- Hiren Gada Director DIN 01108194 Place :- Mumbai Date:- 3rd May, 2016</p> </td> <td style="width: 33%; vertical-align: top; text-align: center;"> <p>Sd/- Jai Maroo Director DIN 00169399</p> </td> </tr> </table>				<p>Sd/- S. Poosaidurai Partner Membership No.: 223754 Place :- Mumbai Date:- 3rd May, 2016</p>	<p>Sd/- Hiren Gada Director DIN 01108194 Place :- Mumbai Date:- 3rd May, 2016</p>	<p>Sd/- Jai Maroo Director DIN 00169399</p>
<p>Sd/- S. Poosaidurai Partner Membership No.: 223754 Place :- Mumbai Date:- 3rd May, 2016</p>	<p>Sd/- Hiren Gada Director DIN 01108194 Place :- Mumbai Date:- 3rd May, 2016</p>	<p>Sd/- Jai Maroo Director DIN 00169399</p>				

SHEMAROO ENTERTAINMENT INC
C/o 29, Meadow Bluff Road, Morris Plains, NJ 07950, USA

Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Notes	For the year ended 31st March, 2016	For the year ended 31st March, 2015
INCOME			
Other Income	2.7		
I. Total Revenue		-	-
EXPENDITURE			
Financial costs	2.8	55,328	-
Other expenses	2.9	9,787	196,116
II. Total Expenses		65,115	196,116
III. Profit/(Loss) for the period / year		(65,115)	(196,116)
IV. Earning per equity share:			
(1) Basic	2.10	(326)	(981)
(2) Diluted	2.10	(326)	(981)
Significant Accounting Policies and Notes to the Financial Statements	1 & 2		
<p>As per our report of even date attached. For M.K. Dandekar & Co. Chartered Accountants (ICAI FRN.: 000679S)</p> <p style="text-align: right;">For and on behalf of Shemaroo Entertainment Inc.</p> <p>Sd/- S. Poosaidurai Partner Membership No.: 223754 Place :- Mumbai Date:- 3rd May, 2016</p> <p style="text-align: center;">Sd/- Hiren Gada Director DIN 01108194 Place :- Mumbai Date:- 3rd May, 2016</p> <p style="text-align: right;">Sd/- Jai Maroo Director DIN 00169399</p>			

SHEMAROO ENTERTAINMENT INC
C/o 29, Meadow Bluff Road, Morris Plains, NJ 07950, USA

Cash Flow Statement for the year ended 31st March, 2016

(Figures in INR)

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax	(65,115)	(196,116)
Adjustments to reconcile profit before tax to cash provided by operating activities:		
Unrealised Foreign Exchange (Gain)/Loss	(22,111)	(11,715)
Interest Expenses	55,328	-
Operating Profit Before Working Capital Changes	(31,898)	(207,831)
Adjustments for changes in Working Capital		
Trade & Other Payables	(148,729)	43,295
Cash Generated from Operations	(180,628)	(164,536)
Taxes Paid	-	-
Cash Flow from Operating Activities	(180,628)	(164,536)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest Expenses	(55,328)	-
Increase/ (Decrease) in Short term borrowings	82,103	438,136
Cash flow from Financing activities	26,775	438,136
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(153,852)	273,600
Cash & Cash Equivalents at the beginning	365,455	91,855
Cash & Cash Equivalents at the End	211,603	365,455

As per our report of even date attached.

For M.K. Dandekar & Co.

Chartered Accountants

(ICAI FRN.: 000679S)

For and on behalf of Shemaroo Entertainment
Inc.

Sd/-

S. Poosaidurai

Partner

Membership No.: 223754

Place :- Mumbai

Date:- 3rd May, 2016

Sd/-

Hiren Gada

Director

DIN 01108194

Sd/-

Jai Maroo

Director

DIN 00169399

Revised Schedule VI
As per Points of General Instructions for Preparation of Balance Sheet
SHEMAROO ENTERTAINMENT INC

Note "1 & 2"

1 Significant Accounting Policies

a) Basis of Accounting

The financial statements are prepared under historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in United States of America (US-GAAP). The same are converted into Indian Rupees as per, AS 11 issued by Institute of Chartered Accountants of India.

b) Use of Estimates

The preparation and presentation of financial statements in accordance with US-GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognised prospectively in the period in which results are known or materialised.

c) Fixed assets

All fixed assets are initially recorded at cost.

Intangible Assets are amortised over their useful life not exceeding five/ten years or estimated useful life whichever is lower.

d) Depreciation

Fixed assets are stated at historical cost less accumulated depreciation/amortization thereon and impairment losses, if any. Cost includes all costs incidental to acquisition, installation, commissioning and related internal costs and interest paid on funds borrowed to finance the assets until the assets are ready for commercial use.

Intangible Assets are recorded at acquisition cost and in case of assets acquired on merger at their carrying values. Websites/Brands are recognised as Intangible Asset if it is expected that such assets will generate future economic benefits and amortised over their useful life not exceeding four/ten years or estimated useful life whichever is lower.

e) Revenue Recognition

i. Sales of ACDs / VCDs / DVDs /ACS are recognised when goods are supplied and are recorded net of returns, trade discounts, rebates and indirect taxes.

ii. Sales of rights are recognised on the date of entering into agreement for the sale of the same, provided the Censor Certificate is in existence.

iii. Services are recognized when the contractual commitments are delivered in full and are recorded net of returns, trade discounts, rebates and indirect taxes.

iv. Dividend income is recognised when the right to receive the same is established.

v. Interest Income is recognised on a time proportion basis.

