

TV18 Broadcast Limited

Independent Auditor's Report

TO THE MEMBERS OF TV18 BROADCAST LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of TV18 Broadcast 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 Standalone 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 standalone 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 standalone 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 standalone 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 standalone 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 has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 22 to the financial statements.
 - 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
(Firm’s Registration No. 117366W/W-100018)

Abhijit A. Damle
Partner
(Membership No.102912)

MUMBAI, April 20, 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 **TV18 BROADCAST LIMITED** (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone 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 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 were 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
(Firm's Registration No. 117366W/W-100018)

Abhijit A. Damle
Partner
(Membership No.102912)

MUMBAI, April 20, 2016

Annexure B to the Independent Auditors' 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) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds provided to us, we report that the title deeds relating to immovable properties which are freehold are held in the name of the Company as at the balance sheet date.
- 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 any 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. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73 to 76 or other relevant provisions of the Companies Act, 2013 and the rule framed there under with regard to the deposits accepted from the public, except for public deposits aggregating to Rs. 51.85 lacs and interest on public deposits of Rs. 22.46 lacs, accepted under the Companies (Acceptance of Deposits) Rules, 1975, for which the Company is in the process of compiling the details thereof and as informed, would take necessary steps to comply with the provisions of Companies (Acceptance of Deposits) Rules, 2014. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal with respect 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 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 which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount Involved (Rupees in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Taxes	44.02	AY 2002-03	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Taxes	0.52	AY 2003-04	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Taxes	1,651.09	AY 2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Taxes	205.98	AY 2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Taxes	0.63	AY 2011-12	Income Tax Appellate Tribunal

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. There were no borrowings or loans from the government and the Company has not issued any debentures.
- ix. In our opinion and according to the information and explanations given to us, monies raised by way of debt instruments and the term loans have been applied by the Company during the year for the purposes for which they were raised.
- 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. According to the information and explanations given to us, the Company has not paid any remuneration during the year to the Manager appointed under the Companies Act, 2013.
- 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-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Abhijit A. Damle
Partner
(Membership No.102912)

MUMBAI, April 20, 2016

Balance Sheet as at 31 March, 2016

		Rs. in Lakhs	
	Note No.	As at 31.03.2016	As at 31.03.2015
A. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	1	34,287.45	34,287.45
(b) Reserves and surplus	2	3,26,901.31	3,14,612.70
		<u>3,61,188.76</u>	<u>3,48,900.15</u>
2. Non - current liabilities			
(a) Long - term borrowings	3	30.25	74.30
(b) Long - term provisions	4	1,465.71	1,329.83
		<u>1,495.96</u>	<u>1,404.13</u>
3. Current liabilities			
(a) Short - term borrowings	5	22,180.58	22,072.58
(b) Trade payables			
Due to Micro and Small Enterprises	6	15.28	8.05
Others		14,111.27	9,154.81
		<u>14,126.55</u>	<u>9,162.86</u>
(c) Other current liabilities	7	20,773.50	5,456.88
(d) Short - term provisions	8	50.50	45.15
		<u>57,131.13</u>	<u>36,737.47</u>
Total		<u>4,19,815.85</u>	<u>3,87,041.75</u>
B. ASSETS			
1. Non - current assets			
(a) Fixed assets			
(i) Tangible assets	9	4,120.74	4,032.23
(ii) Intangible assets	9	246.39	391.49
(iii) Capital work-in-progress	9	1,146.58	13.20
		<u>5,513.71</u>	<u>4,436.92</u>
(b) Non - current investments	10	3,33,763.32	3,27,263.32
(c) Long - term loans and advances	11	19,092.75	10,805.95
		<u>3,58,369.78</u>	<u>3,42,506.19</u>
2. Current assets			
(a) Trade receivables	12	19,763.18	16,293.96
(b) Cash and bank balances	13	1,310.20	1,827.65
(c) Short - term loans and advances	14	40,264.21	26,339.12
(d) Other current assets	15	108.48	74.83
		<u>61,446.07</u>	<u>44,535.56</u>
Total		<u>4,19,815.85</u>	<u>3,87,041.75</u>

See accompanying notes forming part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Abhijit A. Damle

Partner

Mumbai

20 April, 2016

For and on behalf of the Board of Directors

Adil Zainulbhai

Chairman

Ramesh Damani

Chief Financial Officer

Mumbai

20 April, 2016

Rohit Bansal

Director

Deepak Gupta

Company Secretary

Statement of Profit and Loss for the year ended 31 March, 2016

Particulars	Note No.	Rs. in Lakhs	
		Year ended 31.03.2016	Year ended 31.03.2015
1. Revenue from operations	16	62,618.38	60,560.67
2. Other income	17	2,795.98	1,509.47
3. Total revenue (1+2)		65,414.36	62,070.14
4. Expenses			
(a) Employee benefits expense	18	16,879.02	15,094.65
(b) Marketing, distribution and promotional expenses		9,024.31	8,679.07
(c) Finance costs	19	1,854.58	1,729.61
(d) Depreciation and amortisation expense	9	1,004.87	2,093.62
(e) Other expenses	20	24,362.59	20,875.42
Total expenses		53,125.37	48,472.37
5. Profit before exceptional items and tax (3-4)		12,288.99	13,597.77
6. Exceptional items	21	-	12,134.75
7. Profit before tax (5-6)		12,288.99	1,463.02
8. Tax expense:			
(a) Current tax expense		2,639.24	1,367.02
(b) (Less): MAT Credit		(2,639.24)	(1,367.02)
Net tax expense		-	-
9. Profit for the year (7-8)		12,288.99	1,463.02
10. Earnings per equity share	23		
(Face value of Rs. 2 each)			
(a) Basic		0.72	0.09
(b) Diluted		0.72	0.09

See accompanying notes forming part of the financial statements

In terms of our report attached

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

Abhijit A. Damle
Partner

Mumbai
20 April, 2016

For and on behalf of the Board of Directors

Adil Zainulbhai
Chairman

Ramesh Damani
Chief Financial Officer

Mumbai
20 April, 2016

Rohit Bansal
Director

Deepak Gupta
Company Secretary

Cash Flow Statement for the year ended 31 March, 2016

Particulars	Rs. in Lakhs	
	Year ended 31.03.2016	Year ended 31.03.2015
A. Cash flow from operating activities		
Profit before tax	12,288.99	1,463.02
Adjustments for :		
- Depreciation and amortisation expense	1,004.87	2,093.62
- Obsolescence/ impairment (accelerated depreciation)	-	5,200.19
- Loss on fixed assets sold / scrapped / written off (net)	16.27	67.22
- Expense on employee stock option (ESOP) scheme	(0.38)	(251.62)
- Finance costs	1,854.58	1,729.61
- Net (gain) on sale of current investments	(38.65)	(13.44)
- Liabilities / provisions no longer required written back	(265.94)	(857.07)
- Interest income	(2,440.96)	(631.56)
- Provision for doubtful trade and other receivable, loans and advances (net) written back	675.16	6,054.15
- Net unrealised exchange (gain)	(9.51)	(12.47)
Operating profit before working capital changes	13,084.43	14,841.65
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
- Trade receivables	(4,144.38)	(514.26)
- Short-term loans and advances	(13,925.09)	(19,651.84)
- Long-term loans and advances	27.09	345.38
Adjustments for increase / (decrease) in operating liabilities:		
- Trade payables	5,239.14	3,674.24
- Other current liabilities	16,295.04	1,064.93
- Other long-term liabilities	-	(52.79)
- Short-term provisions	5.35	(41.32)
- Long-term provisions	135.88	52.45
Cash generated from / (used in) operations	16,717.46	(281.56)
Net income tax (paid)	(8,303.43)	(2,502.70)
Net cash flow from / (used in) operating activities (A)	8,414.03	(2,784.26)
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(2,070.97)	(1,207.75)
Proceeds from sale of fixed assets	11.38	72.55
Bank balances not considered as cash and cash equivalents		
- Placed	(70.30)	(25.89)
- Matured	492.25	-
Purchase of long-term investments		
- in subsidiaries	(6,500.00)	(405.76)
- in joint controlled entities (including share application money)	-	(1,011.90)
Purchase of current investments		
- in mutual funds	(12,110.00)	(3,000.00)
Proceeds from sale of current investments		
- in mutual funds	12,148.65	3,013.44
Interest received	2,407.30	614.99
Net cash flow (used in) investing activities (B)	(5,691.69)	(1,950.32)

Cash Flow Statement for the year ended 31 March, 2016

Particulars	Rs. in Lakhs	
	Year ended 31.03.2016	Year ended 31.03.2015
C. Cash flow from financing activities		
Finance costs	(1,862.60)	(2,348.96)
Proceeds from issue of equity shares	-	615.92
Proceeds from short term borrowings (net)	108.00	10,199.96
Repayment of long - term borrowings	(1,063.24)	(6,336.20)
Net cash flow (used in) / from financing activities (C)	(2,817.84)	2,130.72
Net (decrease) in Cash and cash equivalents (A+B+C)	(95.50)	(2,603.86)
Cash and cash equivalents as at the beginning of the year	588.66	3,192.52
Cash and cash equivalents as at the end of the year * (Refer note 13)	493.16	588.66
* Comprises:		
(a) Cash on hand	0.76	1.39
(b) Cheques on hand	231.31	12.44
(c) Balances with banks		
(i) In current accounts	207.78	365.74
(ii) In deposit accounts	53.31	209.09
	493.16	588.66

