

9th Annual Report 2013-14



BAG Network 24TM

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SKYLINE RADIO NETWORK LIMITED

(Formerly known as Dhamaal24 Radio Network Limited)

DIRECTORS' REPORT

To,

The Members,

Skyline Radio Network Limited

(Formerly known as Dhamaal24 Radio Network Limited)

The Directors present their Ninth Annual Report on the business and operations of the Company together with Audited Financial Statements for Financial Year 2013-14.

FINANCIAL RESULTS

(Rupees in Lacs)

Particulars	2013-14	2012-13
Total Income	521.68	516.87
Profit/(Loss) before depreciation and financial Charges	(195.87)	(213.96)
Financial charges	132.73	92.07
Cash Profit/(Loss)	(327.81)	(305.24)
Depreciation	316.85	286.69
Profit/(Loss) before Tax	(645.45)	(592.71)
Provision for Tax	(12.89)	32.47
Profit/(Loss) after Tax	(632.56)	(625.18)
Proposed Dividend (%)	-	-

PERFORMANCE REVIEW

During the reporting period revenue from operations of the Company has been Rs. 521.68 lacs (Rs. 516.87 lacs in the previous year) and has incurred a Net Loss of Rs. 632.56 lacs as compare to Net Loss of Rs. 625.18 lacs in the previous year. Your company hopes to do better revenue and profit in the next financial year.

Your Company operates its radio channels at **106.4 FM** in the Brand Name of **Dhamaal24** with tag line "Har Khushi hai Jahan", broadcast in ten cities viz. Hissar, Karnal, Patiala, Ranchi, Muzaffarpur, Dhule, Jalgaon, Ahmednagar, Simla and Jabalpur. Innovation is the key for survival in the industry, and our programmes and contents are targeted to meet ever growing listenership and simultaneously increasing the sponsorships from advertisers.

We at **Dhamaal24** are committed to provide our audience with quality programs through extensive research, demographic understanding and strategic planning in synchronization with revenue generation along with the taste and preferences of all age groups, and this is why we are now the voice of the regions and many shows are household names in all ten cities. Novel and popular shows like Dil Ke Mareez Hazir Ho, Zindagi Live, Housefull, Zara Hat Ke Zara Bachke, Omkar, Yad Kiya Dil Ne, Aamne-Saamne, Har Khushi Hai Jahan, Taka Tak Morning, Chughliyan, Velle Hum Velle Tum, Bolymal, Bumper Bachake, Back to Back

and Reel Ki Real Life are aired on Dhamaal24 keeping the regional flavor in each of its programmes offered to its listeners.

Through innovative and dedicated programming, **Dhamaal24** has established its brand in the Radio Industry and is poised for a position of strength amongst the mainstream FM Channels in India and has consistently been maintaining sizeable market share.

With the advent of Phase 3 there are lot of developments taking place in the Radio Industry which shall bring tremendous lateral and horizontal opportunities for the established players, and we, being one among them will not leave any stone unturned to reap maximum benefit so offered through legislative/administrative changes.

DIVIDEND

The Directors express their inability to declare any dividend for the financial year ended March 31, 2014 on account of losses during the year under review. The Company has not made any transfer to General Reserve.

DIRECTORS

There are three directors on the Board of Directors of the company viz. Ms. Anuradha Prasad (DIN- 00010716), Dr. Anuradha Mishra (DIN- 01725234) and Mr. Prem Behl (DIN- 00409205).

Pursuant to section 152 of the Companies Act, 2013 read with Article 86 of Articles of Association of the Company Mr. Prem Behl (DIN 00409205), retires at the ensuing Annual General Meeting and has offered himself for re-appointment. The Board of Directors recommends his re-appointment.

During the reporting period, Ms. Ankita Kumar (DIN- 02152600) resigned from the Board with effect from June 15, 2013.

CHANGE IN NAME OF THE COMPANY

During the period under review, the Company changed its name from Dhamaal24 Radio Network Limited to Skyline Radio Network Limited pursuant to resolution passed by the Members of the Company at the 8th Annual General Meeting dated September 26, 2013.

DEPOSITS

During the year the Company did not accept any Deposits as per the provisions of Section-58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 217(2AA) of the Companies Act, 1956, the Directors of the Company hereby state and confirm-

1. That in preparation of the accounts for the financial period ended 31st March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

2. That the Directors have selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period and of profit and loss of the Company for that period;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the accounts for the financial period ended 31st March 2014 have been prepared on a "going concern" basis.

AUDIT COMMITTEE

Audit Committee of Board of Directors is constituted in accordance with the requirements of section 292A of the Companies Act 1956. Presently, the Audit Committee of the Company comprises of three Members, namely Dr. Anuradha Mishra Chairperson is a non-executive director and other members are Ms. Anuradha Prasad and Mr. Prem Behl.

STATUTORY AUDITORS

M/s Joy Mukherjee & Associates, Chartered Accountants, Statutory Auditors of the Company, having Firm Registration No. 006792C, will retire from their office at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the prescribed limits and that they are not disqualified for such re-appointment within the meaning of section 141 of the Companies Act, 2013. You are requested to consider their appointments.

AUDITORS' REPORT

All observations made in the Independent Auditors' Report and notes to the financial statements are self explanatory and do not call for any further comments under section 217 of the Companies Act, 1956.

