AETN18 Media Private Limited

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AETN18 MEDIA PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **AETN18 MEDIA PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including Accounting Standards prescribed under Section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143(11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.

e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its financial position.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No.117366W / W-100018)

Abhijit A. Damle
Partner
(Membership No. 102912)

Mumbai, April 18, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **AETN18 MEDIA PRIVATE LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No.117366W / W-100018)

Abhijit A. Damle
Partner
(Membership No. 102912)

Mumbai, April 18, 2016

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2, under ‘Report on Other Legal and Regulatory Requirements’ section of our Report of even date)

i. In respect of its fixed assets:

a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

c) The Company does not have any immovable properties of freehold or leasehold land and building, disclosed as fixed assets in the financial statements, and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.

ii. The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.

iii. The Company has not granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

iv. The Company has not granted loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.

vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013**.** We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) (d) of the Companies Act, 2013 and are of the opinion that, *prima facie*, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues, where applicable, have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable.

b) Details of dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax, where applicable, which have not been deposited as on March 31, 2016 on account of disputes are given below:

Sr. No.	Name of the Statute	Nature of Dues	Amount (in Rupees)	Period to which the amount relates	Forum where dispute is pending
1.	Income Tax Act, 1961	Income tax	1,405,058	Assessment year 2014-15	CIT(A)
2	Income Tax Act, 1961	Income tax	715,168	Assessment year 2015-16	CIT(A)

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

x. In our opinion and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi. In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Registration No.117366W / W-100018)

Abhijit A. Damle

Partner

(Membership No. 102912)

Mumbai, April 18, 2016

Balance Sheet as at 31st March, 2016

(Amount in Rs.)

Particulars				Note No.	As at 31st March, 2016	As at 31st March, 2015
A.	**EQUITY AND LIABILITIES**					
1.	**Shareholders' funds**					
	(a)	Share capital		3	**496,159,580**	496,159,580
	(b)	Reserves and surplus		4	**(170,117,955)**	(176,578,605)
					326,041,625	319,580,975
2	**Non - current liabilities**					
	(a)	Long - term provisions		5	**3,165,516**	2,970,599
					3,165,516	2,970,599
3	**Current liabilities**					
	(a)	Trade payables		6		
		(i)	Dues to micro and small enterprises	-	-	
		(ii)	Others		**333,020,112**	298,880,393
	(b)	Other current liabilities		7	**82,690,802**	94,546,757
	(c)	Short - term provisions		8	**158,977**	143,528
					415,869,891	393,570,678
	Total				**745,077,032**	716,122,252
B.	**ASSETS**					
1.	**Non - current assets**					
	(a)	Fixed assets				
		(i) Tangible assets		9	**21,327,084**	23,878,309
		(ii) Intangible assets		9	**126,637,873**	145,724,424
		(iii) Intangible assets under development			**34,325,879**	24,319,452
					182,290,836	193,922,185
	(b)	Long - term loans and advances		10	**69,285,792**	43,842,331
					251,576,628	237,764,516
2.	**Current assets**					
	(a)	Trade receivables		11	**290,428,021**	329,313,364
	(b)	Cash and bank balances		12	**145,145,853**	64,162,103
	(c)	Short - term loans and advances		13	**57,449,818**	84,882,269
	(d)	Other current assets		14	**476,712**	-
					493,500,404	478,357,736
	Total				**745,077,032**	716,122,252

See accompanying notes forming part of the financial statements 1-34

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Abhijit A. Damle
Partner

Place: Mumbai
Date: 18 April 2016

For and on behalf of the Board of Directors

Director

Director

Kavita Jhamb
Chief Financial Officer

Pumit Kumar Chellaramani
Company Secretary

Place: Noida
Date: 18 April 2016

Statement of Profit and Loss for the year ended 31st March, 201

(Amount in Rs.)

Particulars			**Note No.**	**Year ended 31st March, 2016**	Year ended 31st March, 2015
1.	Revenue from operations		15	**649,153,761**	518,775,757
2.	Other income		16	**10,230,014**	7,391,986
3.	**Total revenue**		**(1+2)**	**659,383,775**	526,167,743
4.	**Expenses**				
	(a)	Employee benefits expense	17	**105,884,907**	63,530,907
	(b)	Marketing, distribution and promotional expenses	18	**259,085,360**	234,470,743
	(c)	Finance costs	19	**181,116**	1,640,064
	(d)	Depreciation and amortisation expense	9	**128,723,283**	146,945,257
	(e)	Other expenses	20	**159,048,459**	142,489,314
	Total expenses			**652,923,125**	589,076,285
5.	**Profit / (Loss) for the year**			**6,460,650**	(62,908,542)
6.	**Earnings per equity share**		28		
	(Face value of Rs. 10 each)				
	(a)	Basic (in Rs.)		**0.13**	(1.29)
	(b)	Diluted (in Rs.)		**0.13**	(1.29)
See accompanying notes forming part of the financial statements			1-34		

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Abhijit A. Damle
Partner

Place: Mumbai
Date: 18 April 2016

For and on behalf of the Board of Directors

Director

Kavita Jhamb
Chief Financial Officer

Place: Noida
Date: 18 April 2016

Director

Pumit Kumar Chellaramani
Company Secretary

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

(Amount in Rs.)