See accompanying notes forming part of the financial statements

In terms of our report attached

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

Abhijit A. Damle
Partner

Mumbai
20 April, 2016

For and on behalf of the Board of Directors

Adil Zainulbhai
Chairman

Ramesh Damani
Chief Financial Officer

Mumbai
20 April, 2016

Rohit Bansal
Director

Deepak Gupta
Company Secretary

Notes forming part of the Financial Statements

1 Share capital

Particulars	As at 31.03.2016		As at 31.03.2015	
	Number of Shares	Rs. in Lakhs	Number of Shares	Rs. in Lakhs
(a) Authorised Share Capital:				
Equity shares of Rs. 2 each	<u>5,00,00,00,000</u>	<u>1,00,000.00</u>	<u>50,00,000,000</u>	<u>1,00,000.00</u>
(b) Issued, Subscribed and fully paid up				
(i) Issued	17,14,409,196	34,288.18	17,14,409,196	34,288.18
(ii) Subscribed and fully paid up	17,14,360,160	34,287.20	17,14,360,160	34,287.20
(iii) Shares forfeited	49,036	0.25	49,036	0.25
Total	<u>17,14,409,196</u>	<u>34,287.45</u>	<u>17,14,409,196</u>	<u>34,287.45</u>

Notes:

(i) The Company has only one class of equity share having par value of Rs. 2 per share. Each holder of equity share is entitled to one vote per share held. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Details of shares held by holding company and their subsidiaries:

Particulars	As at 31.03.2016		As at 31.03.2015	
	Number of Shares	Rs. in Lakhs	Number of Shares	Rs. in Lakhs
Network18 Media & Investments Limited, the Holding Company	8,77,035,062	17,540.70	8,77,035,062	17,540.70
RRB Investments Private Limited, a subsidiary of the Holding Company	163,563	3.27	163,563	3.27
	<u>8,77,198,625</u>	<u>17,543.97</u>	<u>8,77,198,625</u>	<u>17,543.97</u>

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

Particulars	As at 31.03.2016		As at 31.03.2015	
	Number of Shares	% Holding	Number of Shares	% Holding
Network18 Media & Investments Limited	<u>8,77,035,062</u>	<u>51.16%</u>	<u>8,77,035,062</u>	<u>51.16%</u>

Notes forming part of the Financial Statements

(iv) **Aggregate number of shares issued for consideration other than cash during the period of 5 years immediately preceding the Balance Sheet date:**

Particulars	As at	As at
	31.03.2016	31.03.2015
	Number of Shares	Number of Shares
Shares allotted to shareholders of erstwhile Television Eighteen India Limited pursuant to a Scheme of Arrangement in financial year 2011-12 between the Company, Television Eighteen India Limited (TEIL), Network18 Media & Investments Limited. (Network18) and other Network18 Group companies	12,39,43,303	12,39,43,303
(v) Shares reserved for issue under options under ESOP scheme 2007 (See note 28)	3,400	6,800

(vi) **Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:**

Particulars	Issued		Subscribed and fully paid up	
	Number of Shares	Amount (Rs in Lakhs)	Number of Shares	Amount (Rs in Lakhs)
Opening balance	1,71,44,09,196 (1,71,17,08,789)	34,288.18 (34,234.17)	1,71,43,60,160 (1,71,16,59,753)	34,287.20 (34,233.19)
Add: Shares issued under ESOP	- (27,00,407)	- (54.01)	- (27,00,407)	- (54.01)
Closing balance	1,71,44,09,196 (1,71,44,09,196)	34,288.18 (34,288.18)	1,71,43,60,160 (1,71,43,60,160)	34,287.20 (34,287.20)

Figures in brackets pertains to the previous year

(vii) **Details of forfeited shares and amount originally paid - up**

Particulars	As at 31.03.2016		As at 31.03.2015	
	Number of Shares	Rs. in Lakhs	Number of Shares	Rs. in Lakhs
Equity Shares	49 036	0.25	49 036	0.25

Notes forming part of the financial statements

	As at 31.03.2016	As at 31.03.2015
	Rs. in Lakhs	Rs. in Lakhs
2 Reserves and surplus		
(a) Securities premium account		
Opening balance	3,15,779.30	3,15,168.98
Add: Received during the year	-	561.92
Add: Transferred from Share options outstanding account	-	48.40
	3,15,779.30	3,15,779.30
(b) Share options outstanding account		
Opening balance	1.06	387.20
Less : Transferred to share premium	-	(48.40)
Less: Written back to the Statement of Profit and Loss	(0.38)	(337.74)
	0.68	1.06
(c) General reserve		
Opening balance	1,180.11	1,154.73
Add: Amount transferred from ESOPs account on expiry of options	-	25.38
	1,180.11	1,180.11
(d) Surplus/ (Deficit) in the Statement of Profit and Loss		
Opening balance	(2,347.77)	(3,528.08)
Depreciation adjustment [See note 9(1)]	-	(282.71)
Profit for the year	12,288.99	1,463.02
	9,941.22	(2,347.77)
Total Reserves and Surplus	3,26,901.31	3,14,612.70
3 Long - term borrowings		
Vehicle loans (secured)		
- from banks	27.98	56.69
- from others	2.27	17.61
(Vehicle loans are secured by hypothecation of vehicles and loan is payable in equal monthly installments)		
	30.25	74.30
4 Long-term provisions		
Provision for employee benefits: (See note 27)		
Provision for compensated absences	445.42	405.55
Provision for gratuity (net)	1,020.29	924.28
	1,465.71	1,329.83

Notes forming part of the financial statements

	As at 31.03.2016	As at 31.03.2015
	Rs. in Lakhs	Rs. in Lakhs
5 Short-term borrowings		
i) Cash credit and Overdraft (including loan repayable on demand) from bank (secured) (See note (a) below for security and terms of repayment)	4,680.58	9,572.58
ii) Commercial paper (unsecured)		
from bank	-	10,000.00
from others	17,500.00	2,500.00
	22,180.58	22,072.58
(a) Security and repayment details for cash credit facilities including working capital demand loans is as follows:		
i) The cash credit including working capital demand loan is repayable on demand and is / to be secured against first pari passu hypothecation charge on all existing and future current assets of the company (previous year : charge on borrower's channels CNN IBN and IBN7).	467.02	2,917.80
ii) The cash credit including working capital demand loan is repayable on demand and is / to be secured against first pari passu hypothecation charge on all existing and future current assets of the company (previous year :charge on borrower's channels CNBC TV18 and CNBC Awaaz).	2,751.78	4,640.34
iii) The Overdraft is secured against second pari passu charge on all existing and future moveable assets and current assets of the company.	1,461.78	2,014.44
	4,680.58	9,572.58

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

Particulars	As at 31.03.2016	As at 31.03.2015
Principal amount due and remaining unpaid	15.28	8.05
Interest due on above and the unpaid interest	-	0.07
Interest paid	0.07	-
Payment made beyond the appointed day during the year	10.59	-
Interest accrued and remaining unpaid	0.15	0.07
Amount of further interest remaining due and payable in succeeding years	0.15	0.07

Notes forming part of the financial statements

	As at 31.03.2016	As at 31.03.2015
	Rs. in Lakhs	Rs. in Lakhs
7 Other current liabilities		
(a) Current maturities of long-term debt		
i) Term loans		
- from others	-	986.00
ii) Vehicle loans (secured by hypothecation of vehicles)		
- from bank	24.94	38.81
- from others	15.34	34.66
(b) Interest accrued but not due on borrowings	-	8.02
(c) Unearned revenue	941.65	861.16
(d) Unclaimed matured deposits and interest accrued thereon	74.31	21.95
(e) Other payables		
i) Statutory dues	873.07	729.09
ii) Payables on purchase of fixed assets	70.02	21.23
iii) Advances from customers	1,383.67	886.25
iv) Others (See note 29)	17,390.50	1,869.71
	20,773.50	5,456.88
8 Short - term provisions (See note 27)		
Provision for employee benefits		
i) Provision for compensated absences	12.74	11.83
ii) Provision for gratuity	37.76	33.32
	50.50	45.15

