

Auditors Report

To the members of K Sera Sera Box Office Private Limited

Report on the Financial Statements.

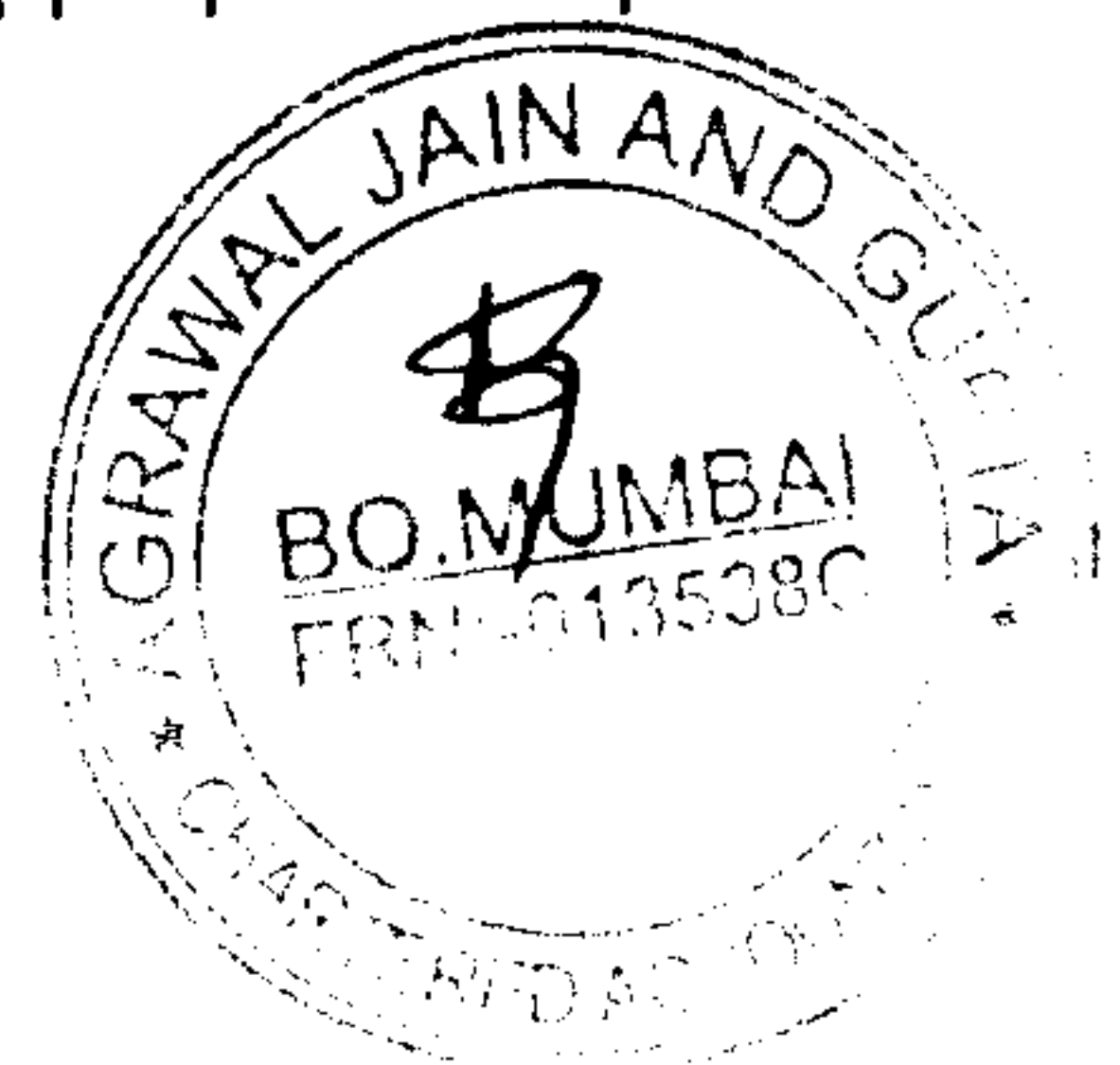
1. We have audited the accompanying financial statements of K Sera Sera Box Office Private Limited which comprise the Balance Sheet as at March 31, 2013 and Statement of Profit and Loss and Cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. 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. 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 misstatements, whether due to fraud and error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with the ethical requirements plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
4. 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 risk of material misstatements 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 and the reasonableness of accounting estimates made by management, as well as evaluating the overall financial statement.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the 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, 2013;
 - (b) in the case of the Profit and Loss Account, of the Profit/Loss for the year ended on that date; and
 - (c) in the case of Cash Flow Statement, of the cash flow for the year ended on that date;

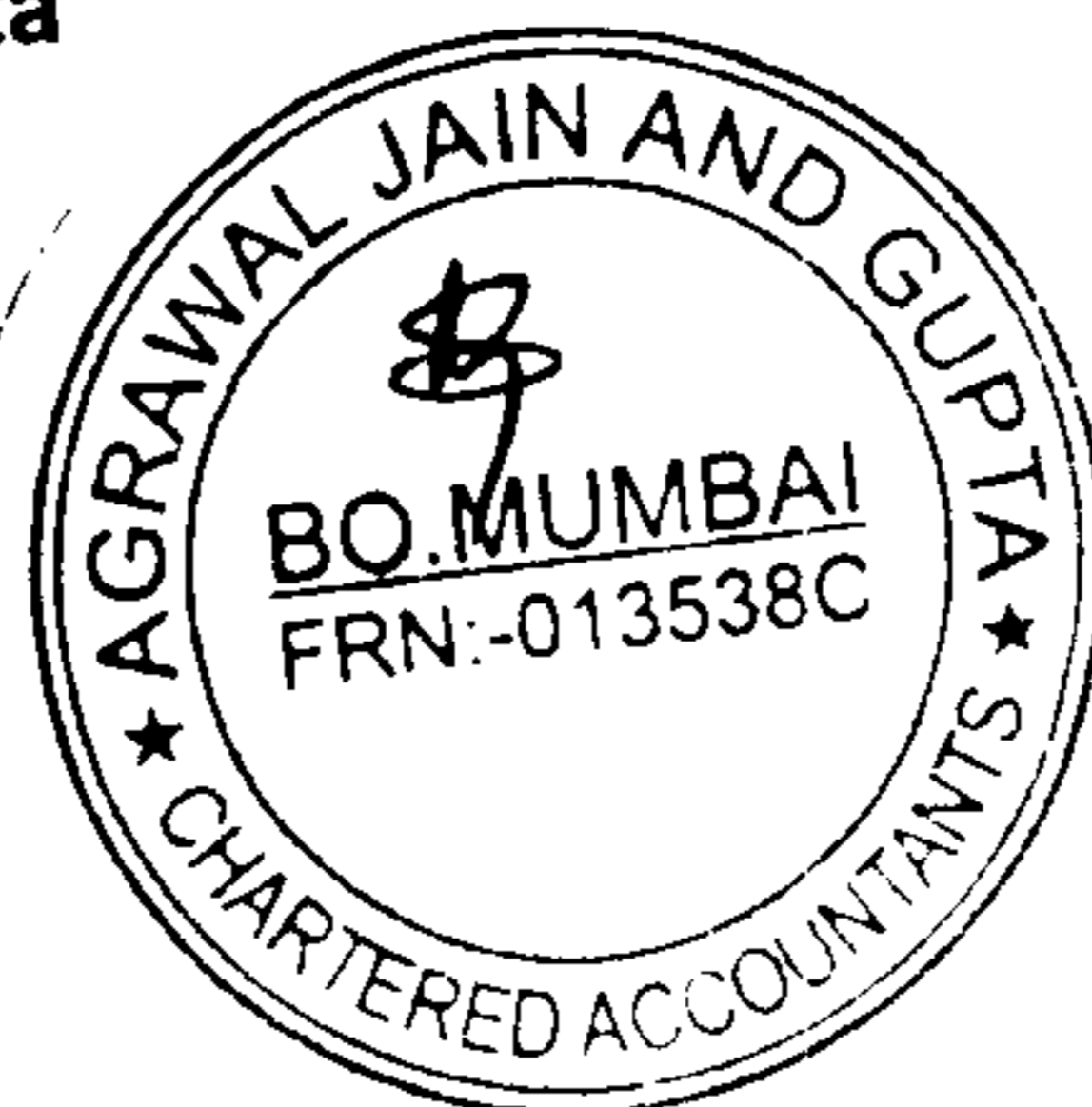
Report on other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of Act, we give in the Annexure a statement on the matter specified in paragraphs 4 and 5 of the order.
8. As required by section 227(3) of the act, we report that :
- (i) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (ii) 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 these books (and proper returns adequate for the purpose of our audit have been received from the branches not visited by us);
 - (iii) The Balance Sheet and Profit and Loss Account 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);
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and cash flow statements comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (v) On the basis of written representation received from the Directors as on March 31, 2013 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013 from being appointed as a Director in terms of Section 274(1)(g) of the Companies Act 1956.