SHEMAROO ENTERTAINMENT INC

Note "1 & 2"

f) Purchase of Rights

In respect of other rights like Video and other rights on the date of the agreement of purchase with producer /seller, provided the Censor Certificate is in existence.

g) Foreign Currency Transaction

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency as at balance sheet date are converted at the exchange rate prevailing on such date. Exchange differences arising from such translation are recognized in the Profit and Loss A/c under Foreign Currency Translation Reserve.

2 Notes to Accounts

Note 2.1

Share Capital

<u>Share Capital</u>	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
<u>Authorised, Issued, Subscribed and Paid - up</u>		
Equity shares, No Par Value		
200 (Prev. Year 200) Equity Shares at No Par Value	663,375	625,908
Total	663,375	625,908

The Company has only one class of shares referred to as equity shares having No par value. Each holder of equity shares is entitled to one vote per share.

A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares	
	As at 31st March, 2016	As at 31st March, 2015
	Number	Number
Shares outstanding at the beginning of the period / year	200	200
	-	-
Shares outstanding at the end of the period / year	200	200

SHEMAROO ENTERTAINMENT INC

Note "1 & 2"

The details of shareholder holding more than 5 percent shares as at 31st March of the period is set out below

Name of Shareholder	Equity Shares		Equity Shares	
	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares held	% held	No. of Shares held	% held
Shemaroo Entertainment Ltd.	200	100%	200	100%
Total Shareholding	200	100.00%	200	100.00%

Particulars	Aggregate No. of Shares (for last 5 Financial Years)
Equity Shares :	
Shares allotted for consideration other than cash	NIL
Fully paid up by way of bonus shares	NIL
Shares bought back	NIL

Note 2.2
Reserves & Surplus

<u>Reserves & Surplus</u>	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
a. Foreign Currency Translation Reserve	(284,898)	(225,320)
b. Surplus		
As per last Balance Sheet	(759,175)	(563,059)
(+) Net Profit For the current period / year	(65,115)	(196,116)
Closing Balance	(824,290)	(759,175)
Total	(1,109,188)	(984,495)

Note 2.3
Trade payables

<u>Trade payables</u>	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
(a) Loans and advances from related parties repayable on demand (Un-Secured)		
Loans & Advances- Holding Company	520,239	438,136
Total	520,239	438,136

SHEMAROO ENTERTAINMENT INC

Note "1 & 2"

Note 2.4

Trade payables

<u>Trade payables</u>	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Trade Payables [includes amount payable to holding company Rs. 1,29,430/- (previous year Rs.1,23,310/-)]	137,177	129,430
Total	137,177	129,430

Note 2.5

Other current liabilities

<u>Other current liabilities</u>	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Payables Others* *(including payable for expenses, statutory liabilities, etc.)	-	156,477
Total	-	156,477

Note 2.6

Cash and cash equivalents

<u>Cash and cash equivalents</u>	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Cash and cash equivalents On Current Accounts	211,603	365,455
Total	211,603	365,455

Note 2.7

Other Income

<u>Direct Operational Expenses</u>	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Miscellaneous Income	-	-
Total	-	-

Note 2.8

Financial Costs

<u>Financial Costs</u>	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Interest expense & charges On borrowings	55,328	-
Total	55,328	-

SHEMAROO ENTERTAINMENT INC

Note "1 & 2"

Note 2.9

Other expenses

<u>Other expenses</u>	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Bank Charges	-	10,842
Legal & Professional Fees	-	122,513
State Tax	9,787	62,760
Total	9,787	196,116

Note 2.10

Earning Per Share (EPS)

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The EPS working is as under:

Particulars	31-Mar-16	31-Mar-15
Net Profit after tax	(65,115)	(196,116)
Number of equity shares -		
As at commencement of the Period (No.)	200	200
Weighted average number of equity shares during the Period / Year	200	200
Basic Earning per share	(326)	(981)
Diluted Earning Per Share	(326)	(981)

Note 2.10

Financials Conversion into INR

The Financial Statements of the company are translated at the following rates of exchange:

- Annual Montly Average rate for Profit and Loss Items.
- Period / Year end rate for Balance Sheet Items.

The net effect of the above conversion is reflected in Foreign Currency Translation Reserve.

Note 2.10

Previous year figures are rearranged or regrouped wherever necessary to conform to current period's presentation

As per our report of even date attached.

For M.K. Dandekar & Co.

Chartered Accountants

(ICAI FRN.: 000679S)

**For and on behalf of
Shemaroo Entertainment Inc.**

Sd/-

S. Poosaidurai

Partner

Membership No.: 223754

Place :- Mumbai

Date:- 3rd May, 2016

Sd/-

Hiren Gada

Director

Place :- Mumbai

Date:- 3rd May, 2016

Sd/-

Jai Maroo

Director