Notes forming part of the Financial Statements

Particulars	Gross Block			Depreciation/Amortisation			Net Block		
	Opening balance as at 1.04.2015	Additions	Deletions/adjustment	Closing balance as 31.03.2016	Opening balance as at 1.04.2015	Depreciation/amortisation expense for the year	On disposals/adjustments exceptional items (note no. 3)	Closing balance as at 31.03.2016	As at 31.03.2016
(a) Tangible Assets									
Freehold Land	31.31 (31.31)	-	-	31.31 (31.31)	-	-	-	-	31.31 (31.31)
Leasehold improvements	3,819.96 (3,467.89)	2.55 (352.26)	-	3,822.51 (3,819.96)	3,403.87 (3,247.23)	128.12 (121.79)	-	3,531.99 (3,403.87)	290.52 (416.09)
Buildings	-	175.58	-	175.58	-	0.02	-	0.02	175.56
Plant and equipment	19,593.57 (19,249.28)	482.96 (399.11)	(56.08) (54.82)	20,132.61 (19,593.57)	17,265.15 (11,007.40)	364.92 (1,267.76)	(11.57) (4,989.99)	17,641.64 (17,265.15)	2,490.97 (2,328.42)
Electrical installation	478.19 (456.17)	3.73 (72.20)	-	481.92 (478.19)	333.87 (232.67)	18.05 (38.69)	-	351.92 (333.87)	130.00 (144.32)
Computers	2,519.83 (2,383.24)	166.86 (140.22)	3.50 (3.63)	2,683.19 (2,519.83)	1,976.10 (1,578.43)	237.19 (354.62)	2.00 (43.05)	2,211.29 (1,976.10)	471.90 (543.73)
Furniture and fixtures	494.69 (465.07)	95.56 (29.62)	35.35 (-)	554.90 (494.69)	392.67 (237.20)	16.99 (37.20)	28.32 (118.27)	381.34 (392.67)	173.56 (102.02)
Vehicles	769.11 (980.79)	-	85.77 (221.37)	683.34 (769.11)	381.87 (326.94)	65.15 (93.39)	43.77 (38.46)	403.25 (381.87)	280.09 (387.24)
Office equipment	389.54 (363.77)	44.24 (29.85)	46.46 (4.08)	387.32 (389.54)	310.44 (253.20)	24.50 (19.88)	24.45 (37.36)	310.49 (310.44)	76.83 (79.10)
Total	28,096.20 (27,397.52)	971.48 (1,032.95)	115.00 (334.27)	28,952.68 (28,096.20)	24,063.97 (16,883.07)	854.94 (1,933.33)	86.97 (5,247.57)	24,831.94 (24,063.97)	4,120.74 (4,032.23)
(b) Intangible Assets									
News archives	204.98 (204.98)	-	-	204.98 (204.98)	204.98 (161.46)	(2.68)	-	204.98 (204.98)	-
Computers software	3,185.83 (3,082.72)	4.45 (103.11)	(0.32)	3,190.60 (3,185.83)	2,854.12 (2,715.80)	130.64 (138.32)	0.06 (-)	2,984.70 (2,854.12)	205.90 (331.71)
Licenses	96.46 (96.46)	-	-	96.46 (96.46)	36.68 (17.39)	19.29 (19.29)	-	55.97 (36.68)	40.49 (59.78)
Total	3,487.27 (3,384.16)	4.45 (103.11)	(0.32)	3,492.04 (3,487.27)	3,095.78 (2,894.65)	149.93 (160.29)	0.06 (40.84)	3,245.65 (3,095.78)	246.39 (391.49)
Total (a+b)	31,583.47 (30,781.68)	975.93 (1,136.06)	114.68 (334.27)	32,444.72 (31,583.47)	27,159.75 (19,777.72)	1,004.87 (2,093.62)	87.03 (5,288.41)	28,077.59 (27,159.75)	4,367.13 (4,423.72)
(c) Capital work-in-progress									1,146.58 (13.20)

Note :

- Pursuant to enactment of the Companies Act, 2013, (the Act), the Company has, effective from 1st April 2014, reassessed the useful life of its fixed assets, and has computed depreciation as provided in Schedule II to the Act. Consequently depreciation for the year ended 31st March, 2015 is higher by Rs. 675.06 lakhs and net profit is lower by Rs. 675.06 lakhs. Further, based on the transitional provision provided in Schedule II, an amount of Rs. 282.71 lakhs has been adjusted with the opening reserves.
- Capital work in progress mainly relates to improvements in leasehold premises and upgradation of Software and flat for which registration is under process.
- Please refer note no. 21 for exceptional items in the previous year
- Figures in brackets pertains to the previous year.

9 Fixed assets

Rs. in Lakhs

Notes forming part of the financial statements

	As at 31.03.2016	As at 31.03.2015
	Rs. in Lakhs	Rs. in Lakhs
10 Non current investments (Other Investments)		
Investments (At cost)		
- in equity shares of		
(a) Subsidiary companies (Unquoted)		
i) 96,615 (Previous year 96,615) Equity shares of Rs. 10 each fully paid up, in RVT Media Private Limited, a wholly owned subsidiary	3,465.60	3,465.60
ii) 5,62,50,000 (Previous year 100) Equity shares of USD 1 each fully paid up, in ibn18 (Mauritius) Limited, a wholly owned subsidiary [Net-off provision for other than temporary diminution Rs. 6,589.38 Lakhs (Previous Year Rs. Nil)]	21,617.15	0.05
iii) 2,00,00,00,000 (Previous year 2,00,00,00,000) Equity shares of Re. 1 each fully paid up, in Equator Trading Enterprises Private Limited, a wholly owned subsidiary	30,500.00	30,500.00
(b) Joint ventures (Unquoted)		
i) 86,25,000 (Previous year 86,25,000) Equity shares of IBN Lokmat News Private Limited of Rs. 10 each fully paid up	862.50	862.50
ii) 4,77,68,791 (Previous year 4,77,68,791) Equity shares of Viacom18 Media Private Limited of Rs. 10 each fully paid up	85,644.25	85,644.25
iii) 2,28,000 (Previous year 2,28,000) Equity shares of Rs. 10 each fully paid up, in IndiaCast Media Distribution Private Limited	702.96	702.96
(c) Other entities (Quoted)		
i) 2,75,000 (Previous year 2,75,000) Equity shares of Refex Industries Limited of Rs. 10 each fully paid up - (Re.1/-)	0.00	0.00
ii) 4,74,308 (Previous year 4,74,308) Equity shares of KSL and Industries Limited of Rs. 4 each fully paid up	88.70	88.70
(d) Other entities (Unquoted)		
i. 8,98,500 (Previous year 8,98,500) Equity shares of Delhi Stock Exchange Association Limited of Rs. 10 each fully paid up - (Re.1/-)	0.00	0.00
- in preference shares of		
(a) Joint ventures (Unquoted)		
i) 2,20,000 (Previous year 2,20,000) 0.10% Non Cumulative Redeemable Preference Shares of Series "I" of IBN Lokmat News Private Limited of Rs. 100 each fully paid up	440.00	440.00
ii) 2,49,999 (Previous year 2,49,999) 0.10% Non Cumulative Redeemable Preference Shares of Series "II" of IBN Lokmat News Private Limited of Rs. 100 each fully paid up	500.00	500.00
iii) 1 (Previous year 1) 0.01% Optionally Convertible Non Cumulative Redeemable Preference Shares of Series "II" of IBN Lokmat News Private Limited of Rs. 100 each fully paid up - (Rs. 200/-)	0.00	0.00
iv) 20,35,250 (Previous year 20,35,250) 0.10% Non Cumulative Redeemable Preference Shares of Series "III" of IBN Lokmat NewsPrivate Limited of Rs. 100 each fully paid up	4,070.50	4,070.50
v) 2,000 (Previous year 2,000) 0.001% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Viacom18 Media Private Limited of Rs. 10 each fully paid up	11.90	11.90

Notes forming part of the Financial Statements

	As at 31.03.2016	As at 31.03.2015
	Rs. in Lakhs	Rs. in Lakhs
- in debentures of		
(a) Subsidiary companies (Unquoted)		
i) 13,22,00,000 (Previous year 12,57,00,000) Zero Coupon Compulsory and Fully convertible debentures of Rs. 100 each fully paid up in Equator Trading Enterprises Private Limited	1,81,300.00	1,74,800.00
ii) Nil (Previous year 5,62,49,900) 0.01% Optionally convertible debentures of USD 1 each fully paid up in ibn18 (Mauritius) Limited [Net-off provision for other than temporary diminution Rs. Nil (Previous year Rs. 6589.38 Lakhs)]	-	21,617.10
iii) 3,15,400 (Previous year 3,15,400) Zero coupon optionally fully convertible debentures of Rs. 1,000 each fully paid up in RVT Media Private Limited	3,154.00	3,154.00
iv) 40,576 (Previous year 40,576) Zero coupon compulsory convertible debentures ("ZCCDs") of Rs. 1,000 each fully paid up in RVT Media Private Limited	405.76	405.76
(b) Joint ventures (Unquoted)		
i. 1,00,00,000 (Previous year 1,00,00,000) Zero coupon compulsorily convertible debentures (ZCCD) of Rs. 10 each fully paid up in IndiaCast Media Distribution Private Limited	1,000.00	1,000.00
	<u>3,33,763.32</u>	<u>3,27,263.32</u>
Aggregate amount of listed and quoted investments	88.70	88.70
Aggregate market value of listed and quoted investments	95.13	107.92
Aggregate amount of unquoted investments	3,33,674.62	3,27,174.62
Aggregate provision for diminution in value of unquoted investments	6,589.38	6,589.38