For Agrawal Jain & Gupta
Chartered Accountants
FRN - 013538C



CA Narayan Swami
Partner
M. No – 409759
Mumbai, 30th May, 2013

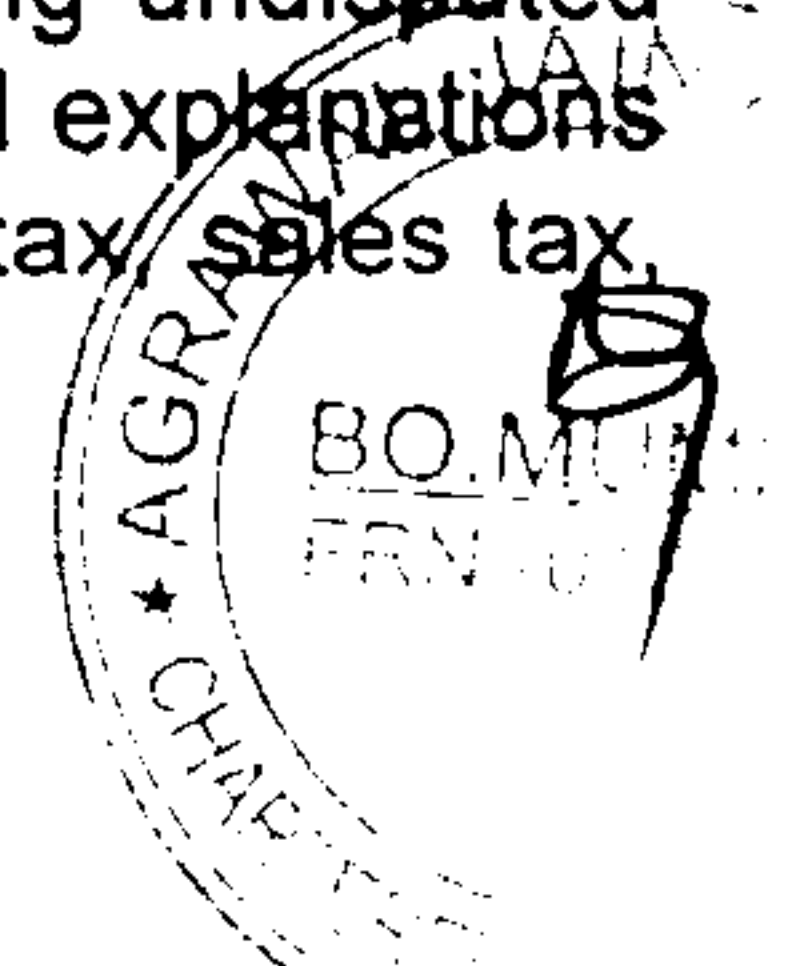


**Annexure referred to in paragraph (c) of our report of even date
K Sera Sera Box Office Private Limited**

- 1) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets. As explained to us, all fixed assets were physically verified by the management in the year before last year in accordance with a planned programme of verifying these once in three years, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets and no material discrepancies were found on such verification. There was no substantial disposal of fixed assets during the year.
- 2) (a) The inventory has 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) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. No discrepancies were noticed on verification between the physical stocks and the book records
- 3) The Company has taken loan of Rs 4,990,020/- from K Sera Sera Digital Cinema Private Limited and K Sera Sera Miniplex Private Limited and 25,287,057/- given to KSS Limited parties covered in register maintained under Section 301 of the Companies Act, 1956.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. Accordingly, the issue of continuing failure to correct major weakness in the internal control in these areas does not apply.
- 5) Based on the audit procedures applied by us and according to information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered. In our opinion and according to the information and explanations given to us, the transactions with parties with whom transactions exceeding value of rupees five lakhs have been entered into during the financial year are at prices, which are reasonable having regard to the prevailing market price at the relevant time.
- 6) The Company has not accepted any deposits from the public with in the meaning of sections 58A and 58AA of the act and the rules framed there under.
- 7) In our opinion, the Company has an own internal audit system commensurate with the size and nature of its business.
- 8) To the best of our knowledge and as explained to us, the Central Government has not prescribed maintenance of cost records under Clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the products of the Company.
- 9) According to the information and explanation given to us and records of the company examined by us in our opinion prima-facie the Company is regular in depositing undisputed statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax,



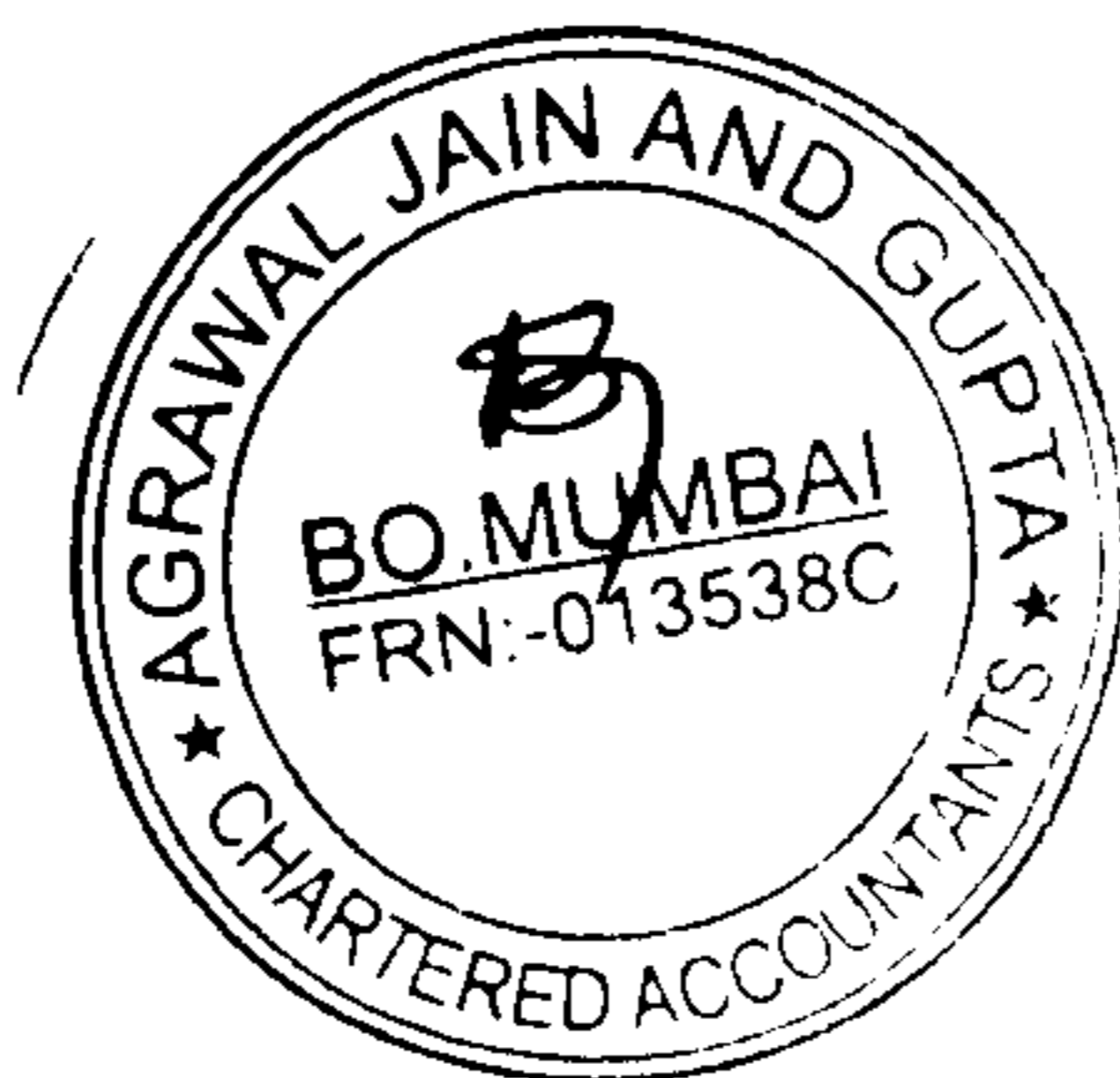
customs duty and excise duty were outstanding, at the year end for a period of more than six months from the date they became payable.

- 10) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- 11) Based on our audit procedures and on the basis of information and explanations given by the management, we are of opinion that the Company has not defaulted in repayment of dues to banks and financial institution. The Company did not have any outstanding debentures during the year.
- 12) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/ mutual benefit fund/ societies. Therefore, provisions of clause 4 (xiii) of the Companies (Auditor Report) Order, 2003 are not applicable to the Company.
- 14) In our opinion, the Company does not deal or trade in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor Report) Order, 2003 are not applicable to the Company.
- 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) Based on the information and explanations given to us by the management, the term loan raised by the company has been used for the purpose for which term loan has been raised.
- 17) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investments. No long-term funds have been used to finance short-term assets except permanent working capital.
- 18) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- 19) The Company did not have any outstanding debentures during the year.
- 20) The Company has not raised any money through a public issue during the year.
- 21) Based upon the audit procedures performed by us for expressing our opinion on these financial statements and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during of our audit.

For **Agrawal Jain & Gupta**
Chartered Accountants
FRN - 013538C



CA Narayan Swami
Partner
M. No - 409759
Mumbai, 30th May, 2013



K SERA SERA BOX OFFICE PRIVATE LIMITED

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

Notes to account

1. Summary of significant accounting policies

a. Basis of preparation of financial statements

The financial statements are prepared under historical cost convention, on the accrual basis of accounting in accordance with the Companies Act, 1956 and the Accounting Principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India ('ICAI') to the extent applicable.

b. Use of estimates

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c. Fixed assets

Tangible assets

Fixed assets are stated at historical cost less accumulated depreciation. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

Intangible assets

The Company recognizes / creates rights in motion pictures as intangible asset in the form of Intellectual Property Rights (IPR's). The same is in consideration of the future economic benefits and availability of the aforesaid rights for re-distribution after the expiry of initial period of distribution agreement. The recognition / creation of IPR's is made at a fixed proportion of the production cost depending on the date of release of the motion picture on the following basis:

- i. At 30% of the production cost of the motion picture in case the picture is released within 90 days before the year end.
- ii. At 10% of the production cost of the motion picture in case the picture is released more than 90 days before the year end.

The said recognition of IPR rights is, however, subject to the management assessment of future economic benefits from exploitation of these rights having regards to the box office success of the movie and other relevant factors. In the event, the said recognition criteria is not met, the entire cost of motion picture is charged to the profit and loss account as 'cost of production'.

d. Depreciation/amortization

Tangible assets

Depreciation on fixed assets is provided on written down value method at the rates and the manner prescribed under Schedule XIV of the Companies Act, 1956 or based on management estimates of useful lives of the fixed assets, whichever is higher.



Intangible assets

The amortization of motion picture rights is made taking into consideration the following factors:

- The date of release/sale of the respective motion picture as referred in paragraph (c) above;
- The tenure of the distribution agreement; and
- Matching principle of accounting.

Based on above, the amortization of Intellectual Property Rights is carried out on the following basis:

Particulars	Picture is released within 90 days before the year end	Picture is released more than 90 days before the year end
In the immediately succeeding year of release/sale *	2/3 rd	-
Over the balance period of distribution agreement*	1/3 rd	1/3 rd
*The above amortization of Intellectual Property rights is subject to the management Estimate of future revenue potential.		

e. **Borrowing costs**

Borrowing cost that is directly attributable to the acquisition or construction of a qualifying asset are considered as part of the cost of the asset. All other borrowing costs are treated as period cost and charged to the profit and loss account in the year in which it is incurred.

f. **Impairment of assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

g. **Investments**

- i. Investments are stated at cost. Provisions for diminution in the value of investments are not made or recognize, if any.

h. **Revenue recognition**

i. In house production of motion pictures

Revenue on assignment of distribution rights of motion pictures to third parties is recognized on the date of release/exhibition of the motion picture.

Overflow from the distributors is accounted for as and when due or on receipt basis in case of uncertainty in collection.

