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**SURENDRA G. & COMPANY**  
**CHARTERED ACCOUNTANTS**

7-D, FIRST FLOOR, BLOCK-57, SANJAY PLACE, AGRA-282 002

## **Auditor's Report** to Board of Directors on the Consolidated Financial Statement of Sea TV Network Limited

We have audited the attached consolidated Balance Sheet of SEA TV Group, comprising of Sea TV Network Limited ('the company') and its subsidiaries as at 31st March, 2013 and also the consolidated Profit and Loss Account and the consolidated cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the over all financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

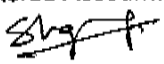
We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets (net) of Rs.507.98 lacs as at 31<sup>st</sup> March, 2013 the total revenue of Rs.526.09 lacs and cash flows (net) amounting to Rs.(-)11.03 lacs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.

We report that the consolidated financial statements have been prepared by the company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated financial statements notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended).

Based on our audit and on consideration of reports of other auditors on separate financial statements and on other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India;

- in the case of the consolidated balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2013;
- in the case of consolidated profit and loss account, of the profit for the year ended on that date; and
- in the case of consolidated cash flow statement, of the cash flows for the year ended on that date.

For **Surendra G. & Company**  
 Firm Registration No. 001757C  
 Chartered Accountants

  
**(S.K.Garg)**  
 Proprietor  
 Membership No. 070974  
 Place: Agra  
 Date:



**29 MAY 2013**

# Sea TV Network Limited

Regd Office : 148, Manas Nagar, Shaliganj, Agra-282010

Ph. : +91-562-3021225, Fax : +91-562-2511070

Website : [www.seatvnetwork.com](http://www.seatvnetwork.com)

## FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>st</sup> MARCH, 2013

(Rs. In Lakhs except per share data)

S.No.	Particulars	Standalone				Consolidated		
		Quarter ended (31/03/2013) Unaudited	Quarter ended (31/12/2012) Unaudited	Quarter ended (31/03/2012) Unaudited	Year ended (31/03/2013) Audited	Year Ended (31/03/2012) Audited	Year Ended (31/03/2013) Audited	Year Ended (31/03/2012) Audited
1	(a) Net Sales/Income from Operations	387.48	344.07	333.14	1,398.18	1,165.03	2,057.31	1,699.69
	(b) Other Operating Income	19.87	20.01	12.89	68.93	113.84	66.48	149.71
2	Expenditure	-	-	-	-	-	-	-
	a. Cost of materials consumed	138.82	102.19	101.16	432.56	393.35	432.56	393.35
	b. Pay Channel Charges#	49.66	57.40	75.62	225.63	283.73	401.08	423.32
	c. Employees cost	44.28	31.94	25.95	137.92	86.39	162.68	94.66
	d. Depreciation	106.94	103.57	109.30	420.59	297.65	858.82	604.20
	e. Other expenditure	339.69	295.10	312.03	1,216.70	1,061.12	1,855.15	1,599.46
	f. Total	-	-	-	-	-	-	-
3	Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	67.66	68.98	34.00	250.41	217.76	268.64	249.94
4	Other Income	-	-	-	-	-	-	-
5	Profit before Interest and Exceptional Items (3+4)	67.66	68.98	34.00	250.41	217.76	268.64	249.94
6	Interest	21.12	15.56	17.67	65.94	52.04	68.80	65.66
7	Profit after Interest but before Exceptional Items (5-6)	46.54	53.42	16.33	184.47	165.72	199.84	184.29
8	Exceptional items	-	-	-	-	-	-	-
9	Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)	46.54	53.42	16.33	184.47	165.72	199.84	184.29
10	Tax expense	14.69	16.63	2.23	60.66	51.03	71.29	62.58
11	Net Profit (+)/ Loss (-) from Ordinary Activities after tax (9-10)	31.85	36.79	14.10	123.81	114.69	128.55	121.71
12	Extraordinary Item (net of tax expense Rs. )	-	-	-	-	-	-	-
13	Net Profit(+)/ Loss(-) for the period (11-12)	31.85	36.79	14.10	123.81	114.69	128.55	121.71
14	Paid-up equity share capital (Face Value of the Share shall be indicated)	1,202.00	1,202.00	1,202.00	1,202.00	1,202.00	1,202.00	1,202.00
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	4,842.07	4,810.21	4,718.26	4,842.07	4,718.26	4,853.06	4,725.49
16	Earnings Per Share (EPS)	-	-	-	-	-	-	-