Notes forming part of the Financial Statements

	As at 31.03.2016	As at 31.03.2015
	Rs. in Lakhs	Rs. in Lakhs
11 Long - term loans and advances		
(a) Capital advances (Unsecured, considered good)	682.94	672.48
(b) Security deposits		
Unsecured, considered good	1,742.04	1,827.97
Doubtful	19.17	19.17
	<u>1,761.21</u>	<u>1,847.14</u>
Less: Provision for doubtful deposits	(19.17)	(19.17)
	<u>1,742.04</u>	<u>1,827.97</u>
(c) Loans and advances to employees		
Unsecured, considered good	36.72	23.63
Doubtful	85.30	270.59
	<u>122.02</u>	<u>294.22</u>
Less: Provision for doubtful advances	(85.30)	(270.59)
	<u>36.72</u>	<u>23.63</u>
(d) Advance income tax ((net of provision for tax Rs. 9,127.34 Lakhs (Previous year Rs. 6,488.10 Lakhs))	12,262.61	6,598.42
(e) MAT Credit entitlement	4,321.57	1,682.33
(f) Prepaid expenses	46.87	1.12
	<u>19,092.75</u>	<u>10,805.95</u>
12 Trade receivables (Unsecured)		
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- considered good	2,531.75	3,896.51
- considered doubtful	2,528.03	2,472.62
Less: Provision for doubtful trade receivables	(2,528.03)	(2,472.62)
	<u>2,531.75</u>	<u>3,896.51</u>
(b) Other trade receivables	17,231.43	12,397.45
	<u>19,763.18</u>	<u>16,293.96</u>
13 Cash and bank balances		
A. Cash and cash equivalents		
(a) Cash on hand	0.76	1.39
(b) Cheques on hand	231.31	12.44
(c) Balances with banks		
i. in current accounts	207.78	365.74
ii. in deposit accounts [See note (a) below]	53.31	209.09
	<u>493.16</u>	<u>588.66</u>
B. Other bank balances		
(a) In earmarked accounts- Unpaid matured deposits	70.30	-
(b) In other deposit accounts [See note (b) below]	746.74	1,238.99
	<u>1,310.20</u>	<u>1,827.65</u>

Notes:

- (a) Includes deposits of Rs. Nil (Previous Year Rs. 68.94 Lakhs) with maturity of more than 12 months.
- (b) Deposits of Rs. 746.74 Lakhs (Previous Year Rs.1,238.99 Lakhs) are given as lien to sales tax authorities, against bank guarantees to Custom Authorities to meet export obligations and margin money against letter of credit to vendors and are expected to be realised within 12 months.

Notes forming part of the Financial Statements

	As at 31.03.2016	As at 31.03.2015
	Rs. in Lakhs	Rs. in Lakhs
14 Short - term loans and advances (Unsecured)		
(a) Loans and advances to related parties (See note 29)		
Considered good		
- holding company	21,560.94	14,070.93
- to subsidiaries	8,816.03	2,891.15
- to joint ventures	-	169.53
- to fellow subsidiaries	26.46	250.23
Doubtful		
- to fellow subsidiaries	868.46	868.46
	<u>31,271.89</u>	<u>18,250.30</u>
Less: Provision for doubtful loans and advances	(868.46)	(868.46)
	<u>30,403.43</u>	<u>17,381.84</u>
(b) Loans and advances to employees - Considered good	110.67	178.08
(c) Security deposits - Considered good	438.52	121.25
(d) Prepaid expenses- Considered good	584.23	510.84
(e) Balance with government authorities- Considered good - Service tax credit receivable	5,587.85	5,337.02
(f) Others		
Considered good		
- Advances to vendors	1,623.61	1,272.44
- Others	1,515.90	1,537.65
Doubtful	4,024.26	4,024.26
	<u>7,163.77</u>	<u>6,834.35</u>
Less: Provision for other doubtful loans and advances	(4,024.26)	(4,024.26)
	<u>3,139.51</u>	<u>2,810.09</u>
	<u>40,264.21</u>	<u>26,339.12</u>
15 Other current assets		
Interest accrued on deposits and advances	108.48	74.83
	<u>108.48</u>	<u>74.83</u>

Notes forming part of the Financial Statements

	Year ended 31.03.2016	Year ended 31.03.2015
	Rs. in Lakhs	Rs. in Lakhs
16 Revenue from operations		
(a) Sale of services		
i) Advertisement and subscription revenue	60,372.50	58,511.68
ii) Sale of content	346.87	198.32
iii) Other media income and equipment rentals	1,899.01	1,850.67
	<u>62,618.38</u>	<u>60,560.67</u>
17 Other income		
(a) Interest income on		
- Loans and advances to related parties (see Note 29)	2,325.40	401.06
- Deposit accounts with banks	80.14	203.88
- Others	35.42	26.62
(b) Net gain on sale of		
- current investments	38.65	13.44
(c) Net gain on foreign currency transaction and translation	33.46	-
(d) Other non-operating income		
- Liabilities / provisions no longer required written back	265.94	857.07
- Miscellaneous income	16.97	7.40
	<u>2,795.98</u>	<u>1,509.47</u>
18 Employee benefits expense		
Salaries and wages	14,561.55	13,167.96
Contribution to provident and other fund	747.70	716.86
Gratuity expense [see note 27 (II)]	286.70	328.36
Expense on employee stock option (ESOP) scheme (see note 28)	(0.38)	(251.62)
Staff welfare expenses	1,283.45	1,133.09
	<u>16,879.02</u>	<u>15,094.65</u>
19 Finance costs		
(a) Interest expense on		
- Term loans	41.15	212.74
- Cash credit balances & commercial paper	1,757.99	777.89
- Public deposits	-	414.40
- Others	24.54	43.72
(b) Other borrowing costs	30.90	280.86
	<u>1,854.58</u>	<u>1,729.61</u>

Notes forming part of the Financial Statements

	Year ended 31.03.2016	Year ended 31.03.2015
	Rs. in Lakhs	Rs. in Lakhs
20 Other expenses		
Studio and equipment hire charges	594.62	600.25
Telecast and uplinking fees	1,657.95	1,641.21
Airtime purchased	1,807.16	632.48
Tapes / Books consumed	-	120.86
Royalty expenses	2,921.81	2,640.99
Content expenses	726.08	624.68
Media professional fees	2,139.39	1,774.79
Other production expenses	2,608.30	2,324.39
Rent including lease rentals (See note 33)	2,032.87	1,931.11
Electricity expenses	839.61	795.05
Insurance	90.49	104.03
Travelling and conveyance	3,713.97	3,352.41
Vehicle running and maintenance	652.66	717.86
Communication expenses	608.46	571.08
Repairs and maintenance		
- Buildings	145.59	185.93
- Plant & Machinery	680.86	583.30
- Others	408.55	233.81
Legal and professional expenses (See note 20.1 below)	786.58	559.94
Rates and taxes	52.36	39.89
Office upkeep and maintenance	679.42	664.91
Directors sitting fees	36.07	19.50
Loss on fixed assets sold / scrapped / written off (net)	16.27	67.22
Net loss on foreign currency transactions and translations	-	7.85
Bad debts and provision for doubtful trade and other receivable, loans and advances (net)	675.16	363.16
Charity and Donations (see note 20.2 below)	127.34	-
Miscellaneous expenses	361.02	318.72
	24,362.59	20,875.42

Note:

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

(a) To statutory auditors

For Statutory audit fees	46.50	42.50
For other services (including limited reviews, certifications)	41.25	41.25
Reimbursement of expenses	-	5.51
	87.75	89.26

(b) To cost auditors for cost audit

	2.50	2.50
	90.25	91.76

20.2 Expenditure related to Corporate Social responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof: Rs. 125 Lakhs (Previous year Rs. Nil).

Notes forming part of the Financial Statements

	Year ended 31.03.2016	Year ended 31.03.2015
	Rs. in Lakhs	Rs. in Lakhs
21 Exceptional items		
Obsolescence/impairment (accelerated depreciation)	-	5,200.19
Severance pay	-	531.57
Consultancy charges	-	712.00
Balances written off/provision for doubtful loans/advances/receivables.	-	5,690.99
	<u>-</u>	<u>12,134.75</u>

Note:

During the previous year, based on a review of the current and non-current assets, the Company has accounted for (a) obsolescence/impairment (accelerated depreciation) in the value of certain tangible and intangible assets to the extent of Rs. 5,200.19 Lakhs and (b) write-off and provisions of non-recoverable and doubtful loans/advances/receivables to the extent of Rs. 5,690.99 Lakhs and the same has been disclosed as Exceptional Items. Further, Exceptional Items also includes Rs. 1,243.57 Lakhs towards severance pay and consultancy charges.

Notes forming part of the Financial Statements

Significant Accounting policies:

A. 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 Companies Act, 2013. 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 except to the extent disclosed.

B. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that effect the reported amount of assets and liabilities, disclosure of contingent liabilities and the reported amount of income and expenses during the year. Difference between the actual results and estimates are recognized in the period in which the results are known / materialise.

C. Depreciation and amortisation

Depreciation has been provided on the useful life of its tangible assets as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Cost of leasehold improvements is being amortised over the remaining period of lease of the premises.

Intangible assets are amortised over their estimated useful life as follows:

Computer software is being depreciated over a period of 5 years. News archives are depreciated on straight line basis over the period of 21 years as the contents of the same are continuously used in day to day programming and hence the economic benefits from the same arise for a period longer than 20 years. License pertaining to satellite rights is amortised over their estimated useful life of 5 years.

Depreciation on additions is charged proportionately from the date of acquisition/ installation.