Particulars			Year ended 31st March, 2016	Year ended 31st March, 2015
A.	**Cash flow from operating activities**			
	Profit / (Loss) before tax		**6,460,650**	(62,908,542)
	Adjustments for:			
	– Depreciation and amortisation expense		**128,723,283**	146,945,257
	– Provision for doubtful debt written back		**(3,100,000)**	(3,676,212)
	– Liabilities / provisions no longer required written back		**-**	0
	– Loss on fixed assets sold / scrapped / written off (net)		**61,865**	-
	– Interest income on bank deposits		**(6,673,812)**	(3,615,673)
	– Interest income on income tax refund		**(445,230)**	-
	– Bad debts and provision for doubtful trade and other receivable, loans and advances (net)		**5,411,909**	3,173,976
	– Net unrealised exchange loss		**763,712**	(60,995)
	Operating profit before working capital changes		**131,202,377**	79,857,810
	Changes in working capital:			
	Adjustments for (increase) / decrease in operating assets:			
	– Trade receivables		**36,658,664**	(252,027,342)
	– Short-term loans and advances		**27,432,450**	(7,181,961)
	– Long-term loans and advances		**795,183**	3,830,700
	Adjustments for increase / (decrease) in operating liabilities:			
	– Trade payables		**33,290,777**	237,771,162
	– Other current liabilities		**(11,855,955)**	21,059,452
	– Short-term provisions		**15,449**	23,614
	– Long-term provisions		**194,917**	368,441
	Cash generated from operations		**217,733,862**	83,701,877
	Net income tax (paid)		**(25,793,414)**	(24,158,794)
	Net cash flow generated from operating activities	**(A)**	**191,940,448**	59,543,083
B.	**Cash flow from investing activities**			
	Capital expenditure on fixed assets, including capital advances		**(117,153,800)**	(143,081,942)
	Interest received from bank		**6,197,102**	4,035,156
	Net cash flow (used in) investing activities	**(B)**	**(110,956,697)**	(139,046,786)
C.	**Cash flow from financing activities**			
	Proceeds from issue of equity shares		**-**	79,596,669
	Net cash flow from financing activities	**(C)**	**-**	79,596,669
	Net increase / (decrease) in Cash and cash equivalents		80,983,750	92,966
	Cash and cash equivalents as at the beginning of the year		64,162,103	64,169,238
	Cash and cash equivalents as at the end of the year (Refer Note 12)		**145,145,853**	**64,262,204**

See accompanying notes forming part of the financial statements 1-34

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Abhijit A. Damle
Partner

Place: Mumbai
Date: 18 April 2016

For and on behalf of the Board of Directors

Director

Director

Kavita Jhamb
Chief Financial Officer

Pumit Kumar Chellaramani
Company Secretary

Place: Noida
Date: 18 April 2016

Notes forming part of the Financial Statements

NOTE 1 - Corporate Information

AETN18 Media Private Limited was incorporated on 6 September, 2010 as a joint venture between A&E Television Networks, LLC and RVT Media Private Limited. The joint venture has been formed to launch HISTORY™, FYI™, Crime & Investigation Network™ and other popular AETN entertainment channels in the Indian market. The Company has launched the History channel in India with effect from 9 October, 2011.

NOTE 2 - Significant Accounting Policies

(i) 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 specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the 2013 Companies Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(ii) Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires adjustments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and reported amount of income and expenses during the year. Difference between the actual results and estimates are recognised in the periods in which the results are known/materialise.

(iii) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(iv) 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.

(v) Depreciation and amortisation

Depreciation on tangible fixed assets is provided on the Straight-line method as per the useful life and in the manner prescribed in Schedule II to the Companies Act, 2013. The useful life of intangible assets estimated by the management are as follows:

(a)	Intangibles - Software	5 years
(b)	Programming Cost	Over 2 years for all programs purchased from A&E Television Networks, LLC
		Over the license period for programs purchased from others
		Over 5 years for all programs produced by the Company

Website development costs are capitalised and amortised over their estimated useful life of 2 years

(vi) Revenue recognition

a. Advertisement revenue comprises:

1 Revenue from sale of advertising time, which is recognised on the accrual basis when advertisements are telecast in accordance with contractual obligation.