HUMAN RESOURCE

Your Directors would like to place on record their deep appreciation of all employees for rendering quality services

to every constituent of the company be its viewers, producers, regulatory agencies, or creditors. The unstinting efforts of the employees have enabled your company to remain in the forefront of media and entertainment business.

PERSONNEL

There is no employee whose particulars are required to be disclosed under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Your Company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, regarding conservation of energy and technology absorption are not applicable.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, your Company has incurred expenditure in foreign currency is NIL as against Rs. 115,454/- in the previous financial year. During the year the Company has not made foreign exchange earnings.

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation for the cooperation and support received from vendors, customers, bank, financial institutions, Central and State Government Bodies, Auditors, legal advisors, consultants, and the society at large. Your directors are grateful to the Shareholders for their confidence and faith reposed in Board. Your directors also place on record their appreciation for the contribution and hard work of employees across all levels. Without their commitment, inspiration and hard work, your company's consistent growth would not have been possible.

For and on behalf of the Board of Directors

Place : Noida
Date : May 26, 2014

Anuradha Prasad
Chairperson

Independent Auditor's Report

To
The Members of
Skyline Radio Network Limited
(Formerly known as Dhamaal24 Radio network Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of Skyline Radio Network Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year the ended, and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

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

financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss Account, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the 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, 2003 ("the Order") as amended by the Companies (Auditor Report) Amendment Order 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from branches not visited by us];
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account [and with the returns received from branches not visited by us];
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Joy Mukherjee & Associates
Chartered Accountants

Joy Mukherjee
Partner

Place : Noida
Dated : May 26, 2014

Membership No. 074602
FRN: 006792C



ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 of our Report of even date]

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management during the year in a phased Periodical manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
2. (a) The inventory have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records
3. (a) The Company has not granted any loans, secured or unsecured, from Companies, firms or other parties covered in the Register maintained under Section 301 of the Act. Accordingly, clauses (iii) (b) to (iii) (d) of paragraph 4 of the Order are not applicable to the Company for the current year.
- (b) The Company has not taken any loans, secured or unsecured, from Companies, firms or other parties covered in the Register maintained under Section 301 of the Act. Accordingly, clauses (iii) (f) to (iii) (g) of paragraph 4 of the Order are not applicable to the Company for the current year.
4. 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 purchase of fixed assets for the radio broadcasting. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls system.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act, if any, have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, having regard to the fact that the items sold/services rendered/received are of a special nature and suitable alternate sources do not exist for obtaining comparative quotations, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time or the prices at which the transactions for similar goods have been made with other parties.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of business.
8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company as the Company is not involved in any manufacturing activity.
9. (a) According to the records of the Company, undisputed statutory dues including provident fund, investor education and protection fund, employees , state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues where applicable have been generally, regularly deposited with appropriate authorities. According to the information and explanations given to us, none of the undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2014 for a period of more than six months from the dates of becoming payable.
- (b) According to the information and explanations given to us, there are no cases of non-deposit with appropriate authorities of disputed dues of sales tax, income tax, custom duty, wealth tax, service tax, excise duty and cess.
10. The Company has incurred loss amounting to Rs. 63,256,131/- (Previous Year Loss Rs. 62,518,420/-) during the year ending March 31, 2014 further, the Company has incurred Cash loss after tax of Rs 31,491,934/- (Previous year cash loss after tax of Rs. 33,771,020/-) during the financial year ended on that date.
11. According to the records of the Company examined by

- us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
 14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
 15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
 16. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-terms investment.
 17. The Company has made allotment of 600,000 equity shares during the year and the price at which shares have been issued is not prejudicial to the interest of the company.
 18. Based on our examination of the records and documents of the Company, and according to the information and explanation given to us, we are of the opinion that the Company is not dealing or trading in shares, securities, debentures and other investments and therefore clause(xiv) of the Order is not applicable to the Company.
 19. During the year the Company has not raised money by public issue(s).
 20. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For Joy Mukherjee & Associates
Chartered Accountants

Joy Mukherjee
Partner

Place : Noida
Dated : May 26, 2014

Membership No. 074602
FRN: 006792C

Skyline Radio Network Limited
(Formerly known as Dhamaal24 Radio Network Limited)

Balance Sheet as at March 31, 2014

Particulars	Note No.	March 31, 2014		March 31, 2013	
		Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
I. Equity and Liabilities					
1. Shareholder's funds					
(a) Share Capital	1	290,141,000		284,141,000	
(b) Reserves and Surplus	2	(186,525,820)		(132,125,831)	
			103,615,180		152,015,169
2. Share application money pending allotment	3	-	-	15,000,000	15,000,000
3. Non-current liabilities					
(a) Long-term borrowings	4	55,783,110		80,064,167	
(a) Deferred Tax liabilities (Net)		9,977,182		11,266,446	
(b) Long-term Provisions	5	464,997		572,484	
			66,225,289		91,903,097
4. Current Liabilities					
(a) Short term borrowings	6	-		4,467,145	
(b) Trade payables		24,907,489		36,378,741	
(c) Other current liabilities	7	29,340,548		21,650,152	
			54,248,037		62,496,038
TOTAL			224,088,506		321,414,304
II. Assets					
1. Non-current assets					
(a) Fixed assets					
(i) Tangible assets	8	126,673,172		149,111,425	
(ii) Intangible assets	9	25,860,872		35,349,117	
(iii) Capital work-in-progress		8,825,444		31,643,100	
(b) Non-current investments	10	69,000		69,000	
(c) Other non-current assets	11	236,506		315,338	
			161,664,994		216,487,980
2. Current assets					
(a) Inventories	12	18,901,255		19,531,705	
(b) Trade receivables	13	17,495,192		20,736,617	
(c) Cash and Cash equivalents	14	9,136,595		47,674,149	
(d) Short-term loans and advances	15	16,890,470		16,983,853	
			62,423,512		104,926,324
TOTAL			224,088,506		321,414,304

The accompanying notes are an integral part of financial statements.