D. Revenue recognition

i. Revenue from operations includes:

R Advertisement revenue comprising:

- Revenue from sale of advertising time, which is recognised on accrual basis when advertisements are telecast in accordance with contractual obligations.
- Revenue from sponsorship contracts, which is recognised proportionately over the term of the sponsorship for services rendered.

R Subscription revenue which is recognised on accrual basis in accordance with the terms of the contract with the distribution and collection agency and customers, for services rendered.

R Revenue from sale of television content is recognised on transmission of audio-video content to the customer and their acceptance.

R Facility and equipment rental which is accounted for on the accrual basis for the period of use of equipment by the customers.

R Program revenue is recognised on dispatch of programs to customers in accordance with contractual commitments.

R Revenue from media related professional and consultancy services is recognised in accordance with contracts on rendering of services.

ii. Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it, is established.

Notes forming part of the Financial Statements

E. Fixed assets

Tangible assets

Tangible assets are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the assets to its intended use.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Capital work-in-progress: Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible assets

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/ depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the assets to its working condition.

F. Foreign currency transactions

- i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- ii. Monetary items denominated in foreign currencies at the year-end are restated at year end rates.
- iii. Non-monetary foreign currency items are carried at cost.
- iv. Any income or expense on account of exchange difference either on settlement or on translation is recognized 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.

G. Investments

Current investments are carried at lower of cost and quoted / fair value. Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

H. Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

- i. Defined contribution plans: The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.
- ii. Defined benefits plans: For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Gratuity for employees of a division of the Company is administered through a trust. The Company contributes to the trust, which has taken group policies with the Life Insurance Corporation of India to cover its liabilities towards employee's gratuity of those divisions.
- iii. 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.
- iv. 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.

Notes forming part of the Financial Statements

I. Borrowing Cost

Borrowing costs that are 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 substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

J. Leases

i. Operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

ii. Finance lease

- Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.
- Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

K. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset, if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

L. Impairment

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 recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

M. Provisions, contingent liabilities and contingent assets

Provision recognized in the accounts 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 a 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 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.

Notes forming part of the Financial Statements

22. Capital commitment, litigations and contingent liabilities

- i. Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances) Rs. 3,143.89 Lakhs (Previous year Rs. 127.79 Lakhs).
- ii. Claims against the Company not acknowledged as debts include demands raised by Income Tax authorities aggregating to Rs. 2,726.30 Lakhs (Previous year Rs. 2,726.30 Lakhs). Amount deposited by the Company against these claims is Rs. 824.06 Lakhs (Previous year Rs. 824.06 Lakhs) is included in Advance Income Tax in Note 11(d). No provision has been made in the accounts for these demands as the Company expects a favorable decision in appeal.
- iii. The Company has extended corporate guarantee in favour of ICICI Home Finance Company Limited in consideration of loan facility extended by ICICI Home Finance Company Limited to:
 - a) The employees of the Company, for Rs. 100.00 Lakhs (Previous Year Rs. 357.00 Lakhs); as at the year end, Rs. 1.28 Lakhs (Previous year Rs. 135.26 Lakhs) was outstanding in respect of such loan.
 - b) Former employees of the Company, for Rs. 257.00 Lakhs (Previous Year Nil).
- iv. Other money for which the Company is contingently liable:
 - a) The Company had purchased capital equipment under the 'Export Promotion Capital Goods Scheme' with an export commitment of Rs. 8,740.14 Lakhs over a period of 8 years commencing from 10 August, 2005. The Company had made applications of Rs. 8,740.14 Lakhs to the Director General of Foreign Trade for issuance of the export obligation discharge certificate (EODC) towards fulfillment of its export obligation in the earlier years. Against such application, the Company is yet to receive EODC for Rs. 5,417.51 Lakhs as at the year end. The Company would be liable to resultant customs duty liability of Rs. 677.19 lakhs for such pending EODCs. Further, banks have given a guarantee amounting to Rs. 839.72 Lakhs (Previous year Rs. 1,049.47 Lakhs) on behalf of the Company to the customs authorities for the same.
 - b) Mr. Victor Fernandes and others ("plaintiffs") had filed a derivative action suit before the Bombay High Court against Raghav Bahl, TV18 and other TV18 group entities alleging that all business opportunities undertaken by the Network18 Group should be routed through e-Eighteen.com Limited. The plaintiffs have valued their claim in the suit at Rs. 3,11,406.00 Lakhs (Previous year Rs. 3,11,406.00Lakhs). The suit is currently pending.
 Mr. Victor Fernandes has also filed an appeal before the Supreme Court against an order of Securities Appellate Tribunal regarding grant of listing approval by the National Stock Exchange for the rights issue.
 Based on the legal advice by the legal counsel, management is of the view that the above claims made by the plaintiffs are unlikely to succeed and has accordingly made no provisions in the financial statements.
 - c) The Company has received legal notices of claims / lawsuits filed against it relating to infringement of copyrights, objectionable contents and defamation suits in relation to the programmes produced by it, the aggregate claim being Rs. 20,528.04 Lakhs (Previous year Rs. 40,528.04 Lakhs). In the opinion of the management and based on legal advice received, no material liability is likely to arise on account of such claims/law suits and thus no provision has been made against these in the financial statements.
 - d) The Company has received demand orders from the Collector of Stamps, Delhi aggregating to Rs. 3,914.80 Lakhs relating to scheme of amalgamation of the Company and Network 18 Media and Investments Limited and on issuance of shares by the Company. The Company has filed writ petition against search orders and the Delhi High Court has granted stay on such demand orders. No provision in the accounts has been made as the Company based on legal advice, is expecting a favourable decision based on merits of the case, as advised by its lawyers.

Notes forming part of the Financial Statements

23. Earnings per equity shares

Basic earnings per equity share is computed by dividing net profit after tax by the weighted average number of equity shares outstanding at the year end. Diluted earnings per equity share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year. The details are:

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
Earnings per equity shares:		
a. Net profit after tax (Rs. Lakhs)	12,288.99	1,463.02
b. Weighted average outstanding equity shares considered for basic EPS (Nos.)	1,71,44,09,196	1,71,35,57,237
c. Basic Earnings per share: (in Rs.)	0.72	0.09
d. Weighted average outstanding equity shares considered for basic EPS (Nos.)	1,71,44,09,196	1,71,35,57,237
e. Add: Dilutive impact of employee stock options (Nos.)	1,351	1,674
f. Weighted average outstanding equity shares considered for diluted EPS (Nos.)	1,71,44,10,547	1,71,35,58,911
g. Diluted Earnings per share: (in Rs.)	0.72	0.09
h. Nominal value per share	2.00	2.00

24. Segment Reporting

As per Accounting Standard (AS) 17 on "Segment Reporting", segment information has been provided under the Notes to the Consolidated Financial Statements.

25. Additional Information required to be given pursuant to Schedule III of the Companies Act, 2013

Rs. In Lakhs

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
a. Expenditure in foreign currency		
i. Telecast and uplinking fees (gross, part recoveries from group companies)	1,605.02	1,641.21
ii. Airtime purchased	1,600.63	533.17
iii. Royalty expenses	2,921.81	2,640.99
iv. Content expenses	278.52	181.69
v. Media professional fees	57.73	43.40
vi. Other production expenses	48.52	90.49
vii. Studio and equipment hire charges	39.75	-
viii. Travelling and conveyance	14.52	58.05
ix. Distribution, advertising and business promotion	31.29	87.30
x. Repairs and maintenance	285.58	206.14
xi. Legal and professional expenses	86.70	58.50
	6,970.07	5,540.94
b. CIF value of imports		
i. Capital goods	1,066.25	220.75
ii. Components and spare parts	28.30	16.47
	1,094.55	237.22
c. Tapes consumed		
i. Domestic	-	26.09
d. Earnings in foreign currency		
i. Advertisement and subscription revenue	1,710.56	1,198.48

Notes forming part of the Financial Statements

26. Deferred tax

The Company has considered the provisions of the Accounting Standard (AS) 22 on "Accounting for Taxes on Income", and in the absence of virtual certainty, deferred tax assets of Rs. 6,412.29 Lakhs (Previous year Rs. 10,690.96 Lakhs) have not been recognised. The same will be reassessed at subsequent balance sheet date.

The major components of deferred tax assets are as follows:

Particulars	Rs. In Lakhs	
	As at 31.03.2016	As at 31.03.2015
Deferred tax assets		
Depreciation	1,466.57	1,647.42
Provision for doubtful debts	874.90	857.03
Provision for doubtful advances	1,729.43	1,793.55
Provision for retirement benefits	366.17	331.41
Provision for compensated absences	158.56	144.44
Other income tax disallowance	594.38	623.74
Brought forward tax losses / depreciation (Net)	1,222.28	5,293.37
Deferred tax assets Total (Net)	6,412.29	10,690.96

27. Employee benefits

I. Defined contribution plans

The Company makes Provident Fund and Employee State Insurance scheme contributions to the relevant authorities, which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

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

Particulars	Rs. In Lakhs	
	Year ended 31.03.2016	Year ended 31.03.2015
Employer's Contribution to Provident Fund	475.78	448.80
Employer's Contribution to Pension Fund	209.62	197.73
Employer's Contribution to Employees State Insurance	2.04	2.38

II. Defined benefit plans

(a) Gratuity

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The Company makes contributions to the trust which in turn makes contributions to the employees group gratuity cum life assurance scheme of the Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences is recognised in the same manner as gratuity.