2 Revenue from sponsorship contracts, which is recognised proportionately over the term of the sponsorship for services rendered

Notes forming part of the Financial Statements

b. Content income is recognised on transmission of audio-video content to the customers and their acceptance.

c. Subscription revenue is recognised in accordance with the terms of the contract with the customers / distribution and collection agency.

d. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable

(vii) Fixed assets (Tangible / Intangible)

a. Fixed assets are carried at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price, any cost directly attributable to bringing asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets and other incidental expenses. Subsequent expenditures related to item of fixed assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

b. Capital work-in-progress: Project costs under which assets are not ready for their intended use are shown as capital work-in-progress.

c. Intangible assets under development: Expenditure on programming costs eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

(viii) Foreign currency transactions and translations

a. Initial recognition: Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

b. Monetary items denominated in foreign currencies at the year-end are restated at the year-end rates.

c. Non-monetary foreign currency items are carried at cost.

d. Any income or expense on account of exchange differences either on settlement or on translation is recognised in the Statement of Profit and Loss, except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

(ix) Employee benefits

Employee benefits include provident fund, gratuity fund, compensated absences and short term employee benefits.

a. **Defined contribution plans**: A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contribution towards provident fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which employee renders the related service.

b. **Defined benefit plans**: The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit method and with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Statement of Profit and Loss

c. **Short-term employee benefits**: The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Notes forming part of the Financial Statements

d. **Long-term employee benefits**: Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date on the basis of actuarial valuation

(x) Borrowing Cost

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

(xi) Leases

Operating lease: Lease rentals are expensed on straight line basis with reference to lease terms and other considerations

(xii) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

(xiii) Taxes on income

Tax expense comprise of current tax and deferred tax. Current tax is measured at the amount expected to be paid to tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date

(xiv) Impairment of assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(xv) Provisions and contingencies

Provision is recognised when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These are estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements

(xvi) 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 reasonable certainty in availing / utilising the credits

Notes forming part of the Financial Statements

NOTE 3 - Share capital

Particulars	**As at 31 March, 2016**		As at 31 March, 2015	
	No. of Shares	**Amount (Rs.)**	No. of Shares	Amount (Rs.)
a. Authorised Share Capital:				
Equity shares of Rs. 10 each	**90,000,000**	**900,000,000**	60,000,000	600,000,000

The shareholders of the Company, at its Extraordinary General meeting held on 30th March 2016 has approved increase in authorised share capital as above. The Company is in the process of filing necessary documents with the statutory authorities.

b. Issued, Subscribed and fully paid up				
Equity shares of Rs. 10 each	**49,615,958**	**496,159,580**	49,615,958	496,159,580

(i) The Company has only one class of equity share having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

(ii) Details of shares held by holding company

Particulars	**As at 31 March, 2016**		As at 31 March, 2015	
	No. of Shares	**Amount (Rs.)**	No. of Shares	Amount (Rs.)
RVT Media Private Limited, the holding company	**25,304,139**	**253,041,390**	25,304,139	253,041,390

(iii) Details of shares held by each shareholder holding more than 5% shares:

Particulars	**As at 31 March, 2016**		As at 31 March, 2015	
	No. of Shares	**% Holding**	No. of Shares	% Holding
RVT Media Private Limited	**25,304,139**	**51.00%**	25,304,139	51.00%
A&E Television Networks, LLC	**24,311,819**	**49.00%**	24,311,819	49.00%

(iv) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	**As at 31 March, 2016**		As at 31 March, 2015	
	No. of Shares	**Amount (Rs.)**	No. of Shares	Amount (Rs.)
Equity Shares opening balance	**49,615,958**	**496,159,580**	48,268,466	482,684,660
Add: Shares issued	**-**	**-**	1,347,492	13,474,920
Equity Shares closing balance	**49,615,958**	**496,159,580**	49,615,958	496,159,580

