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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, 2014 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.

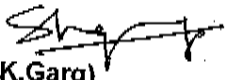
We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of Rs.1343.68 lacs as at 31st March, 2014 the total revenue of Rs.112.28 lacs and cash flows (net) amounting to Rs.20.59 lacs for the year then ended. These financial statements and other financial 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 31st March, 2014;
- in the case of consolidated profit and loss account, of the loss 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. 0709
 Place: Agra
 Date:



30 MAY 2014

Sea TV Network Limited

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 Website : www.seatvnetwork.com Email ID : cs@seatvnetwork.com
 CIN : L92132UP2004PLC028650

AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2014

S.No.	Particulars	Standalone				Consolidated		
		Quarter ended (31/03/2014) unaudited	Quarter ended (31/12/2013) Unaudited	Quarter ended (31/03/2013) Unaudited	Year ended (31/03/2014) Audited	Year ended (31/03/2013) Audited	Year ended (31/03/2014) Audited	Year ended (31/03/2013) Audited
1	(a) Net Sales/Income from Operations	476.60	398.28	387.48	1,802.02	1,398.18	1,811.74	2,057.31
	(b) Other Operating Income	(5.99)	18.89	19.87	68.79	68.93	70.16	66.48
2	Expenditure							
	a. Pay Channel Charges#	140.96	164.99	138.82	556.21	432.56	556.21	432.56
	b. Employees cost	71.15	66.70	49.66	249.42	225.63	388.20	401.08
	c. Depreciation	119.23	120.22	44.28	445.29	137.92	470.59	162.68
	d. Other expenditure	138.32	99.95	106.94	449.21	420.59	658.24	858.82
	e. Total	469.66	451.86	339.69	1,700.13	1,216.70	2,073.24	1,855.15
	#(Any item exceeding 10% of the total expenditure to be shown separately)							
3	Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	0.95	(34.69)	67.66	170.68	250.41	(191.34)	268.64
4	Other Income	-	-	-	-	-	-	-
5	Profit before Interest and Exceptional Items (3+4)	0.95	(34.69)	67.66	170.68	250.41	(191.34)	268.64
6	Interest	143.56	127.02	21.12	394.80	65.94	397.56	68.80
7	Profit after Interest but before Exceptional Items (5-6)	(142.61)	(161.71)	46.54	(224.12)	184.47	(588.90)	199.84
8	Exceptional items.	-	-	-	-	-	-	-
9	Profit (+) Loss (-) from Ordinary Activities before tax (7+8)	(142.61)	(161.71)	46.54	(224.12)	184.47	(588.90)	199.84
10	Tax expense	26.92	16.31	14.69	85.45	60.66	93.43	71.29
11	Net Profit (+) Loss (-) from Ordinary Activities after tax (9-10)	(169.53)	(178.02)	31.85	(309.57)	123.81	(682.33)	128.55
12	Extraordinary Item (net of tax expense Rs.	-	-	-	-	-	-	-
13	Net Profit(+) Loss(-) for the period (11-12)	(169.53)	(178.02)	31.85	(309.57)	123.81	(682.33)	128.55



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	1,202.00	1,202.00
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	4,532.50	4,702.03	4,842.07	4,532.50	4,842.07	4,532.50	4,842.07	4,170.73	4,853.06
16	Earnings Per Share (EPS) 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) 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)	(1.41)	(1.48)	0.27	(2.58)	1.03	(2.58)	1.03	(5.68)	1.07
		(1.41)	(1.48)	0.27	(2.58)	1.03	(2.58)	1.03	(5.68)	1.07

Part-2

17	Public Shareholding - No. of shares - Percentage of shareholding	5020200 41.77	5020200 41.77	5020200 41.77	5020200 41.77	5020200 41.77	5020200 41.77	5020200 41.77	5020200 41.77	5020200 41.77
18	Promoters and promoter group Shareholding ** a) Pledged/Encumbered - Number of shares - 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) b) Non-encumbered - Number of Shares - 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)	3605320 51.51 29.99 3394480 48.49 28.24	3605320 51.51 29.99 3394480 48.49 28.24	437320 6.25 3.64 6562480 93.75 54.60	3605320 51.51 29.99 3394480 48.49 28.24	437320 6.25 3.64 6562480 93.75 54.60	3605320 51.51 29.99 3394480 48.49 28.24	437320 6.25 3.64 6562480 93.75 54.60	3605320 51.51 29.99 3394480 48.49 28.24	437320 6.25 3.64 6562480 93.75 54.60

S.No.	Particulars	Quarter ended (31/03/2014)			
1.	INVESTOR COMPLAINTS Pending at beginning of the quarter Received during the quarter Disposed of during the quarter Remaining unresolved at the end of the quarter	NIL	NIL	NIL	NIL



Notes to the Financial Results :

The above standalone and consolidated audited financial results of the company for the quarter and year ended on 31st March, 2014 have been approved by the Board of Directors at its meeting held on 30-May-2014 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 the year ended 31st March, 2014

The figures have been regrouped/reclassified wherever necessary to confirm the current period presentation.