For and on behalf of the Board of Directors

As per our report of even date
For Joy Mukherjee & Associates
Chartered Accountants

Anurradha Prasad
Managing Director

Anuradha Mishra
Director

Ajay Mishra
Company Secretary

Joy Mukherjee
Partner

Place : Noida
Date : May 26, 2014

M.No. 074602
FRN: 006792C

Skyline Radio Network Limited
(Formerly known as Dhamaal24 Radio Network Limited)
Statement of Profit and Loss for the Period ended March 31, 2014

Particulars	Note No.	March 31,2014		March 31,2013	
		Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
I. Revenue from operations	16	50,870,884		51,499,631	
II. Other Income	18	1,297,283		186,934	
III. Total Revenue (I + II)			52,168,167		51,686,565
IV. Expenses					
Changes in inventories of finished goods, work in progress and Stock-in- trade		630,450		(9,456,210)	
Employee benefits expense	19	17,229,261		17,946,895	
Finance Costs	17	13,273,253		9,207,138	
Depreciation and amortization expense		31,685,365		28,668,568	
Other expense	20	53,895,233		64,591,473	
Total Expense			116,713,562		110,957,864
V. Profit before exceptional and extraordinary items and tax (III-IV)			(64,545,395)		(59,271,299)
VI. Profit before extraordinary items and tax (V-VI)			(64,545,395)		(59,271,299)
VII. Extraordinary items			-		-
VIII. Profit before tax (VI-VII)			(64,545,395)		(59,271,299)
IX. Tax expense:					
(1) Deferred tax		(1,289,264)		3,247,121	
			(1,289,264)		3,247,121
X. Profit/(Loss) for the period from continuing operations (VIII - IX)			(63,256,131)		(62,518,420)
XI. Earnings per equity share:					
(1) Basic			(2.22)		(3.12)
(2) Diluted			(2.22)		(3.12)

The accompanying notes are an integral part of financial statements.

For and on behalf of the Board of Directors

As per our report of even date
For Joy Mukherjee & Associates
Chartered Accountants

Anurradha Prasad
Managing Director

Anuradha Mishra
Director

Ajay Mishra
Company Secretary

Joy Mukherjee
Partner

Place : Noida
Date : May 26, 2014

M.No. 074602
FRN: 006792C



Notes to Financial Accounts

Particulars	Amount in ₹	
	March 31, 2014	March 31, 2013
Note 1		
Share Capital		
Authorised share capital		
Equity Share Capital		
30,000,000 equity shares of Rs. 10 each (Previous Year 30,000,000 Equity Shares of Rs. 10/- each)	300,000,000	300,000,000
Total	300,000,000	300,000,000
Issued, subscribed and fully paid share capital		
29,014,100 equity shares of Rs. 10 each (Previous Year 28,414,100 equity shares of Rs. 10/- each)	290,141,000	284,141,000
Total	290,141,000	284,141,000

Particulars	March 31, 2014		March 31, 2013	
	Qty	Value	Qty	Value
Subscribed and fully paid up				
Equity Shares of Rs. 10 each	29,014,100	290,141,000	28,414,100	284,141,000

- Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the 31 March 2014

Particulars	March 31, 2014		March 31, 2013	
Equity shares Fully paid up				
Number of Shares outstanding at the Beginning of the Year :	Qty	28,414,100		20,000,000
	Value	284,141,000		200,000,000
Add : Further Issue during the year	Qty	600,000		8,414,100
	Value	6,000,000		84,141,000
Number of Shares outstanding at the end of the Year :	Qty	29,014,100		28,414,100
	Value	290,141,000		284,141,000

- Details of shares held by the holding company, their subsidiaries and associates:

Particulars	Number of Shares	
	March 31, 2014	March 31, 2013
B.A.G. Films and Media Limited (Holding Company)	20,614,100	20,614,100

-Details of shares held by each shareholder holding more than 5% share capital :

Name of shareholders	March 31, 2014 No. of Shares
B.A.G. Films and Media Limited	20,614,100
ARVR Communications Private Limited	5,200,000

Note 2

Particulars	Amount in ₹	Amount in ₹
	March 31, 2014	March 31, 2013
Reserves and Surplus		
Securities Premium Reserves		
Opening balance	127,711,500	1,500,000
Add: Premium on shares issued during the year	9,000,000	126,211,500
Closing balance	136,711,500	127,711,500
Sub Total		
Surplus		
Opening balance	(259,837,331)	(197,318,911)
Add: Profit / (Loss) for the year	(63,256,131)	(62,518,420)
Adjustment relating to earlier year	(143,858)	-
Closing balance	(323,237,320)	(259,837,331)
Sub Total		
Total	(186,525,820)	(132,125,831)

Note 3

Particulars	March 31, 2014	March 31, 2013
Share Application Money Pending Allotment	-	15,000,000
Total	-	15,000,000

Note 4

Particulars	March 31, 2014	March 31, 2013
Long-term borrowings		
Secured		
Term Loans		
- From Bank	55,783,110	80,064,167
Total	55,783,110	80,064,167

Details of terms of repayment for the long-term borrowings and security provided in respect of the secured long-term borrowings:

A. Term loan from banks:

Term Loan of Rs. 9,53,65,696 taken from Dena Bank in financial year 2012-13, secured by immovable property of holding company and associate group company and repayable in 17 Quarters of equal installment start from 1st Qtr of Financial year 2013-14.