Notes forming part of the Financial Statements

Particulars		**As at 31st March, 2016**	As at 31st March, 2015
		(Amount in Rs.)	(Amount in Rs.)
NOTE 4 - Reserves and surplus			
a.	**Securities premium account**		
	Opening balance	**880,707,400**	745,958,200
	Add: Received during the year	**-**	134,749,200
	Closing balance	**880,707,400**	880,707,400
b.	**(Deficit) in the Statement of Profit and Loss**		
	Opening balance	**(1,057,286,005)**	(994,040,599)
	Adjustment related to fixed assets (Refer note 9)	**-**	(336,864)
	Profit / (Loss) for the year	**6,460,650**	(62,908,542)
	Closing balance	**(1,050,825,355)**	(1,057,286,005)
	Total Reserves and Surplus	**(170,117,955)**	(176,578,605)
NOTE 5 - Long-term provisions			
	Provision for employee benefits:		
	– Compensated absences	**1,129,061**	979,234
	– Gratuity	**2,036,455**	1,991,365
		3,165,516	2,970,599
NOTE 6 - Trade payables			
	Micro, Small and Medium Enterprises (Refer note 22)	**-**	-
	Others	**333,020,112**	298,880,393
		333,020,112	298,880,393
NOTE 7 - Other current liabilities			
a.	Income billed in advance (Unearned revenue)	**4,481,739**	5,337,476
b.	Advances from customers	**8,653,307**	2,545,712
c.	Other payables		
	i. Statutory dues	**9,251,196**	25,975,795
	ii. Payables on purchase of fixed assets	**49,565,969**	56,503,947
	iv. Others	**10,738,591**	4,183,827
		82,690,802	94,546,757
NOTE 8 - Short - term provisions			
	Provision for employee benefits		
	– Compensated absences	**96,385**	87,181
	– Gratuity	**62,592**	56,347
		158,977	143,528

Notes forming part of the Financial Statements

NOTE 9 - Fixed Assets

(Amount in Rupees)

Particulars	Gross Block				Accumulated Depreciation				Net Block
	Balance as at 1st April, 2015	Additions during the year	Disposals/ Adjustments during the year	Balance as at 31st March, 2016	Balance as at 1st April, 2015	Depreciation/ Amortisation for the year*	Disposals/ Adjustments during the year	Balance as at 31st March, 2016	Balance as at 1st 31 March, 2016
Tangible assets									
a. Plant and Equipment	44,285,217	1,380,968	1,382,329	**44,283,856**	23,254,377	3,208,525	1,373,750	**25,089,152**	19,194,704
(Previous year)	(41,847,057)	(2,438,160)	-	**(44,285,217)**	(20,279,031)	(2,975,346)	-	**(23,254,377)**	(21,030,840)
b. Computer hardwares	8,468,082	640,974	310,960	**8,798,096**	5,620,613	1,302,777	257,674	**6,665,716**	2,132,380
(Previous year)	(8,299,690)	(168,392)	-	**(8,468,082)**	(3,185,864)	(2,434,749)	-	**(5,620,613)**	(2,847,469)
Total	**52,753,299**	**2,021,942**	**1,693,289**	**53,081,952**	**28,874,990**	**4,511,302**	**1,631,424**	**31,754,868**	**21,327,084**
(Previous year)	**(50,146,747)**	**(2,606,552)**	**-**	**(52,753,299)**	**(23,464,895)**	**(5,410,095)**	**-**	**(28,874,990)**	**(23,878,309)**
Intangible assets									
a. Computer Softwares	5,403,568	14,999	-	**5,418,567**	3,593,030	1,044,135	-	**4,637,165**	781,402
(Previous year)	(5,403,568)	-	-	**(5,403,568)**	(2,549,474)	(1,043,556)	-	**(3,593,030)**	(1,810,538)
b. Programming Cost	303,914,613	106,504,583	121,929,478**	**288,489,718**	160,000,727	123,167,846	120,535,326	**162,633,247**	125,856,471
(Previous year)	(298,797,563)	(139,400,808)	(134,283,758)	**(303,914,613)**	(153,456,015)	(140,828,470)	(134,283,758)	**(160,000,727)**	(143,913,886)
c. Website cost	552,800	-	-	**552,800**	552,800	-	-	**552,800**	-
(Previous year)	(552,800)	-	-	**(552,800)**	(552,800)	-	-	**(552,800)**	-
Total	**309,870,981**	**106,519,582**	**121,929,478**	**294,461,085**	**164,146,557**	**124,211,981**	**120,535,326**	**167,823,212**	**126,637,873**
(Previous year)	**(304,753,931)**	**(139,400,808)**	**(134,283,758)**	**(309,870,981)**	**(156,558,289)**	**(141,872,026)**	**(134,283,758)**	**(164,146,557)**	**(145,724,424)**
Total Current Year	**362,624,280**	**108,541,524**	**123,622,767**	**347,543,037**	**193,021,547**	**128,723,283**	**122,166,750**	**199,578,080**	**147,964,957**
(Previous year)	**(354,900,678)**	**(142,007,360)**	**(134,283,758)**	**(362,624,280)**	**(180,023,184)**	**(147,282,121)**	**(134,283,758)**	**(193,021,547)**	**(169,602,733)**
							1,456,017		

Note: Figures in bracket relate to the previous year

* Includes impact on depreciation adjusted against the opening reserve - Rs NIL (previous year - Rs 3,36,864) with respect to assets whose useful life had expired on 1st April 2014 pursuant to provisions of Schedule II of the Companies Act, 2013.