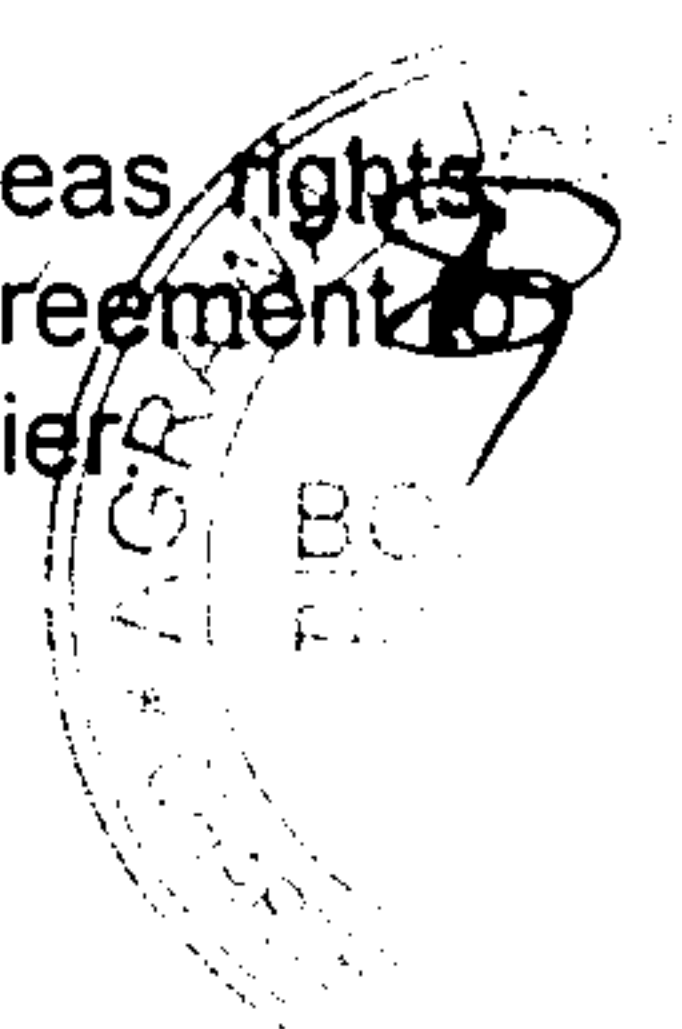
Revenue from outright sale of motion pictures is recognized on the date of agreement to sell the rights.

ii. Distribution of motion pictures produced by third parties

Revenue is recognized based on ticket sales on exhibition of the motion pictures at the exhibition centers.

iii. Other rights

Revenue from other rights of motion pictures such as satellite rights, overseas rights, music rights, video rights, etc. is recognized on the date of execution of the agreement to assign these rights for exploitation or the release of the movie whichever is earlier.



i. Inventories

- i. Motion pictures under production- valued at cost Recognized as Projects in progress under inventory till the date of release. The copyrights for future years inherent in the motion pictures are created out of the cost of production and recognized as intangible assets.
- ii. Cost of motion pictures comprises the cost of materials, labour and other related expenses. Borrowing cost directly attributable to movies is capitalized as part of the cost of movies.

j. Accounting for taxes on income

- i. Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961.
- ii. Deferred tax on timing differences between taxable and accounting income is accounted for, using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date. Deferred tax assets on unabsorbed tax losses and unabsorbed depreciation are recognized only when there is a virtual certainty of their realization. Other items are recognized only when there is a reasonable certainty of their realization.

k. Retirement benefits

- i. If any Contributions payable by the Company to the concerned government authorities in respect of provident fund, family pension fund and employee state insurance are charged to the profit and loss account.
- ii. Provision for gratuity is not made by the company because none of the employee are completed five year in the company.

l. Foreign currency transactions

- i. Foreign currency transactions are recorded at exchange rates prevailing on the date of respective transactions.
- ii. Current assets and current liabilities in foreign currencies existing at balance sheet date are translated at year-end rates.
- iii. Foreign currency translation differences related to acquisition of imported fixed assets, if any are adjusted in the carrying amount of the related fixed assets. All other foreign currency gains and losses are recognized in the profit and loss account.

m. Provision and contingent liabilities

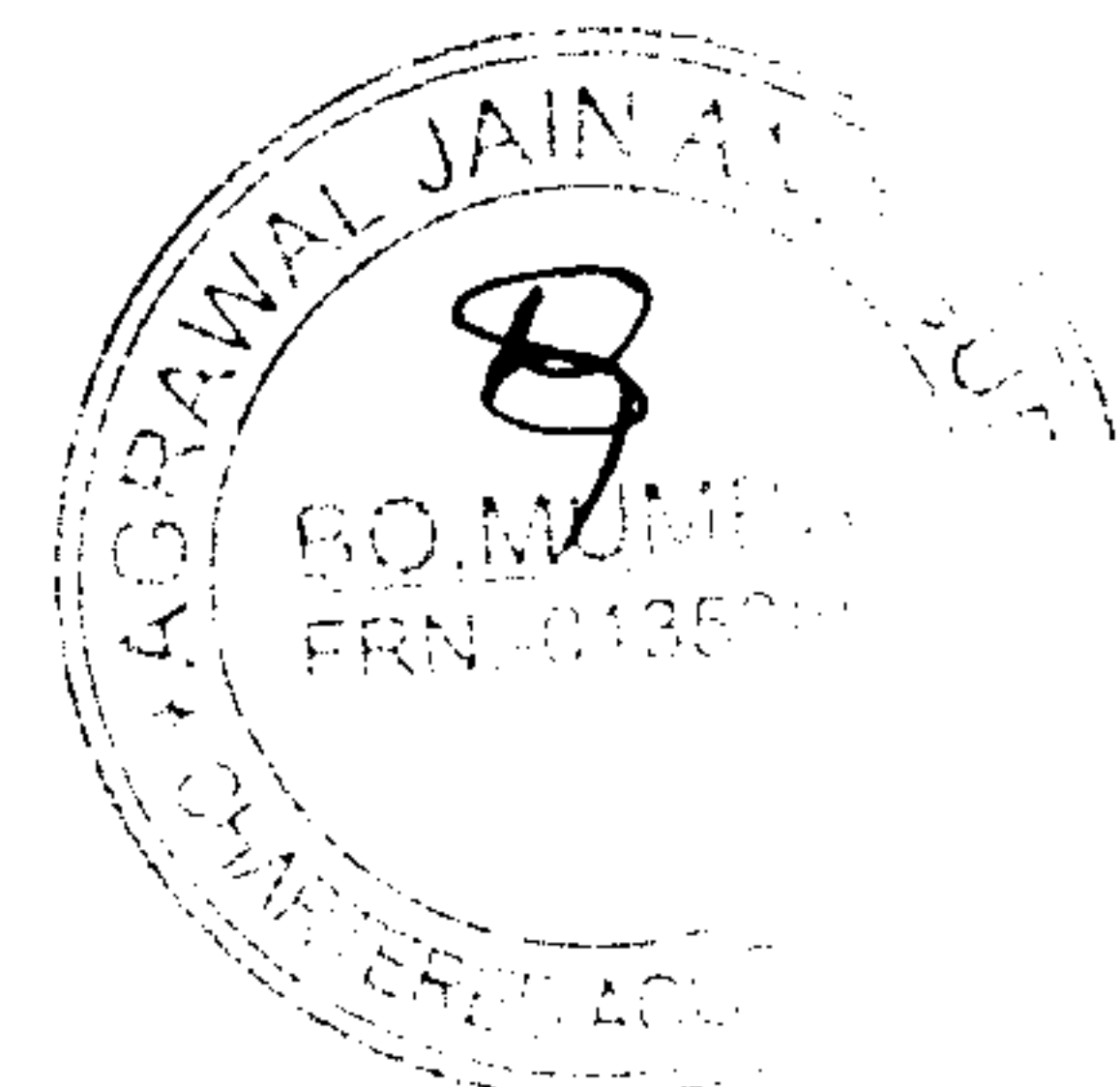
Provisions are recognized when the Company has present legal or constructive obligation, a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. Contingent liabilities, if any, are disclosed by way of notes to the Balance Sheet.

n. Preliminary Expenses

Preliminary expenses, if any, will be written off over a period of Five years.

o. Loans and advances

In the opinion of the management and to the best of their knowledge and belief, the value on realization of loans, advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet. Balances in respect of certain sundry debtors, sundry creditors and loans and advances are taken as shown by the books of account and are subject to confirmation and consequent adjustments and reconciliation, if any.



3.22 Earnings per share (Amount in Rupees)

Particulars	March 31,2013
Net profit / (loss) after tax for the year	(9,933,079)
Equity shares outstanding as at the year end	3,00,00,000
Nominal value per share (Rs.)	10
Earnings per share	
- Basic	(0.33)
- Diluted	(0.33)

3.23 Auditor's remuneration [including service tax] (Amount in Rupees)

Particulars	March 31,2013
Statutory audit	44,944
Total	44,944

3.24 Related Party Disclosures

Related parties are classified as:

	Company:
1.	K Sera Sera Limited
2.	K Sera Sera Miniplex Private Limited
3.	K Sera Sera Digital Cinema Private Limited

Nature of transactions	Holding	Amount in rupees
Loans (given)	K Sera Sera Limited	(25,287,057)
Loans taken	K Sera Sera Miniplex Private Limited	4,780,020
Loans taken	K Sera Sera Digital Cinema Private Limited	210,000

3.25 Balances in respect of certain sundry debtors, sundry creditors and loans and advances are taken as shown by the books of account and are subject to confirmation and consequent adjustments and reconciliation, if any.

3.26 As per Management opinion Current assets, loans and advances have a value on realization which in the ordinary course of the business would not be less than the amount at which they are stated in the balance sheet and the provisions for all known and determined liabilities are adequate and not in excess of the amount reasonably required.