Notes forming part of the Financial Statements

i) Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	Gratuity		Compensated Absences	
	(Rs. In Lakhs)		(Rs. In Lakhs)	
	Year ended 31.03.2016	Year ended 31.03.2015	Year ended 31.03.2016	Year ended 31.03.2015
Defined Benefit obligation at the beginning of the year	1,096.71	1,055.55	417.38	437.10
Current Service Cost	157.29	141.71	102.05	86.43
Interest Cost	87.74	89.72	33.39	37.16
Actuarial (gain)/ loss	54.19	263.43	(15.45)	2.39
Benefits paid	(186.25)	(453.70)	(79.21)	(145.70)
Defined Benefit obligation at year end	1,209.68	1,096.71	458.16	417.38

ii) Reconciliation of opening and closing balances of fair value of Plan Assets

Particulars	Gratuity	
	(Rs. In Lakhs)	
	Year ended 31.03.2016	Year ended 31.03.2015
Expected return on plan assets	12.52	10.31
Fair value of Plan assets at beginning of the year	139.11	128.80
Fair value of Plan assets at year end	151.63	139.11
Actual Return on plan assets	-	-

iii) Reconciliation of fair value of assets and obligations

Particulars	Gratuity		Compensated Absences	
	(Rs. In Lakhs)		(Rs. In Lakhs)	
	As at 31st March		As at 31st March	
	2016	2015	2016	2015
Present value of obligation	1,209.68	1,096.71	458.16	417.38
Fair value of Plan assets	(151.63)	(139.11)	-	-
Amount recognised in Balance Sheet	1,058.05	957.60	458.16	417.38

Notes forming part of the Financial Statements

iv) Expenses recognised during the year

Particulars	Gratuity		Compensated Absences	
	(Rs. In Lakhs)		(Rs. In Lakhs)	
	Year ended 31.03.2016	Year ended 31.03.2015	Year ended 31.03.2016	Year ended 31.03.2015
Current Service Cost	157.29	141.71	102.05	86.43
Interest Cost	87.74	89.72	33.39	37.16
Expected return on Plan assets	(12.52)	(10.31)	-	-
Actuarial (gain) / loss	54.19	263.43	(15.45)	2.39
Net Cost *	286.70	484.55	119.99	125.98

* Include Rs. Nil (Previous year Rs. 156.19 lakhs) severance pay under exceptional items.

v) Investment Details

Particulars	As at 31st March, 2016	As at 31st March, 2015
	% invested	% invested
Funds managed by Insurer	100	100

vi) Actuarial assumptions

Particulars	Gratuity	
	(Rs. In Lakhs)	
	Year ended 31.03.2016	Year ended 31.03.2015
Mortality Table	IALM (2006-08)	IALM (2006-08)
Discount rate (per annum)	8%	8%
Expected rate of return on plan assets (per annum)	9%	8%
Rate of escalation in salary (per annum)	5.50%	5.50%

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

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

Notes forming part of the Financial Statements

vii) Amounts recognised in current year and previous four years.

Particular	As at 31st March (Rs. in lakhs)				
	2016	2015	2014	2013	2012
Gratuity					
Defined benefit obligation	1,209.68	1,096.71	1,055.55	1,137.47	967.51
Fair value of plan assets	151.63	139.11	128.80	128.15	120.81
(Deficit) in the plan	(1,058.05)	(957.60)	(926.75)	(1,009.32)	(846.70)
Actuarial (gain) / loss on plan obligation	54.19	263.43	77.45	(44.76)	(33.37)
Actuarial gain / (loss) on plan assets	-	-	(9.60)	2.67	(0.64)

viii) The expected contributions for Defined Benefit Plan for the next financial year will be in line with financial year 2015-16.

28. Employees Stock Option Plan 2007 (“ESOP 2007”)

- The Company had established an Employee Stock Option Plan (ESOP 2007) in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 which have been approved by the Board of Directors and the shareholders. A Remuneration/ Compensation Committee comprising independent, non-executive members of the Board of Directors administer the ESOP 2007. All options under the ESOPs are exercisable for equity shares. The Company is authorised to grant upto 5,14,84,727 options to eligible employees and directors of the Company and its subsidiaries and holding company of the Company.
- Options which have been granted under ESOP 2007 shall vest with the grantee over the vesting period of two years / five years equally from the date of grant. The exercise period of the options is a period of two years after the vesting of the options. Each option is exercisable for one equity share of Rs. 2 each fully paid up on payment of exercise price (as determined by the Remuneration/Compensation Committee) of share determined with respect to the date of grant. The Company has granted 1,47,31,849 options up to 31 March, 2016.

The movement in the scheme is set out as under:

Particulars	ESOP 2007			
	Year ended 31.03.16		Year ended 31.03.15	
	Options	Weighted Average Price	Options	Weighted Average Price
	(Numbers)	(Rupees)	(Numbers)	(Rupees)
a. Outstanding at the beginning of year	6,800	22.95	89,92,822	22.49
b. Granted during the year	-	-	-	-
c. Exercised during the year	-	-	27,00,407	22.67
d. Forfeited during the year	-	-	62,85,615	20.30
e. Expired during the year	3,400	22.95	-	-
f. Outstanding at the end of the year	3,400	22.95	6,800	22.95
g. Exercisable at the end of the year	3,400	22.95	6,800	22.95
h. Number of equity shares of Rs. 2 each fully paid up to be issued on exercise of option	3,400	22.95	6,800	22.95
i. Weighted average share price at the date of exercise		-		30.45
j. Weighted average remaining contractual life (years)	0.33	-	0.83	-

Notes forming part of the Financial Statements

(c) Pro forma Accounting for Stock Option Grants

The Company applies the intrinsic value-based method of accounting for determining compensation cost for its stock-based compensation plan. Had the compensation cost been determined using the fair value approach, the Company's net income and basic and diluted earnings per share as reported would have reduced to the proforma amounts as indicated:

	Particulars	(Rs. in Lakhs) 2015-16	(Rs. in Lakhs) 2014-15
1	Net profit as reported	12,288.99	1,463.02
2	Add: Written back on employee stock option (ESOP) scheme debited to the Statement of Profit and Loss	(0.38)	(251.62)
3	Less: Stock based employee compensation expense based on fair value	-	34.84
4	Difference between (2) and (3)	(0.38)	(286.46)
5	Adjusted proforma Profit	12,288.61	1,176.56
6	Difference between (1) and (5)	0.38	286.46
7	Basic earnings per share as reported (in Rupees)	0.72	0.09
8	Proforma basic earnings per share (in Rupees)	0.72	0.07
9	Diluted earnings per share as reported (in Rupees)	0.72	0.09
10	Proforma diluted earnings per share (in Rupees)	0.72	0.07

29 Related party disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

(a) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Independent Media Trust	Enterprises Exercising control
2	Adventure Marketing Private Limited #	
3	Watermark Infratech Private Limited #	
4	Colorful Media Private Limited #	
5	RB Media Holdings Private Limited #	
6	RB Mediasoft Private Limited #	
7	RRB Mediasoft Private Limited #	
8	RB Holdings Private Limited #	
9	Network18 Media & Investments Limited	
10	Reliance Industries Limited (RIL)	Beneficiary/ Protector of Independent Media Trust \$
11	Reliance Industrial Investments and Holdings Limited	
12	RVT Media Private Limited	Subsidiary
13	Equator Trading Enterprises Private Limited	
14	ibn18 (Mauritius) Limited	
15	AETN18 Media Private Limited	
16	Panorama Television Private Limited	
17	Prism TV Private Limited (by virtue of control of composition of Borad of Directors upto 31.07.2015)	

Notes forming part of the Financial Statements

Sr. No.	Name of the Related Party	Relationship
18	Reliance Retail Limited *	
19	Web18 Software Services Limited	
20	e-Eighteen.com Limited	
21	Greycells18 Media Limited	
22	TV18 Home Shopping Network Limited	
23	Digital18 Media Limited	
24	Colosceum Media Private Limited	
25	RRB Investments Private Limited	
26	RVT Finhold Private Limited	
27	RRK Finhold Private Limited	
28	Infomedia Press Limited	
29	Reed Infomedia Private Limited	
30	Television Eighteen Media and Investments Limited	
31	BK Holdings Limited, Mauritius (Amalgamated with Network18 Holdings Limited, w.e.f. June 3, 2014)	Fellow Subsidiary
32	Capital 18 Limited, Mauritius (Amalgamated with Network18 Holdings Limited, w.e.f. June 3, 2014)	
33	Television Eighteen Mauritius Limited	
34	Network18 Holdings Limited	
35	Setpro18 Distribution Limited	
36	Moneycontrol Dot Com India Limited	
37	E-18 Limited, Cyprus	
38	Web18 Holdings Limited, Cayman Islands	
39	NW18 HSN Holdings PLC	
40	Bigtree Entertainment Private Limited	
41	Fantain Sports Private Limited (w.e.f 17.02.2016)	
42	Space Bound Weblabs Private Limited (w.e.f 23.04.2015)	
43	Big Tree Entertainment Singapore PTE Limited (w.e.f 04.11.2015)	
44	Stargaze Entertainment Private Limited (upto 23.04.2015)	
45	Capital18 Fincap Private Limited	
46	IBN Lokmat News Private Limited	
47	Viacom 18 Media Private Limited	
48	IndiaCast Media Distribution Private Limited	
49	IndiaCast Distribution Private Limited	Joint Ventures
50	IndiaCast UK Limited	
51	IndiaCast US Limited	
52	Prism TV Private Limited (w.e.f. 01.08.2015)	