****** Includes programme license cost of Rs. 12,05,35,326 reduced on expiry of the license period.

Notes forming part of the Financial Statements

Particulars		As at 31st March, 2016	As at 31st March, 2015
		(Amount in Rs.)	(Amount in Rs.)
NOTE 10 - Long - term loans and advances (Unsecured, considered good)			
a.	Capital advances	**3,856,148**	4,651,331
b.	Security deposits	**2,018,306**	2,018,306
c.	Advance income tax	**63,411,338**	37,172,694
		69,285,792	43,842,331
NOTE 11 - Trade receivables (Unsecured)			
	Outstanding for a period exceeding six months from the date they were due for payment		
	– considered good	-	-
	– considered doubtful	**8,485,642**	6,173,733
	Less: Provision for doubtful trade receivables	**(8,485,642)**	(6,173,733)
		-	-
	Others	**290,428,021**	329,313,364
		290,428,021	329,313,364
NOTE 12 - Cash and bank balances			
a.	Cash on hand	**797**	6,567
b.	Balances with banks		
	i. in current accounts	**115,145,056**	64,155,536
	ii. in demand deposit account	**30,000,000**	-
		145,145,853	64,162,103
NOTE 13 - Short - term loans and advances (Unsecured, considered good)			
a.	Advances to employees	**1,308,827**	246,278
b.	Security deposits	-	2,760,000
c.	Prepaid expenses	**1,806,419**	1,100,121
d.	Balance with government authorities		
	– Service tax credit receivable	**53,665,339**	76,333,052
e.	Advances to suppliers	**669,233**	4,442,818
		57,449,818	84,882,269
NOTE 14 - Other current assets			
a.	Interest accrued on fixed deposits	**476,712**	-
		476,712	-

Notes forming part of the Financial Statements

Particulars		Year ended 31st March, 2016	Year ended 31st March, 2015
		(Amount in Rs.)	(Amount in Rs.)
NOTE 15 - Revenue from operations			
a.	Advertisement and subscription revenue	**647,243,921**	514,033,141
b.	Sale of content	**231,333**	3,448,363
c.	Digital revenue	**1,678,507**	1,294,253
		649,153,761	518,775,757
NOTE 16 - Other income			
a.	Interest income on bank deposits	**6,673,812**	3,615,673
b.	Interest income on income tax refund	**445,230**	-
c.	Provision for doubtful debts written back	**3,100,000**	3,676,212
d.	Liabilities / provisions no longer required written back	**-**	100,101
e.	Other miscellaneous income	**10,972**	-
		10,230,014	7,391,986
NOTE 17 - Employee benefits expense			
a.	Salaries and wages	**89,978,099**	58,086,058
b.	Contribution to provident and other funds	**3,613,350**	2,084,870
c.	Gratuity expense	**3,107,591**	323,668
d.	Staff welfare expenses	**9,185,867**	3,036,311
		105,884,907	63,530,907
NOTE 18 - Marketing, distribution and promotional expenses			
a.	Marketing and promotional expenses	**57,113,075**	50,585,093
b.	Distribution expenses	**201,972,285**	183,885,650
		259,085,360	234,470,743
NOTE 19 - Finance costs			
a.	Interest on delayed payment of Income taxes	**-**	85,590
b.	Interest on delayed payment of Service taxes	**-**	1,467,948
c.	Other borrowing costs	**181,116**	86,526
		181,116	1,640,064

Notes forming part of the Financial Statements

Particulars	**Year ended 31st March, 2016**	Year ended 31st March, 2015
	(Amount in Rs.)	(Amount in Rs.)
NOTE 20 - Other expenses		
Studio and equipment hire charges	**3,419,469**	3,290,000
Telecast and uplinking fees	**40,794,746**	54,835,231
Content and franchise expenses	**48,363,655**	40,255,590
Media professional fees	**10,322,321**	8,012,530
Other production expenses	**9,195,981**	266,300
Rent including lease rentals	**3,698,305**	4,262,164
Electricity expenses	**1,147,721**	1,140,552
Insurance	**1,158,946**	759,871
Travelling and conveyance	**10,967,059**	8,476,966
Vehicle running and maintenance	**3,710,184**	2,593,848
Communication expenses	**2,190,850**	2,350,160
Repairs and maintenance		
– Plant & Equipments	**1,471,109**	1,764,125
– Others	**154,345**	-
Legal and professional expenses	**6,866,470**	4,976,381
Directors sitting fees	**170,000**	-
Loss on fixed assets sold / scrapped / written off (net)	**61,865**	-
Net loss on foreign currency transactions and translations	**4,686,043**	1,752,745
Bad debts and provision for doubtful trade and other receivable, loans and advances (net)	**5,411,909**	3,173,976
Miscellaneous expenses	**5,257,481**	4,578,875
	159,048,459	142,489,314