Disclosure in relation to defaulted in repayment of loans and interest in respect of the following:

A. Term loans from banks:

No default has been made in repayment of Principal and interest on term loan during the financial year ending March 31, 2014

Note 5

Particulars	March 31, 2014	March 31, 2013
Long-term provisions		
Provision for Employee benefits		
- Provision for Gratuity	395,825	456,199
- Provision for Leave encashment	69,172	116,285
Total	464,997	572,484

Note 6

Particulars	Amount in ₹	
	March 31, 2014	March 31, 2013
Short-term borrowings		
Unsecured		
A. Loans and advances from related parties		
Unsecured	-	4,467,145
Total	-	4,467,145

Note 7

Particulars	Amount in ₹	
	March 31, 2014	March 31, 2013
Other current Liabilities		
Current maturities of long term debt	23,176,472	17,382,354
Other payables		
Statutory remittances	116,038	138,464
Advances from customers	1,621,077	961,961
Other Liabilities	2,984,302	1,434,914
Employee Cost	1,327,008	1,576,360
Taxes Payable	115,651	156,099
Total	29,340,548	21,650,152

Note 8 - Fixed Assets Schedule as per Companies Act, 1956 for the Year ended on March 31, 2014.
Tangible Fixed Assets

Amount in ₹

Particulars	Gross Block				Depreciation				Net Block	
	Cost as at 01.04.2013	Addition during the Year	Sale/Adj During the Year	Cost as at 31.03.2014	Accumulated Depreciation as at 01.04.2013	Depreciation for the Year	Adjustment for the Year	Accumulated Depreciation as at 31.03.2014	W.D.V As at 31.03.2014	W.D.V Aa at 31.03.2013
Plant & Machinery	144,516,312	-	712,636	143,803,676	44,643,711	13,855,219	388,881	58,110,049	85,693,626	99,872,601
Computer & Peripherals	13,576,107	-	-	13,576,107	8,197,320	2,151,513	-	10,348,833	3,227,274	5,378,787
Furniture and Fixture	3,586,677	-	49,500	3,537,177	2,223,923	244,051	32,142	2,435,832	1,101,345	1,362,754
Office Equipment	78,156,194	283,500	418,866	78,020,828	35,658,910	5,946,337	235,346	41,369,901	36,650,927	42,497,284
Total	239,835,289	283,500	1,181,002	238,937,787	90,723,864	22,197,120	656,369	112,264,615	126,673,172	149,111,425

Note 9 - Fixed Assets Schedule as per Companies Act, 1956 for the Year ended on March 31, 2014
Intangible Fixed Assets

Amount in ₹

Particulars	Gross Block				Depreciation				Net Block	
	Cost as at 01.04.2013	Addition during the Year	Sale/Adj During the Year	Cost as at 31.03.2014	Accumulated Depreciation as at 01.04.2013	Depreciation for the Year	Adjustment for the Year	Accumulated Depreciation as at 31.03.2014	W.D.V As at 31.03.2014	W.D.V Aa at 31.03.2013
Software	21,267,316	-	-	21,267,316	10,020,786	4,498,612	-	14,519,398	6,747,918	11,246,530
Radio Licences Fees	49,910,000	-	-	49,910,000	25,807,413	4,989,633	-	30,797,046	19,112,954	24,102,587
Total	71,177,316	-	-	71,177,316	35,828,199	9,488,245	-	45,316,444	25,860,872	35,349,117

Note 10

Particulars	Amount in ₹	
	March 31, 2014	March 31, 2013
Non Trade Investment at Cost		
Unquoted		
6900 Equity Shares of B.A.G. Live Entertainment Limited Having Face Value of Rs 10/- per share fully paid-up	69,000	69,000
Total	69,000	69,000

Particulars	March 31, 2014		March 31, 2013	
	Quoted	Unquoted	Quoted	Unquoted
A. Other Investment				
Investment in equity instruments				
(i) of other entities	-	69,000	-	69,000

Note 11

Particulars	March 31, 2014		March 31, 2013	
	Quoted	Unquoted	Quoted	Unquoted
Other non-current assets				
Unamortised expenses				
A. Preliminary Expenses				
Opening Balance		315,338		394,170
Add: Incurred during the year		-		-
		315,338		394,170
Less: Written off during the year		78,832		78,832
Total		236,506		315,338

Note 12

Particulars	March 31, 2014		March 31, 2013	
	Quoted	Unquoted	Quoted	Unquoted
Inventories				
Finished goods		18,901,255		19,531,705
Total		18,901,255		19,531,705