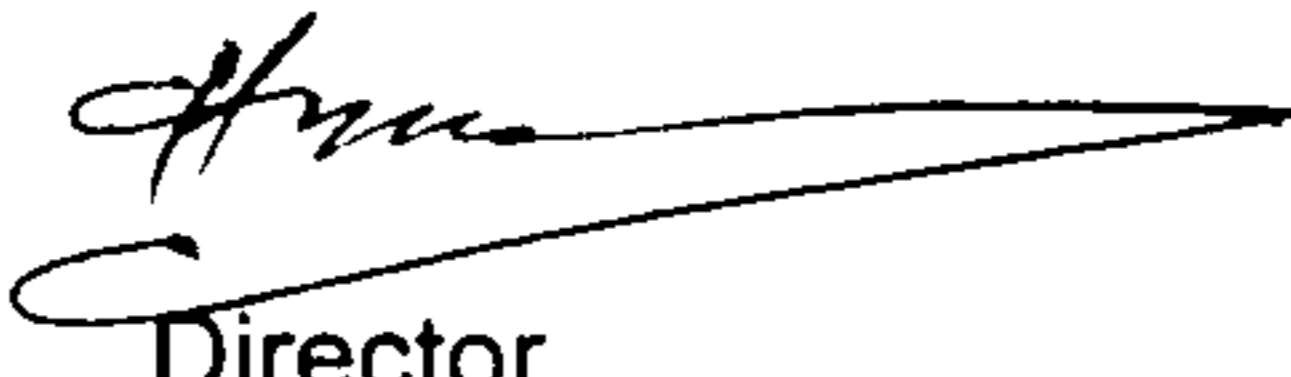
3.27 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

There are no micros, small and medium enterprises, to which the Company owes dues, which are outstanding for more than 45 days as at March 31, 2013. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

3.27 Figures in brackets represent those of the previous year.

3.29 Figures for the previous year have been regrouped / amended wherever necessary.

For and on behalf of the board of directors

Satish Parthasarathy

 Director

Director
 Place: Mumbai
 Date: May 28th, 2013

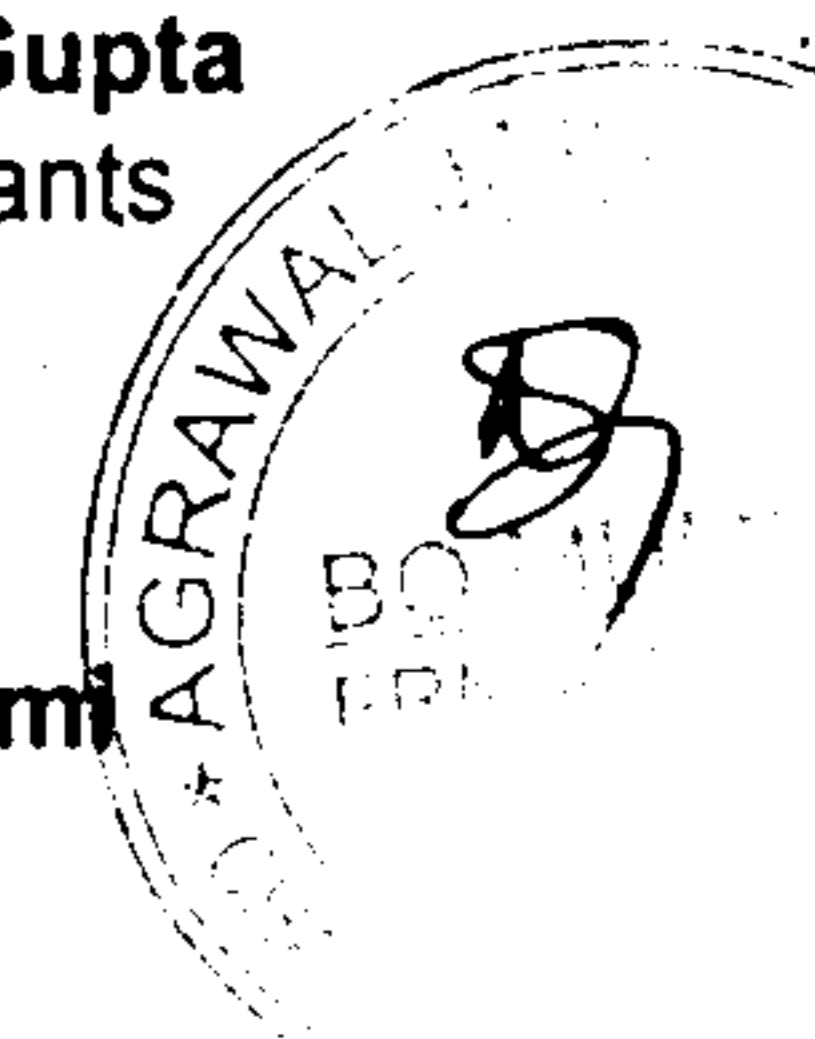
For Agrawal Jain & Gupta

Chartered Accountants
 FRN - 013538C

Narayan Swami

CA Narayan Swami
 Partner

M. No - 409759



**K SERA SERA BOX OFFICE PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2013**

(Amount in Rupees)

Particulars	NOTE No	31-Mar-13	31-Mar-12
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3.1	300,000,000	300,000,000
(b) Reserves and Surplus	3.2	(31,971,831)	(22,038,752)
(2) Current Liabilities			
(a) Short-Term Borrowings	3.3	4,990,020	5,020,128
(b) Trade Payables	3.4	750,337	839,554
(c) Other Current Liabilities	3.5	28,794,353	58,779,753
(d) Short-Term Provisions	3.6	97,778	97,778
Total Equity & Liabilities		302,660,657	342,698,461
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
Intangible Assets	3.7	3,489,492	1,409,366
Gross Block		3,489,492	1,409,366
Depreciation		-	-
Net Block		3,489,492	1,409,366
(b) Non-current investments	3.8	271,150,000	271,150,000
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	3.9	14,280	14,280
(2) Current Assets			
(a) Inventories	3.10	-	41,084,198
(b) Trade receivables	3.11	438,634	403,103
(c) Cash and cash equivalents	3.12	497,519	593,082
(d) Short-term loans and advances	3.13	25,695,627	26,154,479
(e) Other current assets	3.14	1,375,105	1,889,953
Total Assets		302,660,657	342,698,461

The accompanying notes are an integral part of the financial statements.

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

FOR AGRAWAL JAIN & GUPTA

For K Sera Sera Box Office Private Limited

CHARTERED ACCOUNTANTS

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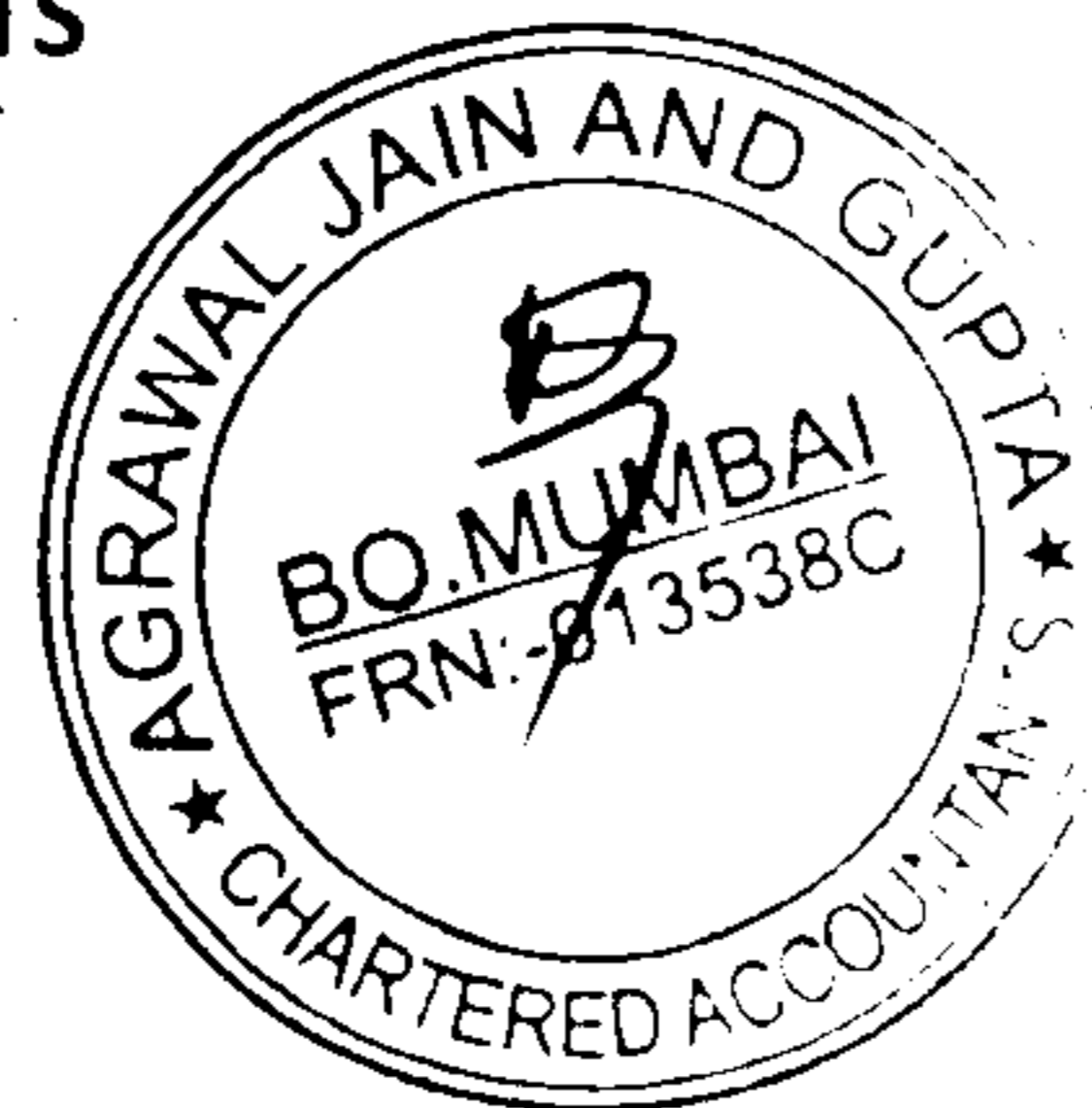
CA Narayan Swami