Note:

Payments to the auditors comprises (net of service tax, where applicable):

Statutory Audit Fees	**1,200,000**	1,200,000
Other services (including limited reviews, certifications)	**925,000**	925,000
Reimbursement of expenses	**46,204**	42,990
	2,171,204	2,167,990

Notes forming part of the Financial Statements

21	Capital commitments	**As at 31st March, 2016 (Rupees)**	As at 31st March, 2015 (Rupees)
	Estimated amount of contracts remaining to be executed on capital account and not provided for:		
	Tangible assets	**10,950,032**	1,776,202
	Intangible assets	**7,999,958**	3,870,178
		18,949,990	5,646,380

22 Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:

Particulars	**As at 31st March, 2016 (Rupees)**	As at 31st March, 2015 (Rupees)
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

23 Unhedged foreign currency disclosure

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	**Currency**	**Foreign Currency Value**	**Rupees**
Receivables	USD	35,765 (45,503)	2,372,396 (2,848,030)
Payables	USD	1,530,294 (1,158,423)	101,508,855 (72,505,696)
	EURO	17,578 (-)	1,325,258 (-)

Figures in brackets pertain to the previous year.

Notes forming part of the Financial Statements

24 Other Additional Information

Particulars	**As at 31st March, 2016 (Rupees)**	As at 31st March, 2015 (Rupees)
a. Value of imports calculated on CIF basis		
Capital goods	**116,952,704**	90,407,343
b. Expenditure in foreign currency		
Content and franchise expenses	**47,910,595**	38,615,809
Telecast and uplinking fees	**-**	249,150
Distribution expense (Set top boxes)	**4,183,685**	3,375,520
Other Miscellaneous expense	**114,021**	-
c. Earnings in foreign exchange		
Advertisement income	**1,969,058**	2,391,647
Other Miscellaneous income	**35,198**	-

25 Employee benefit plans

a. Defined contribution plans

The Company makes Provident Fund contributions which are defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs. The Company recognised Rs. 36,09,964 (Previous year Rs. 20,82,838) for Provident Fund contributions in the Statement of Profit and Loss.

b. Defined benefit plan

The Company offers gratuity (which is unfunded) as employee benefit schemes to its employees:

The following table sets out the status of the defined benefit scheme and the amount recognised in the financial statements:

Particulars	**As at 31st March, 2016 (Rupees)**	As at 31st March, 2015 (Rupees)
i) Components of employer's expense		
Current service cost	**499,408**	425,028
Interest cost	**163,817**	146,544
Actuarial losses/(gains)	**2,444,366**	(247,904)
Total expense recognised in the Statement of Profit and Loss	**3,107,591**	323,668
ii) Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	**2,047,712**	1,724,044
Current service cost	**499,408**	425,028
Interest Cost	**163,817**	146,544
Benefits paid	**(3,056,256)**	-
Actuarial (gains) / losses	**2,444,366***	(247,904)
Present value of the obligation at the end of the year	**2,099,047**	2,047,712

* Includes impact of employees transferred from a group company

Notes forming part of the Financial Statements

25 Employee benefit plans (Continued)

Particulars	**As at 31st March, 2016 (Rupees)**	As at 31st March, 2015 (Rupees)
iii) Actuarial assumptions		
Discount rate	**8.0%**	8.0%
Salary escalation	**5.5%**	5.5%
Attrition:		
Upto 30 years	**3.0%**	3.0%
From 31 to 44 years	**2.0%**	2.0%
Above 44 years	**1.0%**	1.0%
Mortality tables	**IALM (2006-08)**	IALM (2006-08)

iv) Experience adjustments

Particulars	**31st March 2016**	**31st March 2015**	**31st March 2014**	**31st March 2013**	**31st March 2012**
On plan liability gain / (loss)	**(2,444,366)**	247,904	(322,856)	(148,332)	(487,987)

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

The aforesaid information is as certified by the actuary

26 Segment information

The Company is engaged in the business of broadcasting of television programmes primarily in India. Accordingly, the Company operates in a single business and geographical segment as per Accounting Standard 17 “Segment Reporting”.