For Sea TV Network Limited

Director

	a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	0.27	0.31	0.12	1.03	0.95	1.07	0.85
	b) Basic and diluted EPS after Extraordinary Items for the period, for the year to date and for the previous year (not to be annualized)	0.27	0.31	0.12	1.03	0.95	1.07	0.85

**Part-2**

17	Public Shareholding	5020200	5020200	5020200	5020200	5020200	5020200	5020200
	- No. of shares	41.77	41.77	41.77	41.77	41.77	41.77	41.77
18	Promoters and promoter group Shareholding **	437320	437320	NIL	437320	NIL	437320	NIL
	a) Pledged/Encumbered	6.25	6.25	NIL	6.25	NIL	6.25	NIL
	- Number of shares	3.64	3.64	NIL	3.64	NIL	3.64	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	6562480	6562480	6999800	6562480	6999800	6562480	6999800
	b) Non-encumbered	93.75	93.75	100	93.75	100	93.75	100
	- Number of Shares	54.60	54.60	58.23	54.60	58.23	54.60	58.23
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)							
	- Percentage of shares (as a % of the total share capital of the company)							

S.No.	Particulars	Quarter ended (31/03/2013)							
1.	<b>INVESTOR COMPLAINTS</b>								
	Pending at beginning of the quarter								
	Received during the quarter								
	Disposed of during the quarter								
	Remaining unresolved at the end of the quarter								

**Notes to the Financial Results :**

- The above standalone and consolidated financial results of the company for the quarter and year ended on 31<sup>st</sup> March, 2013 have been approved by the Board of Directors at its meeting held on 29-May-2013 after being reviewed and recommended by the Audit Committee of the Board in its meeting.
- The statutory Auditors of the Company have carried out the audit of the above financial results of the company for the quarter and year ended 31<sup>st</sup> March, 2013.
- The figures have been regrouped/reclassified wherever necessary to confirm the current period presentation.
- Tax expense consists of income tax and deferred tax.

For Secy, TV Network Limited

(Signature)  
Director

5. The statement of financial results has been prepared by applying the accounting policies as adopted in the last audited annual financial statements for the year ended on 31<sup>st</sup> March 2012.
6. There is delay in the implementation of project as per schedule provided in prospectus issued for raising 5020 lacs. Pursuant to the requirement of Clause 43 of the Listing Agreement the details of utilization of IPO proceeds till 31<sup>st</sup> March, 2013 is provided herein below:

Objects of the issue	Amount Received from IPO		5,020.00	
	Amount Required	Actual Utilization upto 31.03.2013	Deviation as per postal ballot resolution dated 22.07.2011	
Setting up complete Digital Headend and network for implementation of Conditional Access System (CAS) to convert from the present Analog system to distribution to a Digital System.	2751.78	1942.87	680.94	
Setting up network for complete IPTV solution.	528.43	-	166.92	
Setting up of own cable distribution (underground optical fibre) network capable of digital transmission throughout Agra City and adjoining areas.	656.00	564.08	-	
Setting up own 20 branch-offices in the city including in the adjoining areas with required infrastructure for receiving digital signals and re-transmitting the same without much value addition through co-axial cables to individual customers/subscribers.	1555.07	762.26	-	
Meeting the expenses of the issue.	473.72	421.58	52.14	
<b>TOTAL</b>	<b>5965.00</b>	<b>3690.79*</b>	<b>900.00</b>	

\*Include an amount of Rs.895 Lacs disbursed from the term loan of Rs.895 Lacs from Allahabad Bank and Rs.50 Lacs were put to use from internal accruals as mentioned in the prospectus.

- Includes Rs.250 lacs on account of deferment of installation of stand by digital headend and Rs. 430.94 lacs on account of deferment of plan for construction of corporate office.
- Includes Rs.166.92 lacs on account of deferment of procurement of set-top boxes for IPTV after the complete digitalization of Cable TV and implementation of Conditional Access System.
- On account of savings made from proposed expenses for the issue.

Interim use of Unutilised Funds as on 31.03.2013		(Rs. In Lacs)
Repayment of Term Loan (Allahabad Bank)		225.81
Repayment of Term Loan (Oriental Bank of Commerce)		110.98
Payment of Cash Credit (Oriental Bank of Commerce)		239.00
Short Term Loan to Subsidiaries**		640.00
Bank Balance		158.42

\*\*Grant of short term loan to subsidiaries has been authorized by the shareholders of the Company in the Annual General Meeting held on 29/09/2012.