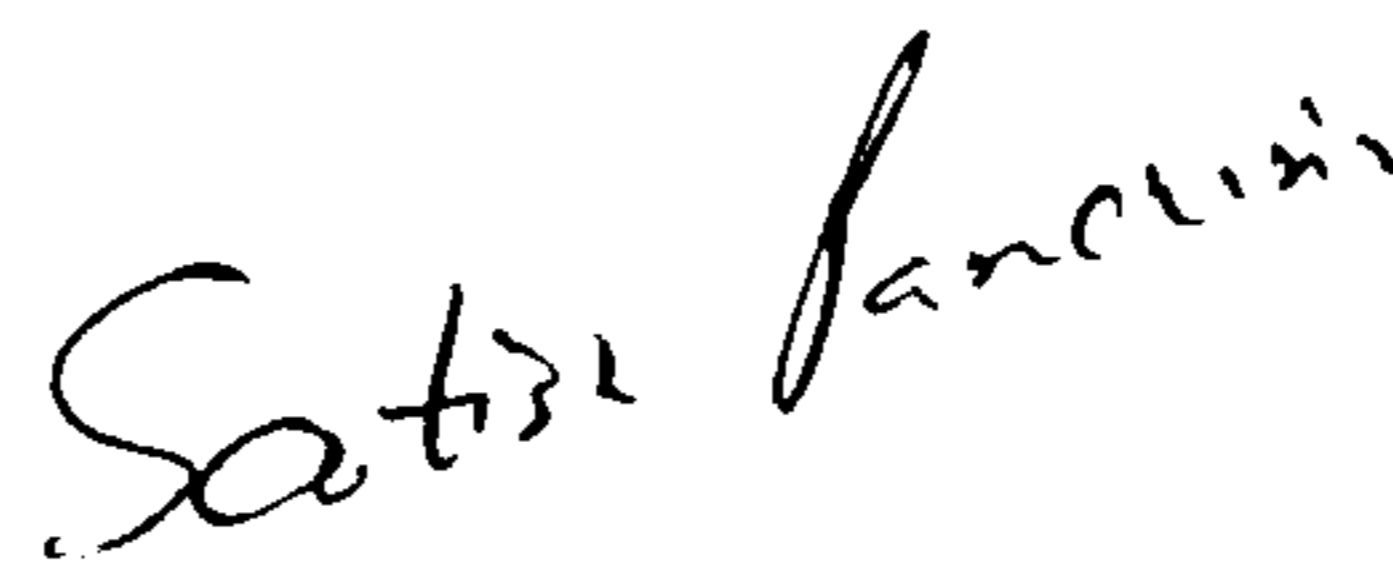
Partner

Membership No. : 409759

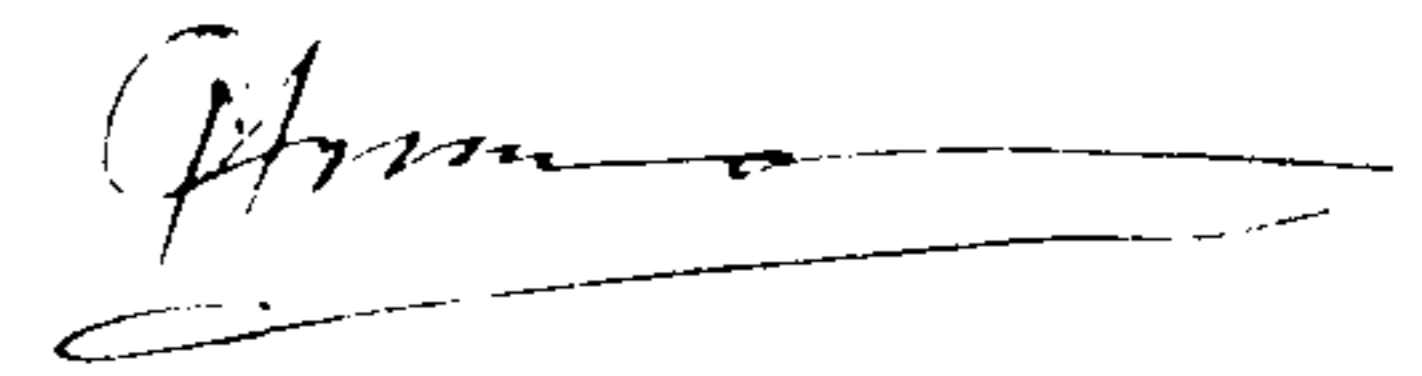
Mumbai

Date: 30.05.2013





DIRECTOR



DIRECTOR

K SERA SERA BOX OFFICE PRIVATE LIMITED
PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2013
(Amount in Rupees)

Particulars	Note No	31-Mar-13	31-Mar-12
Revenue from operations	3.15	28,209,053	-
Other Income	3.16	-	5,062
Total Revenue		28,209,053	5,062
Expenses:			
Cost of Operations	3.17	37,492,263	-
Employee Benefit Expenses	3.18	58,756	326,852
Financial Costs	3.19	7,305	11,869
Depreciation and Amortization Expenses	3.20	514,848	514,848
Other Administrative Expenses	3.21	68,960	441,278
Total Expenses		38,142,132	1,294,847
Profit before tax		(9,933,079)	(1,289,785)
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	(6,478,996)
Profit/(Loss) for the period		(9,933,079)	(7,768,781)
Earning per equity share:			
(1) Basic		(0.33)	(0.26)
(2) Diluted		(0.33)	(0.26)

The accompanying notes are an integral part of the financial statements.

This is the Profit & Loss Statement referred to in our Report of even date.

FOR AGRAWAL JAIN & GUPTA

For K Sera Sera Box Office Private Limited

CHARTERED ACCOUNTANTS

Firm Reg. No.: 013538C

Narayan Swami

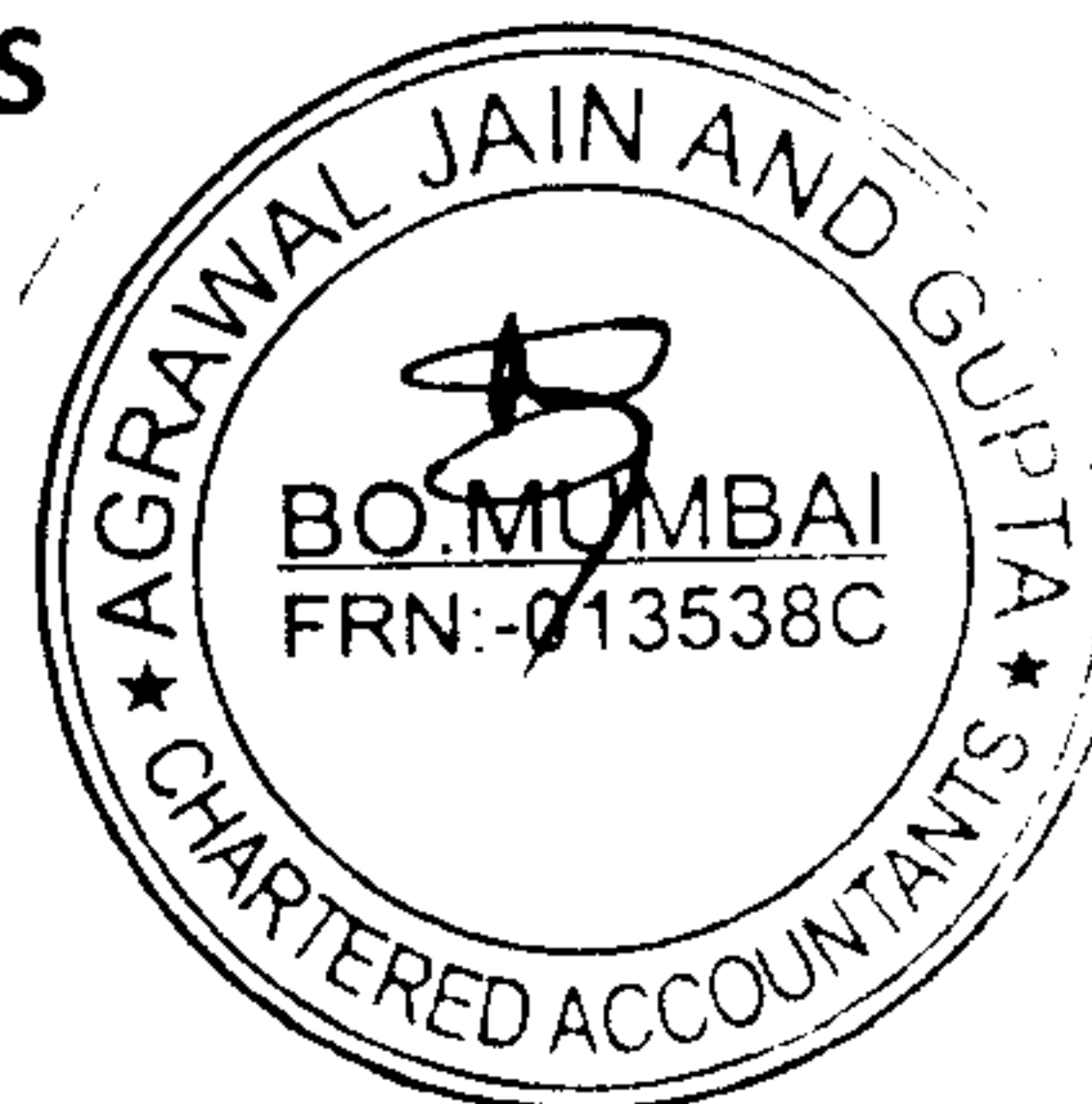
(CA Narayan Swami)

Partner

Membership No. : 409759

MUMBAI

DATED: 30.05.2013



Satish Jaiswal

DIRECTOR

Anu

DIRECTOR

K SERA SERA BOX OFFICE PRIVATE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note: 3.1 Share Capital

Particulars	March, 2013	March, 2012
AUTHORIZED CAPITAL		
300,000,00 Equity Shares of Rs. 10/- each.	-	300,000,000
	-	300,000,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
To the Subscribers of the Memorandum		
9,999 Equity Shares of Rs. 10/- each, Fully Paid up Share capital allotment to K sera sera limited	99,990	99,990
1 Equity Shares of Rs. 10/- each, Fully Paid up Share capital allotment Director	10	10
Issued other than cash		
29,999,000 Equity Shares of Rs. 10/- each, Fully Paid up Share capital allotment to K Sera Sera Limited	299,900,000	299,900,000
Total	300,000,000	300,000,000