27 Disclosure of transactions with related parties as per AS-18 and with group companies

a. Details of related parties

i. Enterprises exercising control

- Independent Media Trust (w.e.f. 07.07.2014)
- Adventure Marketing Private Limited (w.e.f. 07.07.2014)#
- Watermark Infratech Private Limited (w.e.f. 07.07.2014)#
- Colorful Media Private Limited (w.e.f. 07.07.2014)#
- RB Media Holdings Private Limited (w.e.f. 07.07.2014)#
- RB Mediasoft Pvt Limited (w.e.f. 07.07.2014)#
- RRB Mediasoft Pvt Limited (w.e.f. 07.07.2014)#
- RB Holdings Private Limited (w.e.f. 07.07.2014)#
- Network18 Media & Investments Ltd.
- TV18 Broadcast Limited (Holding Company of RVT Media Private Limited)
- RVT Media Private Limited (Immediate Holding Company)

Notes forming part of the Financial Statements

27 Disclosure of transactions with related parties as per AS-18 and with group companies (Continued)

a. Details of related parties (Continued)

ii. Beneficiary/ Protector of Independent Media Trust $

– Reliance Industries Limited (RIL) (w.e.f. 07.07.2014)

– Reliance Industrial Investments and Holdings Limited (w.e.f. 07.07.2014)

iii. Company exercising significant influence

– A&E Television Networks, LLC, joint venture partner (See note 1)

iv. Fellow subsidiaries

– Digital18 Media Limited

– E-eighteen.com Limited

– Greycells18 Media Limited

– TV18 Home Shopping Network Limited

– Panorama Television Private Limited (w.e.f. 22nd January, 2014)

– Reliance Retail Limited (w.e.f. 07.07.2014)*

– Prism TV Private Limited (Fellow subsidiary till 31st July 2015)

Control by Independent Media Trust of which RIL is the sole beneficiary.

$ Entities exercising control

*Subsidiary of RIL, the sole beneficiary of Independent Media Trust

b. Details of related party transactions

(Amount in Rs.)

Particulars			Enterprises exercising control	Company exercising significant influence	Fellow Su bsidiaries
1	**Purchase of fixed assets**				
	i	A&E Television Networks, LLC	-	**52,198,159**	-
			(-)	(57,316,944)	(-)
	ii	TV18 Broadcast Limited	-	-	-
			(832,302)	(-)	(-)
		Total	-	**52,198,159**	-
			(832,302)	**(57,316,944)**	**(-)**
2	**Content and franchise expense**				
	A&E Television Networks, LLC		-	**47,910,595**	-
			(-)	(38,615,808)	(-)
3	**Telecast and uplinking fees**				
	TV18 Broadcast Limited		**7,200,000**	-	-
			(7,200,000)	(-)	(-)
4	**Distribution Expense**				
	TV18 Broadcast Limited		**20,933,164**	-	-
			(14,324,254)	(-)	(-)

Notes forming part of the Financial Statements

27 Disclosure of transactions with related parties as per AS-18 and with group companies (Continued)

b. Details of related party transactions (Continued)

(Amount in Rs.)

Particulars			**Enterprises exercising control**	**Company exercising significant influence**	**Fellow Su bsidiaries**
5	**Advertisement Expenses**				
	i	Prism TV Private Limited	- (-)	- (-)	- (834,000)
	ii	TV18 Broadcast Limited	- (2,896,080)	- (-)	- (-)
		Total	- (2,896,080)	- (-)	- (834,000)
6	**Income from operations**				
	i	TV18 Broadcast Limited	**313,115,666** (220,287,812)	- (-)	- (-)
	ii	TV18 Home Shopping Network Limited	- (-)	- (-)	- (1,263,500)
		Total	**313,115,666** (220,287,812)	- (-)	- (1,263,500)
7	**Reimbursement of expenses to**				
	i	Network18 Media & Investments Limited	**2,425,333** (2,960,713)	- (-)	- (-)
	ii	TV18 Broadcast Limited	**73,603,129** (74,439,627)	- (-)	- (-)
		Total	**76,028,462** (77,400,340)	- (-)	- (-)
8	**Recovery of cost / advances from**				
	i	TV18 Broadcast Limited	- (883,485)	- (-)	- (-)
9	**Advertisement cost**				
	i	TV18 Broadcast Limited	**1,168,825** (16,062,953)	- (-)	- (-)
	ii	Digital18 Media Limited	- (-)	- (-)	- (928,000)
	iii	E-eighteen.com Limited	- (-)	- (-)	- (601,675)
	iv	Prism TV Private Limited	- (-)	- (-)	**920,403** (-)
		Total	**1,168,825** **(16,062,953)**	**-** **-**	**920,403** **(1,529,675)**

Notes forming part of the Financial Statements

27 Disclosure of transactions with related parties as per AS-18 and with group companies (Continued)

b. Details of related party transactions (Continued)

(Amount in Rs.)