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

Notes forming part of the Financial Statements

b. Details of balances and transactions during the year with related parties

Transactions	Amount in Rupees (In Lacs)			
	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Venture
(i) Transactions during the year				
(a) Income from operations and other Income				
Network18 Media & Investments Limited	22.29 (6.64)	- -	- -	- -
AETN18 Media Private Limited	- -	92.05 (246.53)	- -	- -
Digital18 Media Limited	- -	- -	70.26 (90.90)	- -
e-Eighteen.com Limited	- -	- -	- (9.30)	- -
Greycells18 Media Limited	- -	- -	72.00 (72.00)	- -
IBN Lokmat News Private Limited	- -	- -	- -	72.00 (72.00)
TV18 Home Shopping Network Limited	- -	- -	90.00 (136.51)	- -
Viacom 18 Media Private Limited	- -	- -	- -	1,638.77 (1,606.01)
IndiaCast Distribution Private Limited	- -	- -	- -	- (1,310.21)
IndiaCast Media Distribution Private Limited	- -	- -	- -	375.54 (314.21)
IndiaCast UK Limited	- -	- -	- -	392.02 (318.53)
IndiaCast US Limited	- -	- -	- -	38.29 (9.87)
Panorama Television Private Limited	- -	129.65 (110.61)	- -	- -
Total	22.29 (6.64)	221.70 (357.14)	232.26 (308.71)	2,516.62 (3,630.83)

Notes forming part of the Financial Statements

Transactions	Amount in Rupees (In Lacs)			
	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Venture
(b) Interest Received				
Network18 Media & Investments Limited	1,647.20 (87.02)	- -	- -	- -
ibn18 (Mauritius) Limited	- -	1.77 (2.63)	- -	- -
Panorama Television Private Limited	- -	676.43 (152.88)	- -	- -
Prism TV Private Limited	- -	- (158.53)	- -	- -
Total	1,647.20 (87.02)	678.20 (314.04)	- -	- -

Transactions	Amount in Rupees (In Lacs)			
	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Venture
(c) Expenditure for Services received				
Network18 Media & Investments Limited	36.69 (3.88)	- -	- -	- -
Digital18 Media Limited	- -	- -	67.07 (114.30)	- -
e-Eighteen.com Limited	- -	- -	41.28 (68.03)	- -
Viacom 18 Media Private Limited	- -	- -	- -	9.58 (140.81)
AETN18 Media Private Limited	- -	114.13 (103.03)	- -	- -
Panorama Television Private Limited	- -	- (44.92)	- -	- -
Prism TV Private Limited	- -	- (6.86)	- -	- -
IBN Lokmat News Private Limited	- -	- -	- -	30.89 -
IndiaCast Distribution Private Limited	- -	- -	- -	98.21 (101.14)
IndiaCast Media Distribution Private Limited	- -	- -	- -	7.95 (0.49)
Total	36.69 (3.88)	114.13 (154.81)	108.35 (182.33)	146.63 (242.44)

Notes forming part of the Financial Statements

Transactions	Amount in Rupees (In Lacs)			
	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Venture
(d) Reimbursement of expenses received				
Network18 Media & Investments Limited	384.67 (221.16)	- -	- -	- -
AETN18 Media Private Limited	- -	937.16 (953.53)	- -	- -
Bigtree Entertainment Private Limited	- -	- -	25.60 (5.24)	- -
Digital18 Media Limited	- -	- -	200.60 (157.37)	- -
e-Eighteen.com Limited	- -	- -	650.97 (663.15)	- -
Greycells18 Media Limited	- -	- -	34.81 (31.84)	- -
IBN Lokmat News Private Limited	- -	- -	- -	647.52 (608.16)
TV18 Home Shopping Network Limited	- -	- -	377.11 (500.97)	- -
Viacom 18 Media Private Limited	- -	- -	- -	3,726.91 (3,087.55)
IndiaCast Distribution Private Limited	- -	- -	- -	48.17 (5.26)
IndiaCast Media Distribution Private Limited	- -	- -	- -	2.70 (24.88)
Panorama Television Private Limited	- -	396.08 (195.03)	- -	- -
Prism TV Private Limited	- -	287.58 (666.30)	- -	525.84 -
Total	384.67 (221.16)	1,620.82 (1,814.86)	1,289.09 (1,358.57)	4,951.14 (3,725.85)

Notes forming part of the Financial Statements

Transactions	Amount in Rupees (In Lacs)			
	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Venture
(e) Reimbursement of expenses paid				
Reliance Retail Limited	-	-	-	-
	-	-	(15.66)	-
Network18 Media & Investments Limited	942.08	-	-	-
	(1,391.95)	-	-	-
Digital18 Media Limited	-	-	12.87	-
	-	-	-	-
IBN Lokmat News Private Limited	-	-	-	16.43
	-	-	-	(92.97)
Viacom 18 Media Private Limited *	-	-	-	43,961.09
	-	-	-	(31,931.38)
AETN18 Media Private Limited *	-	3,023.08	-	-
	-	(2,205.60)	-	-
Bigtree Entertainment Private Limited	-	-	-	-
	-	-	(0.45)	-
IndiaCast Distribution Private Limited	-	-	-	12,193.22
	-	-	-	(9,756.01)
Colosseum Media Private Limited	-	-	1.12	-
	-	-	(0.09)	-
Panorama Television Private Limited *	-	2,402.11	-	-
	-	(1,744.26)	-	-
Prism TV Private Limited *	-	3,335.79	-	7,908.97
	-	(8,167.69)	-	-
TV18 Home Shopping Network Limited	-	-	7.25	-
	-	-	(0.99)	-
Total	942.08	8,760.98	21.24	64,079.71
	(1,391.95)	(12,117.55)	(17.19)	(41,780.36)

* Includes License fees assigned

Notes forming part of the Financial Statements

Transactions	Amount in Rupees (In Lacs)			
	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Venture
(f) Assets Purchased				
Reliance Retail Limited	-	-	1.03	-
	-	-	(3.75)	-
TV18 Home Shopping Network Limited	-	-	11.52	-
	-	-	-	-
Total	-	-	12.55	-
	-	-	(3.75)	-
(g) Assets Sale				
Reliance Retail Limited	-	-	1.77	-
	-	-	-	-
Total	-	-	1.77	-
	-	-	-	-
(h) Loan Given (For business purpose)				
Panorama Television Private Limited	-	5,560.00	-	-
	-	(2,500.00)	-	-
Network18 Media & Investments Limited	11,000.00	-	-	-
	(14,000.00)	-	-	-
Total	11,000.00	5,560.00	-	-
	(14,000.00)	(2,500.00)	-	-
(i) Loan received back during the year				
Network18 Media & Investments Limited	5,000.00	-	-	-
	-	-	-	-
Prism TV Private Limited	-	-	-	-
	-	(3,000.00)	-	-
Total	5,000	-	-	-
	-	(3,000)	-	-
(j) Investments in the Equity Shares during the year				
IBN18 Mauritius Limited (on conversion of debentures)	-	21,617.10	-	-
	-	-	-	-
Total	-	21,617.10	-	-
	-	-	-	-

Notes forming part of the Financial Statements

Transactions	Amount in Rupees (In Lacs)			
	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Venture
(k) Investments in the Debentures during the year				
RVT Media Private Limited	-	-	-	-
	-	(405.76)	-	-
Equator Trading Enterprises Private Limited	-	6,500.00	-	-
	-	-	-	-
IndiaCast Media Distribution Private Limited	-	-	-	-
	-	-	-	(1,000.00)
Total	-	6,500.00	-	-
	-	(405.76)	-	(1,000.00)
(l) Investments in Preference Shares during the year				
IBN Lokmat News Private Limited	-	-	-	-
	-	-	-	(0.00)
Viacom 18 Media Private Limited	-	-	-	-
	-	-	-	(11.90)
Total	-	-	-	-
	-	-	-	(11.90)
(ii) Balances at the year end				
(a) Loans and Advances receivable (Outstanding against cost allocation expenses reimbursement)				
Network 18 Media & Investments Limited	0.14	-	-	-
	-	-	-	-
AETN 18 Media Private Limited	-	-	-	-
	-	(199.98)	-	-
Bigtree Entertainment Private Limited	-	-	-	-
	-	-	(4.39)	-
Digital 18 Media Limited	-	-	26.46	-
	-	-	(14.52)	-
e-Eighteen.com Limited	-	-	-	-
	-	-	(81.14)	-
Greycells 18 Media Limited	-	-	-	-
	-	-	(35.77)	-
IBN Lokmat News Private Limited	-	-	-	-
	-	-	-	(162.82)