Note: 3.2 Reserves & Surplus

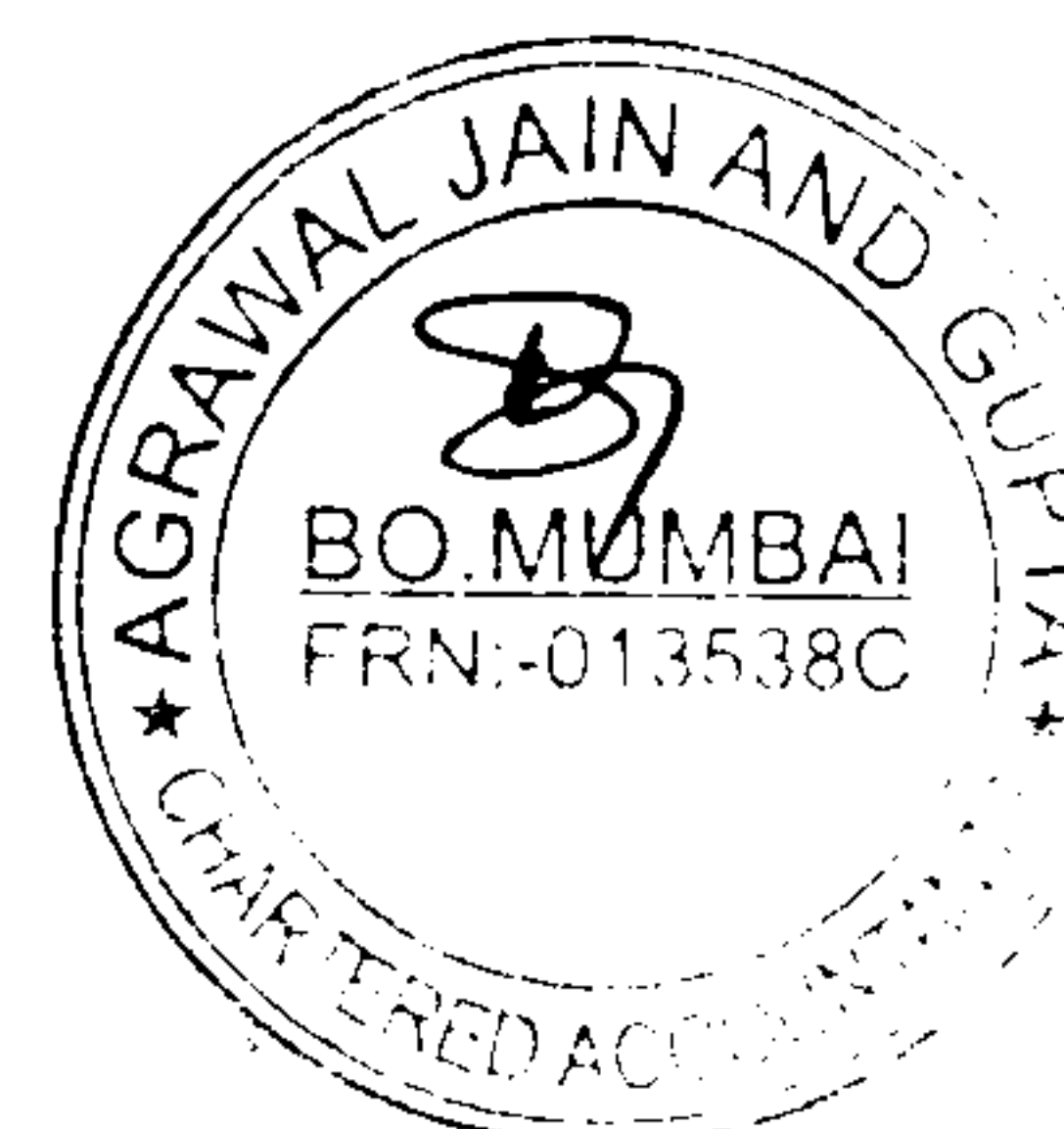
Particulars	March, 2013	March, 2012
Surplus (Profit & Loss Account)		
Balance brought forward from previous year	(22,038,752)	(14,269,971)
Less: Tax on Regular Assessment Paid	-	-
Add: Profit for the period	(9,933,079)	(7,768,781)
Total	(31,971,831)	(22,038,752)

Note: 3.3 Short Term Borrowings

Particulars	March, 2013	March, 2012
Loan Repayable on Demand		
- From Bank	-	-
- From Other Parties	-	-
Interest free advance from related parties repayable on demand (unsecured)	4,990,020	5,020,128
Total	4,990,020	5,020,128

Note: 3.4 Trade Payables

Particulars	March, 2013	March, 2012
-Sundry Creditors for Material/Suppliers:	236,482	236,482
-Sundry Creditors for Services:	513,855	603,072
Total	750,337	839,554



K SERA SERA BOX OFFICE PRIVATE LIMITED
Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note: 3.5 Other Current Liabilities

Particulars	March, 2013	March, 2012
Advance for film production	1,000,000	31,000,000
Professional Tax	-	400
Share application Money pending for allotment	27,750,000	27,750,000
Tds Payable	4,853	29,353
Advance From customers	39,500	-
Total	28,794,353	58,779,753

Note: 3.6 Short Term Provisions

Particulars	March, 2013	March, 2012
Provision for Taxation A/Y 2009-10	97,778	97,778
Total	97,778	97,778

Note: 3.8 Non Current Investments

Particulars	March, 2013	March, 2012
Investment in Equity Instruments	271,150,000	271,150,000
Total	271,150,000	271,150,000

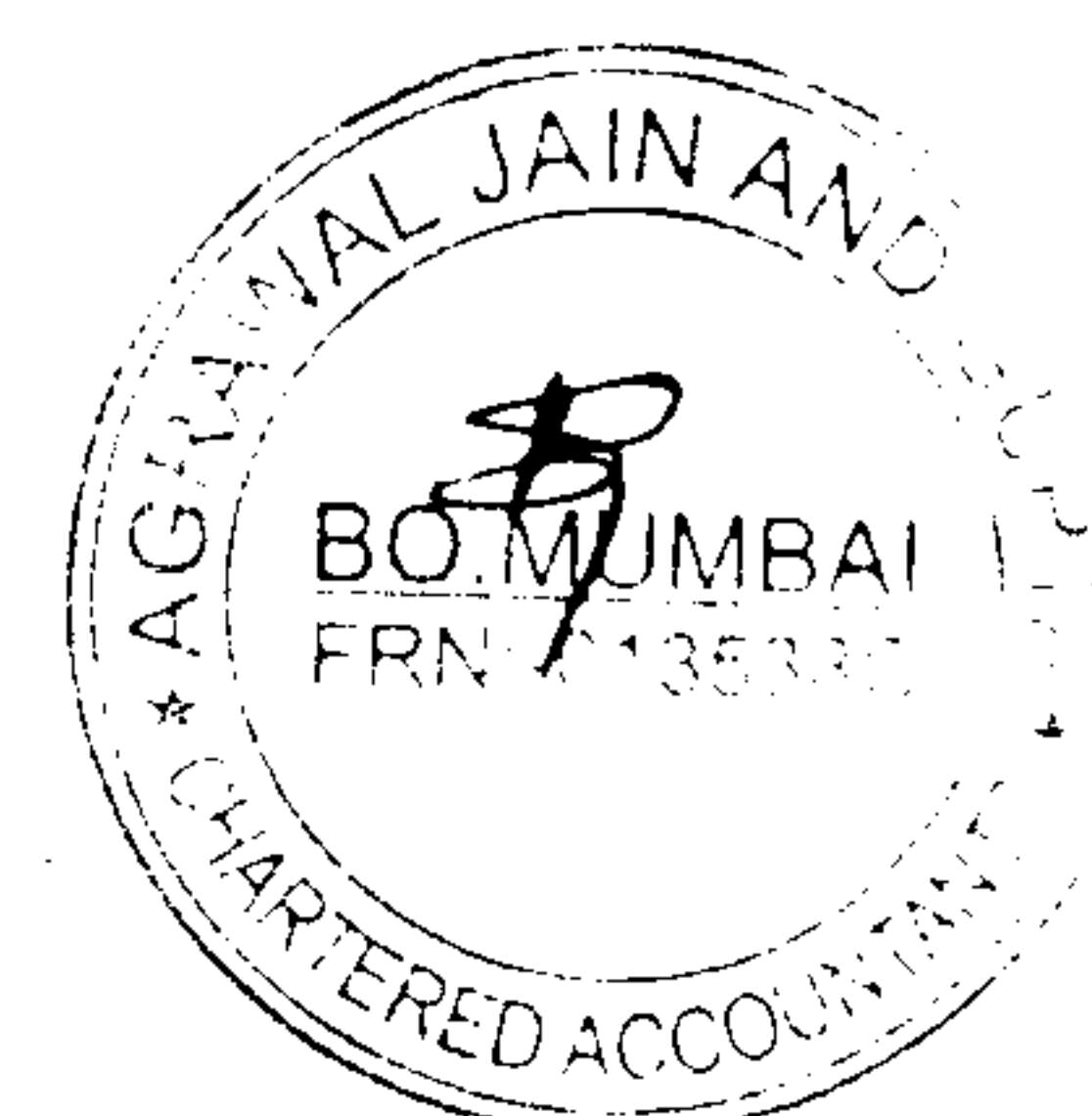
Current investments are carried in the financial statements at cost and Long-term investments are also carried at cost. However, provision for diminution in value is not recognize other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

Note: 3.9 Long Term Loans and Advances

Particulars	March, 2013	March, 2012
Security Deposit		
a) Secured, Considered Good :		
Earnest Money Deposit	-	-
Other Deposit	14,280	14,280
b) Unsecured, Considered Good :	-	-
c) Doubtful	-	-
Total	14,280	14,280

Note: 3.10 Inventories

Particulars	March, 2013	March, 2012
Projects-in-progress -LKLG	-	41,084,198
Total	-	41,084,198



K SERA SERA BOX OFFICE PRIVATE LIMITED
Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note: 3.11 Trade Recievables

Particulars	March, 2013	March, 2012
Outstanding for more than six months		
a) Unsecured, Considered Good :	438,634	403,103
b) Doubtful	-	-
Others		
a) Unsecured, Considered Good :	-	-
b) Doubtful	-	-
Total	438,634	403,103