Particulars	**Enterprises exercising control**	**Company exercising significant influence**	**Fellow Su bsidiaries**
10 Advertisement revenue Barter			
i TV18 Broadcast Limited	-	-	-
	(9,692,325)	(-)	(-)
ii Digital18 Media Limited	-	-	-
	(-)	(-)	(837,540)
iii E-eighteen.com Limited	-	-	-
	(-)	(-)	(254,925)
Total	**-**	**-**	**-**
	(9,692,325)	**(-)**	**(1,092,465)**
11 Receiving of services			
i Reliance Retail Limited	-	-	-
	(-)	(-)	(28,858)
ii TV18 Broadcast Limited	**1,242,472**	-	-
	-	(-)	(-)
iii A&E Television Networks, LLC	-	-	-
	(-)	(667,700)	(-)
Total	**1,242,472**	**-**	**-**
	(-)	**(667,700)**	**(28,858)**

c Balance outstanding with related parties at year end

1 Trade receivables			
i TV18 Broadcast Limited	**229,347,432**	-	-
	(230,924,629)	(-)	(-)
ii Digital18 Media Limited	-	-	-
	(-)	(-)	(443,033)
iii TV18 Home Shopping Network Limited	-	-	**1,394,399**
	(-)	(-)	(1,394,399)
Total	**229,347,432**	**-**	**1,394,399**
	(230,924,629)	(-)	(1,837,432)
2 Trade payables			
i Network18 Media & Investments Limited	**200,547**	-	-
	-	(-)	(-)
ii TV18 Broadcast Limited	**11,067,369**	-	-
	(62,851,630)	(-)	(-)
iii A&E Television Networks, LLC	-	**81,800,687**	-
	(-)	(58,203,479)	(-)

Notes forming part of the Financial Statements

27 Disclosure of transactions with related parties as per AS-18 and with group companies (Continued)

c. Balance outstanding with related parties at year end (Continued)

(Amount in Rs.)

		Particulars	Enterprises exercising control	Company exercising significant influence	Fellow Subsidiaries
	iv	Digital18 Media Limited	-	-	-
			(-)	(-)	(415,936)
	v	Prism TV Private Limited	-	-	-
			(-)	(-)	(920,403)
		Total	**11,267,916**	**81,800,687**	**-**
			(62,851,630)	(58,203,479)	(1,336,339)
3	**Share Capital**				
	i	RVT Media Private Limited	**253,041,390**	**-**	**-**
			(253,041,390)	(-)	(-)
	ii	A&E Television Networks, LLC	**-**	**243,118,190**	**-**
			(-)	(243,118,190)	(-)
		Total	**253,041,390**	**243,118,190**	**-**
			(253,041,390)	(243,118,190)	(-)

c. There is no provisions for doubtful debts to amount written off / written back in respect of dues from / to related parties

Note: Figures in bracket relate to the previous year

28 Earnings/ (loss) per share

	Particulars	**For the year ended 31st March, 2016**	For the year ended 31st March, 2015
a.	Net Profit /(Loss) for the year (Rupees)	**6,460,650**	(62,908,542)
b.	Weighted average number of equity shares used in computing earning per share	**49,615,958**	48,876,344
c.	Par value per share (Rupees)	**10**	10
d.	Basic earnings/(Loss) per share (Rupees)	**0.13**	(1.29)
e.	Diluted earnings/(Loss) per share (Rupees)	**0.13**	(1.29)

29 Deferred taxation

The Company has deferred tax assets comprising of business losses & tax disallowances and deferred tax liability towards depreciation difference. The Company has not recognised deferred tax assets (net) considering the requirement of reasonable / virtual certainty as given by Accounting Standard 22 - Accounting for Taxes on Income.

30 During the previous year, the Company had entered into barter transactions, which were recorded at the fair value of consideration receivable or payable. The Statement of Profit and Loss for the previous year has been grossed up to reflect revenue from these transactions of Rs. 18,124,785 and expenditure of Rs. 27,181,579 being the fair value of these transactions provided and received.

Notes forming part of the Financial Statements

31 The accounts of the Company have been prepared on the basis that the Company is a going concern. However, having regard to the fact that the net worth of the Company has been significantly eroded due to accumulated losses, the ability of the Company to continue as a going concern is significantly dependent on the improvement of the Company's future operations & profitability and continued financial support from the Shareholders. The Shareholders have confirmed to provide such financial support as and when a need arises.

The accounts do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

32 Operating Lease

The Company has taken office premises on operating lease, which are cancellable in nature. The expenses recognised in the Statement of Profit and Loss is amounting to Rs. 3,698,305 (Previous year: Rs. 4,262,164)

33 Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Since the law requires such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation of domestic and international transactions with the associated enterprises during the financial year and expects such records to be in existence latest by the due date under the Income Tax Act, 1961. The management is of the opinion that its domestic and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

In terms of our report attached	**For and on behalf of the Board of Directors**	
For **Deloitte Haskins & Sells LLP** Chartered Accountants	Director	Director
Abhijit A. Damle Partner	**Kavita Jhamb** Chief Financial Officer	**Pumit Kumar Chellaramani** Company Secretary
Place: Mumbai Date: 18 April 2016	Place: Noida Date: 18 April 2016	