#### Statement of Assets and Liabilities

Particulars	Standalone		Consolidated	
	As at year end 31/03/2013	As at previous year end 31/03/2012	As at year end 31/03/2013	As at previous year end 31/03/2012
<b>A EQUITY AND LIABILITIES</b>				
<b>1) Shareholders' funds</b>				
(a) Share capital	1,202.00	1,202.00	1,202.00	1,202.00
(b) Reserves and surplus	4,842.07	4,718.26	4,853.06	4,725.49
(c) Money received against share warrants	-	-	-	-
<b>Sub-total - Shareholders' funds</b>	<b>6,044.07</b>	<b>5,920.26</b>	<b>6,055.06</b>	<b>5,927.49</b>
<b>2) Share application money pending allotment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Per Secy TV Network Limited  
(Secretary Company)

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<b>3</b>	<b>Minority interest *</b>	-	-	-	-
<b>4</b>	<b>Non-current liabilities</b>				
	(a) Long-term borrowings	1,417.79	17.18	1,417.79	17.18
	(b) Deferred tax liabilities (net)	164.99	114.86	184.63	126.41
	(c) Other long-term liabilities	202.59	-	202.59	-
	(d) Long-term provisions	23.79	27.87	27.36	27.87
	<b>Sub-total - Non-current liabilities</b>	<b>1,809.16</b>	<b>159.91</b>	<b>1,832.37</b>	<b>171.46</b>
<b>5</b>	<b>Current liabilities</b>				
	(a) Short-term borrowings	744.30	475.79	744.31	475.79
	(b) Trade payables	727.73	319.30	812.53	424.86
	(c) Other current liabilities	85.47	348.98	198.72	466.86
	(d) Short-term provisions	8.61	3.80	19.11	9.58
	<b>Sub-total - Current liabilities</b>	<b>1,566.11</b>	<b>1,147.86</b>	<b>1,774.67</b>	<b>1,377.10</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>9,419.34</b>	<b>7,228.03</b>	<b>9,662.10</b>	<b>7,476.04</b>
<b>B</b>	<b>ASSETS</b>				
<b>1</b>	<b>Non-current assets</b>				
	(a) Fixed assets#	3,750.22	2,286.44	4,163.94	2,727.81
	(b) Goodwill on consolidation *	-	-	-	-
	(c) Non-current investments	1,042.65	1,035.00	52.65	-
	(d) Deferred tax assets (net)	-	-	-	-
	(e) Long-term loans and advances	538.99	479.30	574.64	532.33
	(f) Other non-current assets	735.05	-	737.61	6.63
	<b>Sub-total - Non-current assets</b>	<b>6,066.91</b>	<b>3,800.74</b>	<b>5,528.84</b>	<b>3,266.77</b>
<b>2</b>	<b>Current assets</b>				
	(a) Current investments	-	-	-	-
	(b) Inventories	-	-	-	13.78
	(c) Trade receivables	851.66	1,199.44	1,587.10	1,693.10
	(d) Cash and cash equivalents	279.80	989.34	283.90	1,040.54
	(e) Short-term loans and advances	2,220.97	1,238.50	2,260.76	1,461.85
	(f) Other current assets	-	-	1.50	-
	<b>Sub-total - Current assets</b>	<b>3,352.43</b>	<b>3,427.29</b>	<b>4,133.26</b>	<b>4,209.27</b>
	<b>TOTAL - ASSETS</b>	<b>9,419.34</b>	<b>7,228.03</b>	<b>9,662.10</b>	<b>7,476.04</b>

\* Applicable in the case of consolidated statement of assets and liabilities.

# Fixed Assets includes WIP

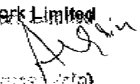
Per Sea TV Network Limited

Anthony Poon (Name)  
 Director

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- 7. Segment wise revenue for the previous year has not been provide as there was only one revenue segment as on 31.03.2013.
- 8. Sea Print Media & Publication Ltd. ceased to be subsidiary of the company during the last quarter of FY 2012-13

Date : 29-May-2013  
Place : AGRA

For Sea TV Network Limited  
  
(Akshay Kumar Jain)  
Akshay Kumar Jain  
(Director)