Note: 3.12 Cash & Cash Equivalent

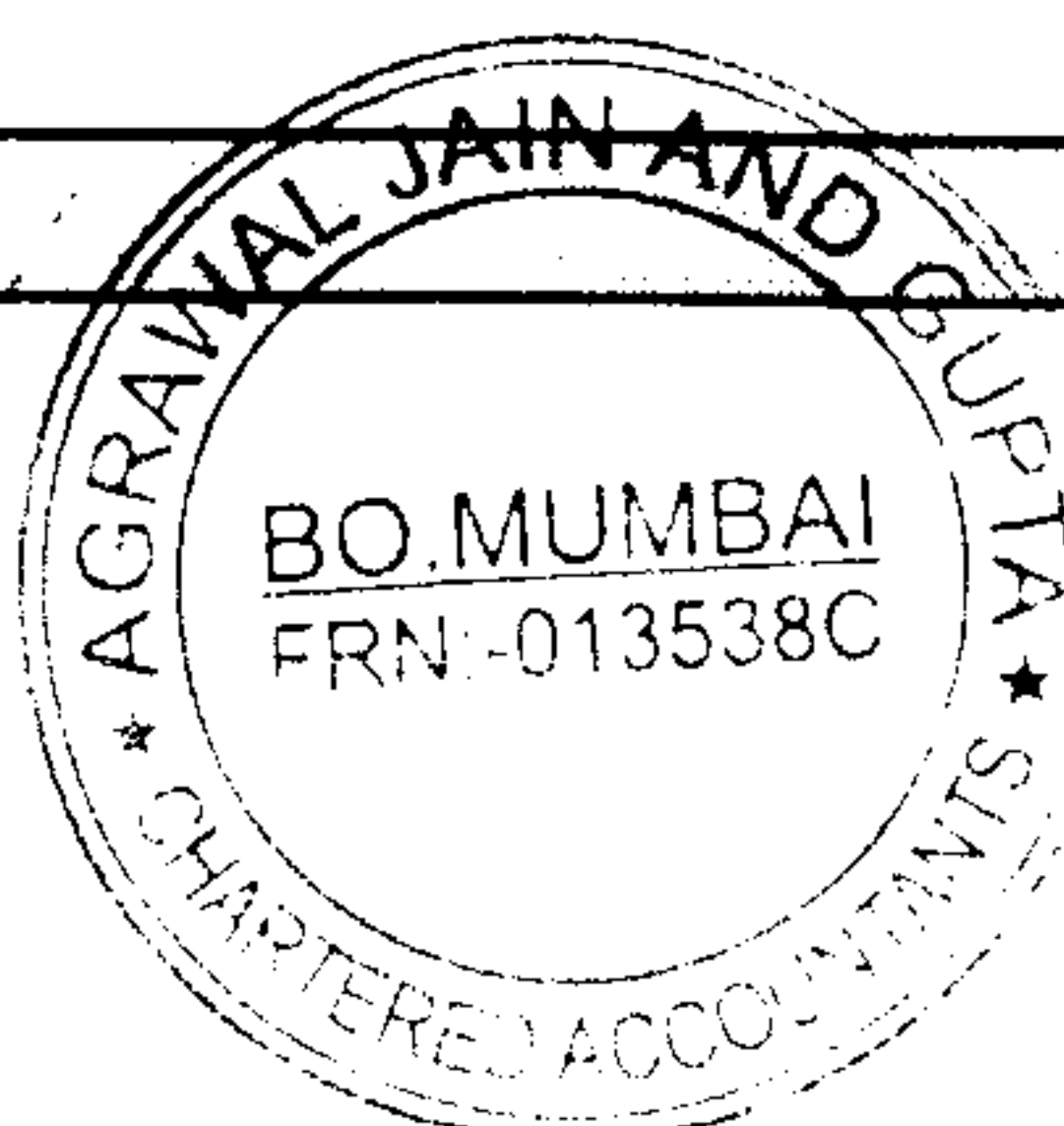
Particulars	March, 2013	March, 2012
Cash-in-Hand		
Cash Balance	437,425	287,425
Petty Cash Balance	496	154,594
Sub Total (A)	437,921	442,019
Bank Balance		
In current accounts with bank In India with Noted banks	59,598	151,063
Sub Total (B)	59,598	151,063
Total	497,519	593,082

Note: 3.13 Short Term Loans and Advances

Particulars	March, 2013	March, 2012
Loans & Advances from related parties		
a) <u>Secured, Considered Good :</u>		
Advance to Associate Concerns	25,287,057	25,744,878
b) <u>Unsecured, Considered Good :</u>	-	-
c) <u>Doubtful</u>	-	-
Others		
Advance Recoverable in cash or in kind or for value to be considered good	-	-
Advance for new projects	300,000	301,031
Advance Income Tax/Refund Due	108,570	108,570
Prepaid Expenses	-	-
Total	25,695,627	26,154,479

Note: 3.14 Other Current assets

Particulars	March, 2013	March, 2012
Miscellaneous expenditure	1,889,953	2,059,396
Add: Expenses During the year	-	345,405
Less: Misc. Expenses w/off	514,848	514,848
Less: Transfer to expenses a/c	-	-
Total	1,375,105	1,889,953



K SERA SERA BOX OFFICE PRIVATE LIMITED
Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note: 3.15 Revenue from Operations

Particulars	March, 2013	March, 2012
Revenue from operations	28,209,053	-
Total	28,209,053	-

Note: 3.16 Other Income

Particulars	March, 2013	March, 2012
Interest on Income Tax Refund	-	1,100
Other Receipts	-	3,962
Total	-	5,062

Note: 3.17 Cost of Operations

Particulars	March, 2013	March, 2012
Cost Of Production Of Inhouse Pictures		
- Opening Stock: Work-In-Progress	41,084,198	24,097,301
- Add: Expenses Incurred During The Year	568,317	16,986,897
Toatal	41,652,515	41,084,198
- Less: Closing Stock: Work-In-Progress	-	41,084,198
IPRs Rights And Reflected Under Fixed Assets Note As Per Accounting Policy	4,160,252	-
Sub-total (a)	37,492,263	-
Total	37,492,263	-

Note: 3.18 Employment Benefit Expenses

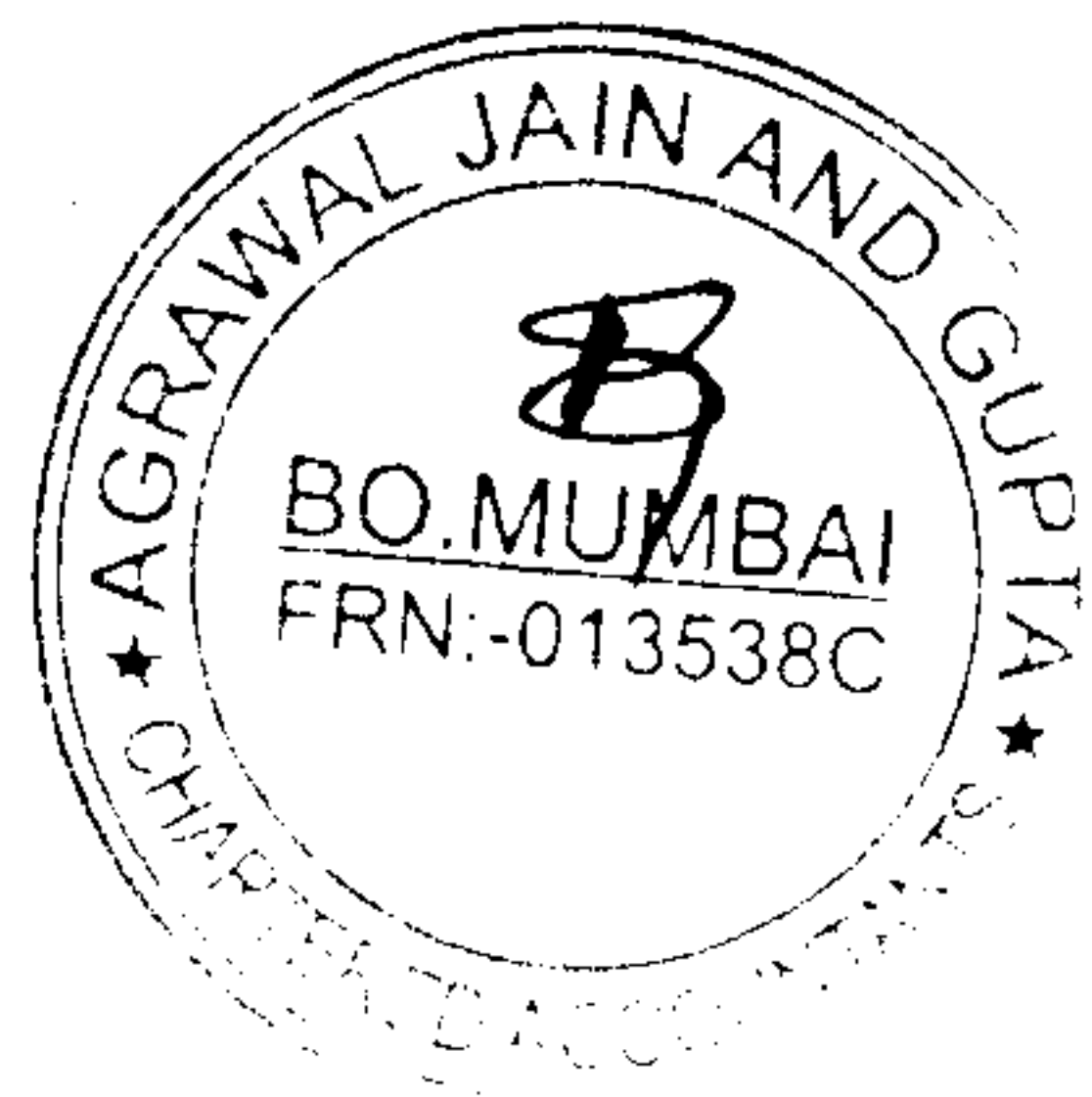
Particulars	March, 2013	March, 2012
Salaries, Bonus,	13,200	326,852
Directors sitting fees	45,556	-
Total	58,756	326,852

Note: 3.19 Financial Costs

Particulars	March, 2013	March, 2012
Bank Charges	7,305	11,869
Total	7,305	11,869

Note: 3.20 Depreciaton and Amortization Expenses

Particulars	March, 2013	March, 2012
Depreciation on Fixed Assets	-	-
Preliminary Expenses W/O	514,848	514,848
Total	514,848	514,848