Tax expense consists of income tax and deferred tax.

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 31st March 2013.

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 31st March, 2014 is provided herein below:

Objects of the issue	Amount Required	Actual Utilization upto 31.03.2014	5,020.00	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	3266.52**		¹⁾ 680.94
Setting up network for complete IPTV solution.	528.43	-		¹⁾ 166.92
Setting up of own cable distribution (underground optical fibre) network capable of digital transmission throughout Agra City and adjoining areas.	656.00	570.08		-
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	762.71		-
Meeting the expenses of the issue.	473.72	421.58		¹⁾ 52.14
TOTAL	5965.00	5020.89*		900.00

*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.

** Excess expenditure has been incurred in terms of variations as approved by shareholders in Annual General Meeting of the company held on 29.09.2012

- I. 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.
- II. 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.
- III. On account of savings made from proposed expenses for the issue.

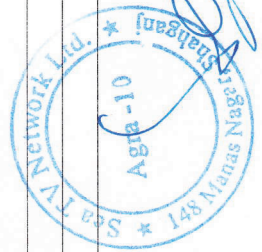
Interim use of Unutilised Funds as on 31.03.2014

	(Rs. In Lacs)
Bank Balance	44.11



Statement of Assets and Liabilities

Particulars	Standalone		Consolidated	
	As at year end 31/03/2014	As at previous year end 31/03/2013	As at year end 31/03/2014	As at previous year end 31/03/2013
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	1,202.00	1,202.00	1,202.00	1,202.00
(b) Reserves and surplus	4,532.50	4,842.07	4,170.73	4,853.06
(c) Money received against share warrants	-	-	-	-
Sub-total - Shareholders' funds	5,734.50	6,044.07	5,372.73	6,055.06
2 Share application money pending allotment	-	-	-	-
3 Minority interest *	-	-	-	-
4 Non-current liabilities				
(a) Long-term borrowings	3,822.18	1,417.79	3,822.18	1,417.79
(b) Deferred tax liabilities (net)	250.43	164.99	278.07	184.63
(c) Other long-term liabilities	1,099.30	202.59	1,099.29	202.59
(d) Long-term provisions	26.44	23.79	30.15	27.36
Sub-total - Non-current liabilities	5,198.35	1,809.16	5,229.69	1,832.37
5 Current liabilities				
(a) Short-term borrowings	1,040.50	744.30	1,040.50	744.31
(b) Trade payables	806.74	727.73	915.82	812.53
(c) Other current liabilities	620.50	85.47	674.11	198.72
(d) Short-term provisions	21.95	8.61	23.26	19.11
Sub-total - Current liabilities	2,489.69	1,566.11	2,653.69	1,774.67
TOTAL - EQUITY AND LIABILITIES	13,422.54	9,419.34	13,256.11	9,662.10
B ASSETS				
1 Non-current assets				



(a) Fixed assets#	6,513.89	3,750.22	6,905.55	4,163.94
(b) Goodwill on consolidation *	-	-	-	-
(c) Non-current investments	2,292.65	1,042.65	52.65	52.65
(d) Deferred tax assets (net)	-	-	-	-
(e) Long-term loans and advances	211.08	538.99	299.15	574.64
(f) Other non-current assets	884.90	735.05	1,579.17	737.61
Sub-total - Non-current assets	9,902.52	6,066.91	8,836.52	5,528.84
2 Current assets				
(a) Current investments	-	-	-	-
(b) Inventories	-	-	-	-
(c) Trade receivables	1,471.84	851.66	1,387.13	1,587.10
(d) Cash and cash equivalents	420.52	279.80	472.29	283.90
(e) Short-term loans and advances	1,627.66	2,220.97	2,558.67	2,260.76
(f) Other current assets	-	-	1.50	1.50
Sub-total - Current assets	3,520.02	3,352.43	4,419.59	4,133.26
TOTAL - ASSETS	13,422.54	9,419.34	13,256.11	9,662.10

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

Fixed Assets includes WIP

Segment wise revenue for the previous year has not been provided as there was only one revenue segment as on 31.03.2014.

Date : 30-May-2014

Place : AGRA

For Sea TV Network Limited

 Neeraj Jain
 (Chairman and Managing Director)