Note 13

Particulars	March 31, 2014		March 31, 2013	
	Quoted	Unquoted	Quoted	Unquoted
Trade Receivables				
Unsecured, considered good				
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		671,517		7,762,506
Less: Provision for doubtful trade receivables		-		-
Sub Total		671,517		7,762,506
Other Trade receivables		16,823,675		12,974,111
Less: Provision for doubtful trade receivables		-		-
Sub Total		16,823,675		12,974,111
Total		17,495,192		20,736,617

Note 14

Particulars	Amount in ₹	Amount in ₹
	March 31, 2014	March 31, 2013
Cash and cash equivalents		
Cash in hand	172,579	15,813
Cheques , Draft in hand	540,000	43,020,004
Balance with bank		
In current accounts	6,798,923	2,132,347
In deposit accounts	149,559	1,133,516
In earmarked accounts		
- Balances held as security against guarantees	1,301,200	1,301,200
Others		
Imprest with staff	174,334	71,269
Total	9,136,595	47,674,149

Note 15

Particulars	March 31, 2014	March 31, 2013
Short term loans and advances		
A. Balances with government authorities		
Service Tax Credit	89,720	25,217
Advance Taxes	2,749,045	2,842,913
Sub Total	2,838,765	2,868,130
B. Security Deposits	7,819,706	7,805,706
Less: Provision for doubtful loans and advances	-	-
Sub Total	7,819,706	7,805,706
C. Prepaid Expenses	5,902,999	6,157,948
Sub Total	5,902,999	6,157,948
D. Loans and advances to employees		
Unsecured, considered good	119,000	95,273
Less: Provision for doubtful loans and advances	-	-
Sub Total	119,000	95,273
E. Others		
Advance to Vender	210,000	56,796
Sub Total	210,000	56,796
Total	16,890,470	16,983,853

Note 16

Particulars	Amount in ₹	Amount in ₹
	March 31, 2014	March 31, 2013
Revenue from Operations		
Revenue from - Sale of Services		
Advertisement sales revenue	50,870,884	51,499,631
Total	50,870,884	51,499,631

Note 17

Particulars	March 31, 2014	March 31, 2013
	Finance Costs	
A. Interest expense on		
Borrowing	12,255,503	8,839,187
B. Other borrowing costs		
Bank Charges	17,499	25,330
Processing Charges	1,000,251	342,621
Total	13,273,253	9,207,138

Note 18

Particulars	March 31, 2014	March 31, 2013
	Other Income	
Interest income		
Deposits	135,193	165,189
Others	62,351	4,876
Other non-operating income (net of expenses directly attributable to such income)		
Miscellaneous income	64,057	6,463
Sundry balance w/off	1,035,682	10,406
Total	1,297,283	186,934

Note 19

Particulars	March 31, 2014	March 31, 2013
	Employee Benefits Expense	
Salaries, wages and bonus	16,025,790	16,253,000
Contribution to Provident and other funds	799,773	1,172,699
Staff welfare expenses	403,698	521,196
Total	17,229,261	17,946,895

Note 20

Amount in ₹

Particulars	March 31, 2014	March 31, 2013
Other Expenses		
Power and fuel	16,085,023	16,672,701
Rent	1,492,102	1,656,323
Repairs to buildings	189,989	342,186
Repairs to machinery	1,371,416	1,019,189
Insurance	19,583	1,051
Rates and taxes , excluding, taxes on income	3,102,471	2,828,435
Loss on foreign currency transaction and transaction(Other than considered as finance Cost)	-	5,144
Loss on sale of fixed assets	44,633	25,105
Payment to auditors		
- As Auditor	75,000	75,000
- For Taxation Matters	50,000	40,000
- For Management Services	10,000	10,000
- For Reimbursement of Expenses	5,537	3,209
Professional Charges	1,785,806	3,552,118
Royalty	1,480,091	2,475,003
Programming & Promo Expenses	1,500,000	1,509,843
License & Other Operational Fees	16,473,309	16,939,713
Security Services	1,340,708	1,514,236
Bad & doubtful debt W/off	3,562,235	9,882,513
Office Expense	782,483	1,030,245
Telephone , Postage and Internet Expenses	986,987	809,223
Conveyance	1,521,009	691,801
Registration Fee	-	621,954
Miscellaneous Expenses	2,016,851	2,886,481
Total	53,895,233	64,591,473

Skyline Radio Network Limited

(Formerly known as Dhamaal24 Radio Network Limited)

NOTE-21

Corporate Information

Skyline Radio Network Limited (Formerly known as Dhamaal24 Radio Network Limited) was incorporated in October 2005 with main objective to carry on the business of Radio Broadcasting through FM radio channels.

Presently the company is running FM radio channel at frequency of 106.4 MHz under the brand name "Dhamaal24" "Har Khushi Hai Jahan" at 10 locations viz, Hissar, Karnal, Patiala, Shimla, Ranchi, Muzaffarpur, Jabalpur, Ahmednagar, Dhule and Jalgaon.

NOTE-22

Significant Accounting Policies

22.1 Basis of accounting and 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 notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the Historical Cost Convention on the Mercantile System of accounting and in accordance with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956 to the extent applicable.

22.2 Use of Estimates

The preparation of the financial statements is in accordance with Generally Accepted Accounting Principles. It requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from these estimates and a revision to such accounting estimates is recognised in the accounting year in which such a revision takes place.