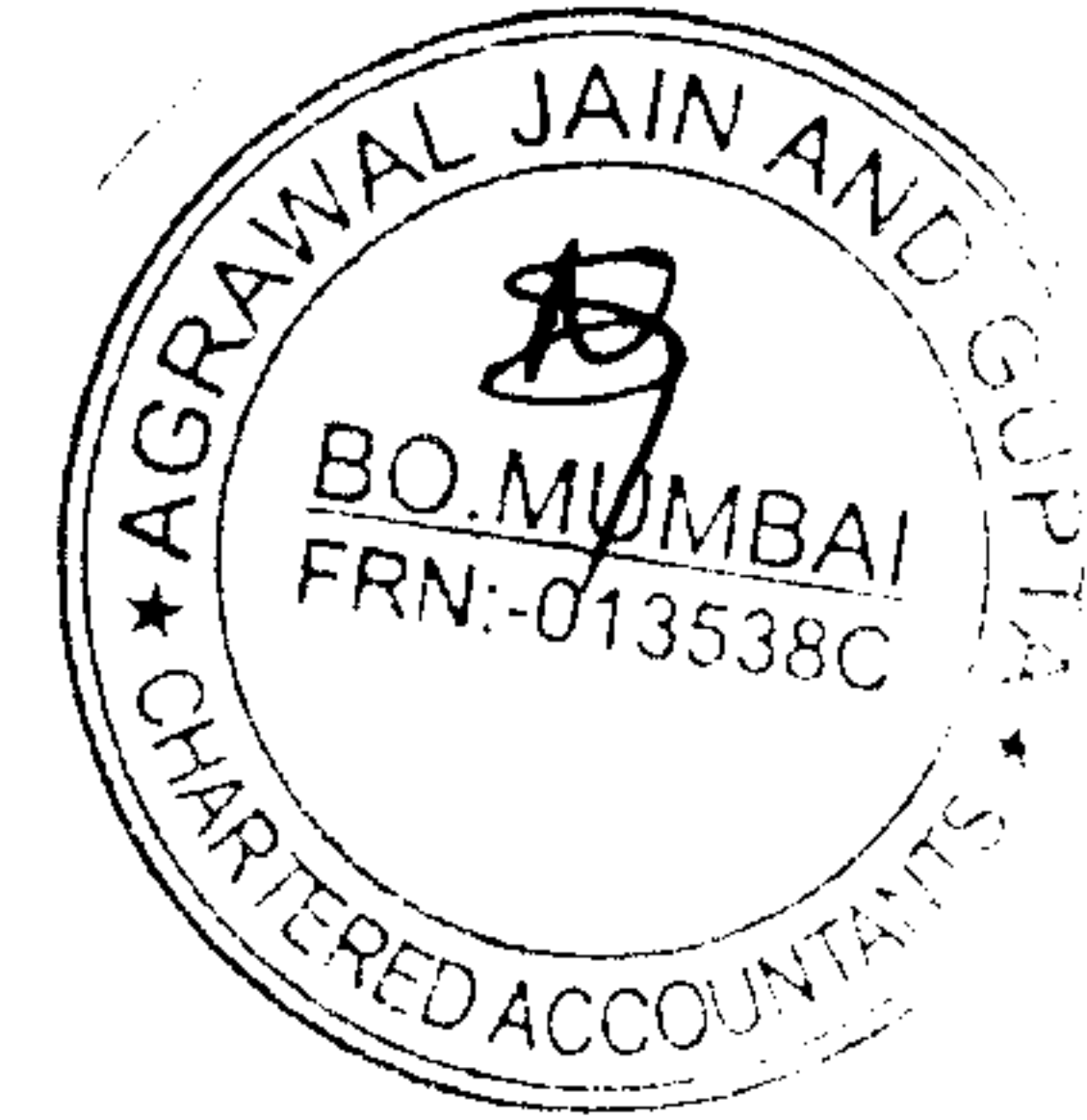


K SERA SERA BOX OFFICE PRIVATE LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note: 3.21 Other Administrative Expenses

Particulars	March, 2013	March, 2012
Film Distributions Expenses	-	321,482
Total (a)	-	321,482
Office Administration Expenses		
Audit Fees	44,944	44,944
Conveyance Expenses	44	22,007
Filing Fees	15,527	19,120
Legal Expenses	1,000	7,156
Membership & Subscription	2,434	3,298
Office Expenses	2,281	10,377
Printing & Stationery Expenses	230	394
Professional Tax Company	2,500	7,500
Technical & Professional Fees	-	5,000
Total (b)	68,960	119,796
Total	68,960	441,278



K SERA SERA BOX OFFICE PRIVATE LIMITED
Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note: 3.7 Fixed Asset

Sr. No	Particulars	Rate	Gross Block			Depreciation			Net Block			
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.12.2011	WDV as on 31.03.2011
I	Tangible Assets											
	SUB TOTAL (A)											
II	Intangible Assets											
1	patent /copyright other IPRs IPRs 332 Mumbai to India IPRs - LKLG		1409366	2,080,126	-	1,409,366 2,080,126	-	-	-	1,409,366 2,080,126	-	1,409,366
	SUB TOTAL (B)		1,409,366	2,080,126	-	3,489,492	-	-	-	3,489,492	-	1,409,366
	Total [A + B] (Current Year)		1,409,366	2,080,126	-	3,489,492	-	-	-	3,489,492	-	1,409,366
	(Previous Year)		1,409,366	-	-	1,409,366	-	-	-	1,409,366	-	1,409,366



K SERA SERA BOX OFFICE PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2013

(Amount in Rupees)

Sr.	Particulars	March, 2013	March, 2012
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax	(9,933,079)	(1,289,785)
	Adjustments For:		
	Depreciation/Amortisation	514,848	514,848
	Provision For Income Tax	-	-
	Interest Cost	7,305	11,869
		522,153	526,717
	Operating Cash Flow Before Changes In Working Capital	(9,410,926)	(763,068)
	Adjustments For:		
	(Increase)/Decrease In Inventories	41,084,198	(16,986,897)
	(Increase)/Decrease In Sundry Debtors	(35,531)	15,907
	(Increase)/Decrease In Loans And Advances	458,852	(3,071,086)
	Increase/(Decrease) In Current Liabilities And Provisions	(30,104,725)	(1,020,829)
	Net Changes In Working Capital	1,991,868	(21,825,973)
	Taxes Paid	-	-
	Extraordinary Items	-	(345,405)
	Cash Generated From/(Used In) Operations	1,991,868	(21,480,568)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase Of Fixed Assets	(2,080,126)	-
	Sale/Surrender Of Fixed Assets	-	-
	Purchase Of Investments	-	17,500,000
	Cash Generated /(Used In) From Investing Activities	(2,080,126)	17,500,000
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Interest Paid	(7,305)	(11,869)
	Proceeds From Issue Of Equity Share Capital	-	(2,000,000)
	Proceeds From Borrowings	-	(4,280)
	Repayment Of Borrowings	-	-
	Cash Generated /(Used In) From Financing Activities	(7,305)	(2,016,149)
	Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)	(95,563)	(5,996,717)
	Cash And Cash Equivalents At The Beginning Of The Year	593,082	7,280,609
	Cash And Cash Equivalents At The End Of The Year	497,519	593,082
	Note:		
1	Cash and cash equivalents at the year end comprise:		
	Cash On Hand	437,921	442,019
	Balance With Scheduled Banks In		
	- Current Accounts	59,598	151,063
	- Deposit Accounts		
		497,519	593,082
2	The Cash Flow Statement Has Been Prepared Under Indirect Method As Set Out In Accounting Standard 3, 'Cash Flow Statement' Issued By The Institute Of Chartered Accountants Of India	0	-

As per our report of even date attached

For Agrawal Jain and Gupta

Chartered Accountants

Firm Registration No. 013538C

AS

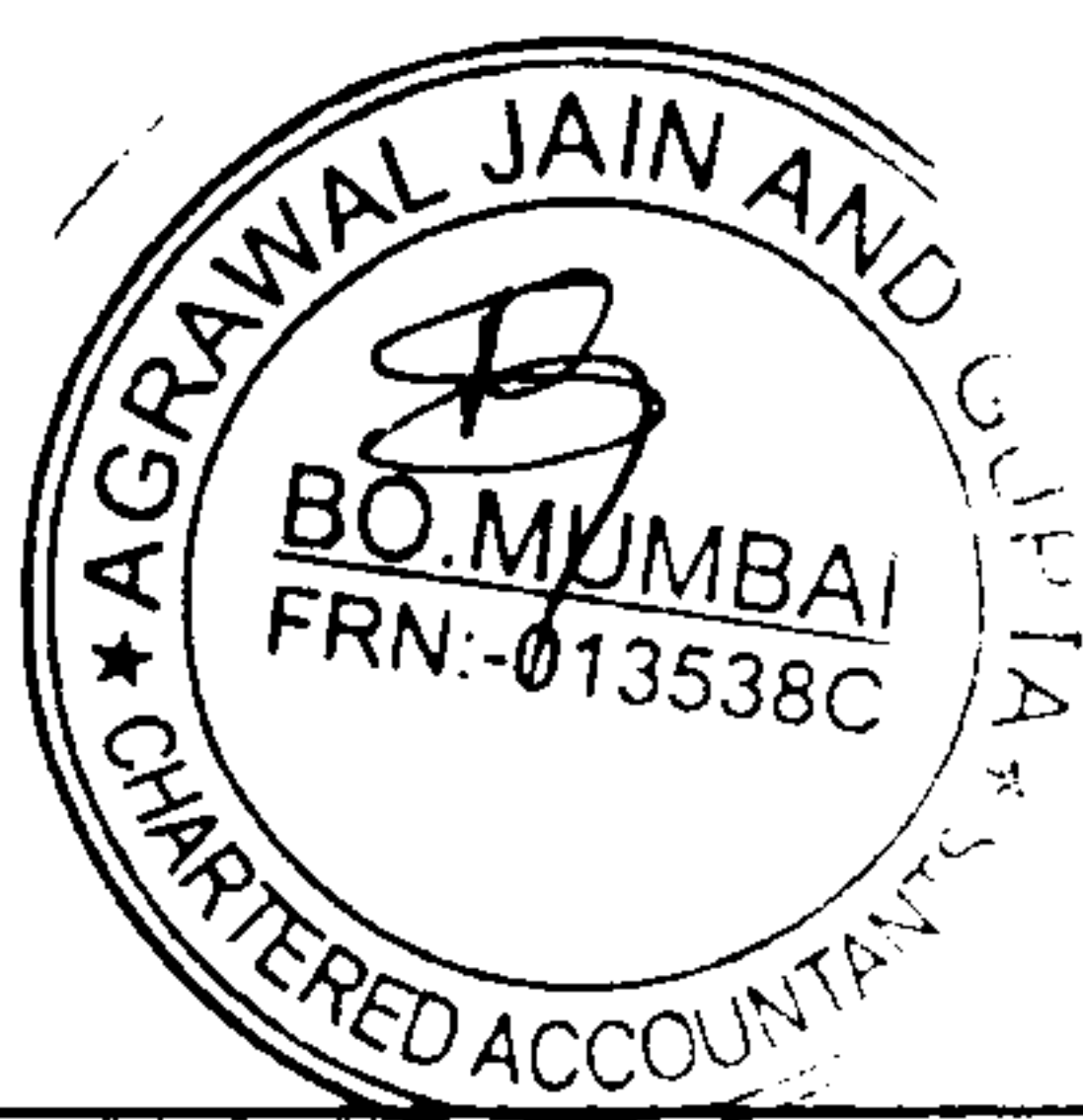
Narayan Swami

Partner

Membership No.: 409759

Mumbai

Date: 30.05.2013



For and on behalf of the board of directors

Satish Panerani

Director

[Signature]

Director