Notes forming part of the Financial Statements

Transactions	Amount in Rupees (In Lacs)			
	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Venture
ibn18 (Mauritius) Limited	-	9.65	-	-
	-	(8.74)	-	-
TV18 Home Shopping Network Limited	-	-	-	-
	-	-	(114.41)	-
Viacom 18 Media Private Limited	-	-	-	-
	-	-	-	(6.71)
Setpro18 Distribution Limited	-	-	868.46	-
	-	-	(868.46)	-
Panorama Television Private Limited	-	-	-	-
	-	(44.84)	-	-
Total	0.14	9.65	894.92	-
	-	(253.56)	(1,118.69)	(169.53)

(b) Loans and advances receivable (Loan given outstanding including interest accrued)

Network18 Media & Investments Limited	21,560.80	-	-	-
(Maximum balance outstanding during the year Rs. 21,560.80 Lakhs)	(14,070.93)	-	-	-
Panorama Television Private Limited	-	8,806.38	-	-
(Maximum balance outstanding during the year Rs. 8,806.38 Lakhs)	-	(2,637.59)	-	-
Total	21,560.80	8,806.38	-	-
	(14,070.93)	(2,637.59)	-	-

Notes forming part of the Financial Statements

Transactions	Amount in Rupees (In Lacs)			
	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Venture
(c) Trade receivables				
Network18 Media & Investments Limited	37.13	-	-	-
	-	-	-	-
AETN18 Media Private Limited	-	80.02	-	-
	-	(188.79)	-	-
Bigtree Entertainment Private Limited	-	-	13.26	-
	-	-	-	-
Digital18 Media Limited	-	-	246.84	-
	-	-	(17.04)	-
e-Eighteen.com Limited	-	-	56.66	-
	-	-	-	-
Greycells18 Media Limited	-	-	56.97	-
	-	-	(75.15)	-
TV18 Home Shopping Network Limited	-	-	134.24	-
	-	-	(24.83)	-
Viacom 18 Media Private Limited	-	-	-	479.11
	-	-	-	-
IndiaCast Distribution Private Limited	-	-	-	27,619.55
	-	-	-	(120.80)
IndiaCast Media Distribution Private Limited	-	-	-	69.93
	-	-	-	(140.49)
IndiaCast UK Limited	-	-	-	90.66
	-	-	-	(172.81)
IndiaCast US Limited	-	-	-	12.60
	-	-	-	(4.38)
IBN Lokmat News Private Limited	-	-	-	54.68
	-	-	-	(20.22)
Panorama Television Private Limited	-	316.83	-	-
	-	(171.31)	-	-
Prism TV Private Limited	-	-	-	35.08
	-	(6.61)	-	-
Total	37.13	396.85	507.97	28,361.61
	-	(353.49)	(117.02)	(458.70)

Notes forming part of the Financial Statements

Transactions	Amount in Rupees (In Lacs)			
	Enterprises Exercising control	Subsidiary	Fellow Subsidiary	Joint Venture
(d) Trade payables				
Network18 Media & Investments Limited	5.00	-	-	-
	-	-	-	-
AETN18 Media Private Limited	-	2,312.12	-	-
	-	(29.38)	-	-
Digital18 Media Limited	-	-	-	-
	-	-	(19.01)	-
e-Eighteen.com Limited	-	-	0.56	-
	-	-	-	-
E-18 Limited, Cyprus	-	-	0.61	-
	-	-	(0.61)	-
IBN Lokmat News Private Limited	-	-	-	3.92
	-	-	-	(3.08)
IndiaCast Distribution Private Limited	-	-	-	5,592.71
	-	-	-	-
Panorama Television Private Limited	-	1,753.30	-	-
	-	(107.57)	-	-
Prism TV Private Limited	-	-	-	9,992.20
	-	(117.07)	-	-
Viacom 18 Media Private Limited	-	-	-	38,023.69
	-	-	-	(384.93)
Total	5.00	4,065.42	1.17	53,612.52
	-	(254.02)	(19.62)	(388.01)
(e) Other Payable				
IndiaCast Distribution Private Limited	-	-	-	123.44
	-	-	-	(952.39)
Total	-	-	-	123.44
	-	-	-	(952.39)
(f) Provision for Non- Recoverable advances				
Setpro18 Distribution Limited	-	-	868.46	-
	-	-	(868.46)	-
Total	-	-	868.46	-
	-	-	(868.46)	-

Figure in bracket are for the previous year.

Notes forming part of the Financial Statements

30. Barter Transactions

During the year ended 31 March, 2016, the Company has entered into barter transactions, which were recorded at the contract price of consideration receivable or payable. The Statement of Profit and Loss for the year ended 31 March, 2016, reflects revenue from barter transactions of Rs. 400.62 Lakhs (Previous year Rs. 1,710.36 Lakhs) and expenditure of Rs. 269.87 Lakhs (Previous year Rs. 1,094.14 Lakhs) being the contract price of barter transactions provided and received.

31. 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 existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions and specified domestic transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by 30 November, 2016 as required under law. The management is of the opinion that its international transactions and specified domestic 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.

32. Foreign exchange exposure

The Company does not use foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitments and forecasted transactions.

The Company's foreign currency exposure not hedged by a derivative instrument or otherwise as at year end is as follows:

Particulars	Currency	Foreign Currency	
		Value	(Rs. In Lakhs)
Trade payables	GBP	26,170 (78,987)	24.98 (73.03)
	EURO	36,021 (100)	27.16 (0.07)
	USD	78,71,109 (42,52,747)	5,215.00 (2,661.82)
	SGD	7,576 (-)	3.73 (-)
	HKD	36,288 (-)	3.10 (-)
Trade receivables	GBP	30,588 (117,230)	29.20 (108.39)
	USD	29,70,758 (11,26,530)	1,968.28 (705.10)
	EURO	584 (-)	0.44 (-)
	CHF	5,700 (-)	3.93 (-)

Figures in brackets are for previous year.

Notes forming part of the Financial Statements

33. Details of leasing arrangements

Operating leases (As lessee)

The Company has taken various residential/ commercial premises under cancelable/non-cancelable operating leases. The cancelable lease agreements are normally renewed on expiry. Operating lease charges amounting to Rs. 2,032.87 Lakhs (Previous year Rs. 1,931.11Lakhs) have been debited to the Statement of Profit and Loss during the year. The details of future minimum lease payments under non-cancellable leases are as under:

Particulars	As at 31.03.2016 (Rs. In Lakhs)	As at 31.3.2015 (Rs. In Lakhs)
Not later than one year	1,417.41	1,620.28
Later than one year but not later than five years	849.67	1,354.16

34. Interest in Joint Ventures

The Company has interests in the following jointly controlled entities:

(Rs. In Lakhs)

Name of companies	IBN Lokmat News Private Limited (audited)	Viacom18 Media Private Limited (audited)	IndiaCast Media Distribution Private Limited (audited)	Prism TV Private Limited *
	(India)	(India)	(India)	(India)
	As at 31.03.2016			
% of shareholding	50% (50%)	50% (50%)	50% (50%)	50% (50%)
Assets	1,138.48 (1289.36)	1,34,756.83 (1,14,325.69)	26,764.81 (29,920.53)	19,919.71 NA
Liabilities	314.99 (528.26)	76,879.73 (66,142.76)	25,570.66 (28,850.08)	15,499.47 NA
Income	1,442.69 (1,849.32)	1,24,756.48 (1,00,932.50)	19,691.19 (23,600.37)	15,427.01 NA
Expenditure	1,384.30 (1,426.68)	1,12,158.30 (90,560.18)	19,406.39 (23,388.20)	16,930.76 NA
Contingent liabilities	- (-)	9,641.15 (7,295.55)	- (-)	11,074.41 NA
Capital commitments	1.90 (-)	392.48 (936.45)	- (4.07)	1.88 NA
Other commitments	- (-)	3,242.15 (657.30)	- (-)	112.00 NA

* Joint Venture with effect from 1st Aug 2015. Figures of income and expenditure are from 1st April 2015 to 31st July 2015, determined based on management accounts provided by the Joint Venture company.

Figures in brackets relate to the previous year

Notes forming part of the Financial Statements

35. Corporate Social Responsibility (CSR)

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is Rs. 75 Lakhs (Previous Year Rs. 50 Lakhs).
- (b) Expenditure related to Corporate Social Responsibility is Rs. 125 Lakhs (Previous Year Rs. NIL).

Details of amount spent in cash/cheque/transfer towards CSR given below:

(Rs. In Lakhs)

Particulars	2015-16	2014-15
Health Care	14.00	Nil
Education	111.00	Nil
Total	125.00	Nil

36. Details of loan given, investment made and guarantee given covered u/s 186(4) of the Companies Act, 2013:
- a) Loans given by the company to body corporate as at 31st March, 2016 (Refer note no. 14);
- b) Investments made by the company as at 31st March, 2016 (Refer note no. 10);
- c) No guarantee given by the company as at 31st March, 2016.
37. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

Adil Zainulbhai
Chairman

Rohit Bansal
Director

Ramesh Damani
Chief Financial Officer

Deepak Gupta
Company Secretary

Mumbai
20 April, 2016