22.3 Inventories

Stock of Tapes, Cassettes, Discs and Electronic Devices

Inventories of raw stock consists of tapes, cassettes, compact discs and other electronic devices which are valued at lower of cost or estimated net realizable value. Cost is taken on First in First out basis (FIFO).

Inventories Related to Radio Software and Programme Pilots

The entire cost of the programme is charged to income when the programme is first exploited. The inventory thus

comprises of unamortized cost of such programmes. In case of Programme Pilots, the cost is expensed-off on first telecast or on after the review of realisability.

22.4 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

22.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

22.6 Depreciation

- Depreciation on fixed asset is provided on Written down Value method at the rates and in the manner prescribed in schedule XIV of the Companies Act, 1956.
- One time entry fee paid by the company for acquiring radio license is amortized over a period of ten years, being the period of the license, from the date of operationalisation of the radio station.

22.7 Revenue recognition

Advertisement revenue from sale of advertising time is recognized on the accrual basis when advertisements are telecast in accordance with contractual obligations.

Interest is recognized using time proportion method and dividend income is recognized when the company's right to receive dividend is established.

22.8 Other Income

Profit/Loss on sale of Fixed Assets is accounted as per accounting policy.

22.9 Fixed Assets & Capital Work-in-Progress

Tangible fixed assets

The Fixed assets are stated at cost less accumulated depreciation and impairment. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Cost includes capital cost, freight, installation cost, duties and taxes and other incidental expenses incurred during the construction/installation and attributable to bringing the asset to its intended use. Fixed assets are further adjusted by the amount of CENVAT credit available, wherever applicable. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.



Capital work-in-progress

Capital work in progress comprises of cost of fixed assets that are not yet ready for their intended use and outstanding advances paid to acquire fixed assets, at the balance sheet date.

22.10 Intangible Fixed Assets

Intangible Fixed Assets

The Intangible assets are stated at cost less accumulated depreciation and impairment. Cost includes capital cost, freight, installation cost, duties and taxes and other incidental expenses incurred during the construction/installation and attributable to bringing the asset to its intended use. Fixed assets are further adjusted by the amount of CENVAT credit available, wherever applicable.

22.11 Foreign Currency Transactions

As per Companies (Accounting Standard) Rules 2006, exchange difference arising on settlement or restatement of foreign currency denominated liabilities relating to the acquisition of fixed assets, which is in accordance with Accounting Standard-11 issued by the Institute of Chartered Accountants of India are recognized in the Statement of Profit & Loss account.

As per Schedule-VI of the Companies Act, 1956 exchange differences arising on foreign currency denominated liabilities relating to the Capital work in progress/Capital advance forms part of the Capital Work in progress/Capital Advance.

22.12 Government grants, subsidies and export incentives

No Government grants, subsidies and export incentives received during the financial year 2013-14

22.13 Investments

Current investments are stated at cost or fair value whichever is lower. Long term investments are stated at cost. Provision for diminution in value of long term investment is made, if the diminution is other than temporary.

22.14 Employee Benefits

The company has contributed to employee's provident fund as per provisions of the Employee's Provident Fund Act, 1952 and is charged to Statement of Profit and Loss Account.

The company has contributed to employee's state insurance fund as per provisions of the ESI Act, 1948 and is charged to Statement of Profit and Loss Account.

As per the Company's policy, the gratuity is payable as per the provisions of the Gratuity Act. Liability in respect of Gratuity is provided for on the basis of an actuarial valuation as at the date of Balance Sheet.

Bonus is paid and charged to Statement of Profit and Loss Account as per the provisions of "The Payment of Bonus Act, 1965".

22.15 Borrowing Costs

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

22.16 Segmental Reporting

In accordance with Accounting Standard -17 issued by the Institute of Chartered Accountants of India, the company's business segment is radio FM broadcasting and it has no other primary reportable segment. The Company caters only to the needs of Indian market hence there are no reportable geographical segments.

22.17 Operating Leases

The Company has taken broadcasting equipments under operating leases. These lease agreements are normally renewable on expiry. The rental expenses on operating leases are charged to Statement of Profit and Loss account.

22.18 Earnings Per Share (EPS)

The Company reports basic earning per equity share in accordance with the Accounting Standard-20 issued by the Institute of Chartered Accountants of India. Basic earning per equity share has been computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing the diluted earning per share comprises of the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

22.19 Taxation

Tax expenses for the year comprise both, current tax and deferred tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of income tax payable in respect of the taxable income for the reporting year. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

22.20 Impairment of Assets

As per Accounting Standard-28 issued by the Institute of Chartered Accountants of India, the Company assesses at each balance sheet date whether there is any indication of impairment of carrying amount of the company's assets.

The recoverable amount of such assets are estimated, if any indication exists, and impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount.

22.21 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

22.22 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

22.23 License Fee

As per the new Frequency Module (FM) broad effective from April , 2005 License Fees are charged to revenue at a rate of 4% of Gross Revenue for the period or 10% of revenue one time entry fees (ROTEF*) for the concerned city, whichever is higher. Gross Revenue for this purpose shall mean revenue on the basis of billing rate inclusive of any taxes and without deduction of any discount given to the advertiser and any commission paid to advertising agency. Barter advertising contracts shall also be included in gross revenue on basis of relevant billing rates.

[* ROTEF means 25% of highest value bid in the city]

22.24 Miscellaneous Expenditure

A. Preliminary Expenses

Preliminary expenses are amortized over a period of ten years from the year of commencement of commercial operations.

23. During the year the Company has issued 600,000 equity shares of Rs. 10 each at an exercise price of Rs 25 per share against the settlement of Share application Money received.

24. Contingent Liabilities and Commitments

(Amt. in Rs.)

	As at March 31, 2014	As at March 31, 2013
Contingent liabilities		
a) Claims against the Company not acknowledged as debt	Nil	Nil
b) Guarantees		
- Bank Guarantee given	13,01,200	13,01,200
c) Other money for which the Company is contingently liable	Nil	Nil

- Bank Guarantee of Rs 5,13,000/- (Previous Year Rs. 5,13,000) given by holding company to Ministry of Information and broadcasting for the purpose of all Licenses.
- Corporate Guarantee given by holding company on behalf of Skyline Radio Network Limited (Formerly known as Dhamaal24 Radio Network Limited) amounting to Rs. 9,85,00,000 to Dena Bank.

25. The detail of Capital Work in Progress (including Capital Advances) is as follows:

(Amt. in Rs.)

Particulars	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Capital Work in Progress	88,25,444	3,16,43,100
Total	88,25,444	3,16,43,100

26. The company has not made any provision for cess payable u/s 441A of the companies Act, 1956. The said provision shall be made as and when the requisite notification is issued by the Central Government in this regard.

27. The Deferred Tax Liability (Net) comprises of the following:

(Amt. in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
Opening Balance of Deferred Tax Liability (Net)	1,12,66,446	80,19,325
Related to Fixed Assets	12,89,264	33,16,022
Disallowance under the Income Tax Act	-	(24,359)
Related to Leave encashment & Gratuity	-	(44,542)
Deferred Tax Liability (Net)	99,77,182	1,12,66,446

28. Employee Benefits

As per Accounting Standard 15 (revised) 'Employees Benefits', the disclosures of employee benefits are given below:

a. Defined Contribution Plans :

Contribution to Defined Contribution Plan recognised as expense for the year is as under:

Employer's Contribution to Provident :
Rs. 5,27,538 (Previous Year Rs. 6,25,173)

Employer's Contribution to ESI :
Rs. 2,01,442 (Previous Year Rs. 3,46,177)

Defined Benefit Plans:

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

a) Change in present value of obligation

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Present value of obligation as at the beginning of the period	4,56,199	3,67,578	1,16,285	1,22,748
Current Service Cost	1,15,759	1,49,137	21,626	41,407
Interest Cost	41,058	29,406	10,466	9,820
Expected Return on Plan Assets	NIL	NIL	NIL	NIL
Actuarial (gain)/loss	(1,73,761)	(89,922)	(79,204)	(57,690)
Past Service Cost	NIL	NIL	NIL	NIL
Benefit Paid	(43,430)	NIL	NIL	NIL
Present value of obligation as at the end of the period	3,95,825	4,56,199	69,172	1,16,285

b) Expense recognized in the statement of profit and loss

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Current service cost	1,15,759	1,49,137	21,625	41,407
Past service cost	--	--	--	--
Interest cost	41,058	29,406	10,466	9,820
Expected return on plan assets	--	--	--	--
Curtailment cost / (Credit)	--	--	--	--
Settlement cost / (credit)	--	--	--	--
Net actuarial (gain)/ loss recognized in the period	(1,73,761)	(89,922)	(79,204)	(57,690)
Expenses recognized in the statement of profit & losses	(16,944)	88,621	(47,113)	(6,463)

c) Actuarial Assumptions:

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Discount Rate (%)	9.00	8.00	9.00	8.00
Expected Rate of increase in Compensation Levels (%)	6.50	5.50	6.50	5.50
Expected Rate of Return on Plan Assets	NIL	NIL	NIL	NIL
Expected Average remaining working lives of employees (years)	27.14	28.33	27.14	28.33

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

29. Commitments and Contingencies

(Amount in ₹)

Particulars	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Bank Guarantees given	13,01,200	13,01,200
Bank Guarantees given on behalf of holding company, B.A.G. Films and Media Limited	NIL	NIL

30. Additional information required to be given pursuant to part II of Schedule VI of the Companies Act, 1956 is as follows:

- Managerial Remuneration : Nil (Previous Year Nil)
- The business of the company is not subject to license as required by schedule VI; hence licensed capacity is not given.
- CIF Value of Imports - Rs. Nil (Previous Year Nil)
- Expenditure in Foreign Currency : Nil (Previous Year Rs. 1,15,454)
- Earnings in Foreign Currency : - Nil (Previous Year Nil)

Information pursuant to other provisions of part-II of Schedule VI to the Act, is either Nil or not applicable to the company.

31. As per Accounting Standard 18, 'Related Party Disclosures', notified in the Companies (Accounting Standards) Rules 2006, the disclosures of transactions with the related parties as defined therein are given below:

i) List of Related Parties:

Name	Relationship
B.A.G. Films and Media Limited	Holding Company
Anuradha Prasad	Key Managerial Personnel
E24 Glamour Limited	Enterprises over which KMP are able to exercise significant influence
News24 Broadcast India Limited	Enterprises over which KMP are able to exercise significant influence
Skyline Tele Media Services Limited	Enterprises over which KMP are able to exercise significant influence

ii) Related Party Transactions:

(Amount in ₹)

Particular	Key Managerial Personnel (KMP)		Enterprises over which KMP are able to exercise significant influence)		Holding Company	
	For Year Ended March 31,		For Year Ended March 31,		For Year Ended March 31,	
	2014	2013	2014	2013	2014	2013
Rent	240,000	240,000	NIL	NIL	NIL	NIL
Unsecured Loans received	NIL	NIL	NIL	44,67,145	NIL	NIL
Expense Reimbursed	NIL	NIL	NIL	16,50,000	64,35,000	63,47,917

32. Earnings/(Loss) per share (EPS) in accordance with Accounting Standard-20 issued by Institute of Chartered Accountants of India

(Amount in ₹)

S. No.	Particulars	2013-14 March 31, 2014	2012-13 March 31, 2013
1	Net Profit /(Loss) after tax as per Statement of profit and loss	(63,256,131)	(62,518,420)
2	Short provision for tax of earlier years	(143,858)	-
3	Net Profit /(Loss) attributable to Equity Shareholders	(63,399,989)	(62,518,420)
4	Net Profit/(Loss) before Exceptional Item	(63,399,989)	(62,518,420)
5	Weighted Average number of equity shares used as denominator for calculating Basic EPS	28,558,758	20,023,052
6	Basic Earnings per share	(2.22)	(3.12)
7	Weighted Average number of equity shares used as denominator for calculating Diluted EPS	28,558,758	21,523,052
8	Diluted Earnings per share	(2.22)	(3.12)
9	Basic Earnings (before exceptional item) per share	(2.22)	(3.12)
10	Diluted Earnings (before exceptional item) per share	(2.22)	(3.12)
11	Face Value per equity share	10	10

33. Previous year figures are regrouped, rearranged or re-classified wherever necessary to make them comparable with the current year figures.

For Joy Mukherjee & Associates
Chartered Accountants

Joy Mukherjee
Partner
M. NO. 074602
FRN: 006792

Place : Noida
Date : May 26, 2014

For and on the behalf of the Board of Directors

Anuradha Prasad
(Managing Director)

Anuradha Mishra
(Director)

Ajay Mishra
(Company Secretary)

Skyline Radio Network Limited
(Formerly Known as Dhamaal24 Radio Network Limited)
Cash Flow Statement for the period ended March 31, 2014

(Amount in ₹)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	(64,545,395)	(59,271,299)
Adjustments for:		
Depreciation and amortisation	31,685,365	28,668,568
Finance costs	13,273,253	9,207,138
Liabilities / provisions no longer required written back	(1,035,682)	(10,406)
Adjustment relating to earlier year	(143,858)	-
	43,779,078	37,865,300
Operating profit / (loss) before working capital changes		
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	630,450	(9,456,210)
Trade receivables	3,241,427	26,030,503
Short-term loans and advances	93,383	194,283,721
Other non-current assets	78,832	78,832
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(10,435,571)	9,326,878
Other current liabilities	1,896,278	8,695,903
Long-term provisions	(107,487)	82,158
	(4,602,689)	229,041,785
	(25,369,005)	207,635,786
Net cash flow from / (used in) operating activities (A)	(25,369,005)	207,635,786
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(283,500)	(123,562,777)
Proceeds from sale of fixed assets	23,342,289	97,175
	23,058,789	(123,465,602)
Net cash flow from / (used in) investing activities (B)	23,058,789	(123,465,602)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	15,000,000	210,352,500
Share application money received / (refunded)	(15,000,000)	(345,058,316)
Repayment of long-term borrowings	(18,486,939)	-
Proceeds from other short-term borrowings	-	4,467,145
Repayment of other short-term borrowings	(4,467,145)	-
Finance cost	(13,273,253)	(9,207,138)
	(36,227,337)	(65,175,760)
Net cash flow from / (used in) financing activities (C)	(36,227,337)	(65,175,760)

(Amount in ₹)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(38,537,554)	18,994,424
Cash and cash equivalents at the beginning of the year	47,674,149	28,679,725
Cash and cash equivalents at the end of the year	9,136,595	47,674,149
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet	9,136,595	47,674,149
Less: Bank balances not considered as Cash and cash equivalents	-	-
Net Cash and cash equivalents	9,136,595	47,674,149
Add: Current investments considered as part of Cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year *	9,136,595	47,674,149
* Comprises:		
(a) Cash on hand	172,579	15,813
(b) Cheques, drafts on hand	540,000	43,020,004
(c) Balances with banks		
(i) In current accounts	6,798,923	2,132,347
(ii) In deposit accounts with original maturity of less than 3 months	149,559	1,133,516
(iii) In earmarked accounts	1,301,200	1,301,200
(d) Others		
Imprest with staff	174,334	71,269
	9,136,595	47,674,149

For and on behalf of the Board of Directors

As per our report of even date
For Joy Mukherjee & Associates
Chartered AccountantsAnuradha Prasad
Managing DirectorAnuradha Mishra
DirectorAjay Mishra
Company SecretaryJoy Mukherjee
PartnerPlace : Noida
Date : May 26, 2014M.No. 074602
FRN: 006792C

SKYLINE RADIO NETWORK LIMITED

Corporate Office: FC-23, Sector-16A,
Film City, Noida - 201 301 (U.P.)