

B S R & Associates LLP

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of NDTV Networks Limited

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **NDTV Networks Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS 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.

We conducted our audit of the Ind AS 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 Ind AS financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 31 March 2018, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;



- e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 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 with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations as on 31 March 2018 which would impact its financial position;
 - ii. The Company does not have any long-term contracts including derivative contracts outstanding as at 31 March 2018;
 - iii. The Company does not have any due on account of the Investor Education and Protection Fund; and
 - iv. The disclosures in the Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited financial statements for the period ended 31 March 2017 have been disclosed – Refer to Note no. 23 to the Ind AS financial statements.

For B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/ W-100024



Rakesh Dewan
Partner

Membership number: 092212

Place: Gurugram
Date: 11 May 2018

Annexure A referred to in our Independent Auditor's Report of even date to the members of NDTV Networks Limited on the financial statements for the year ended 31 March 2018.

- (i) According to the information and explanation given us, the Company does not hold any fixed assets. Accordingly, paragraphs 3(i)(a), 3(i)(b) and 3(i)(c) of the Order is not applicable to the Company.
- (ii) According to the information and explanations given to us, the Company does not hold any physical inventory. Accordingly, paragraph 3(ii) of the Order is not applicable.
- (iii) During the year, the Company has granted unsecured loan to companies covered in the register maintained under Section 189 of the Act and in our opinion and according to information and explanation given to us:
 - a) The rate of interest and other terms and conditions on which the loan has been granted, were not, prim a facie, prejudicial to the interest of the Company.
 - b) As per the stipulated terms of repayment of principal and payment of interest, no amount was due during the year ended 31 March 2018;
 - c) As mentioned in (iii)(b) above, there is no overdue amount in respect of the loan granted to the companies listed in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013, to the extent applicable with respect to guarantees given. Further, guarantees and investments made by the Company are in compliance with section 185 and 186 of the Companies Act, 2013
- (v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income-tax, cess and other statutory dues have generally been regularly deposited by the Company with the appropriate authorities though there has been a slight delay in a few cases pertaining to tax deducted at source. As explained to us, the Company did not have any dues on account of duty of excise, provident fund, duty of customs, service tax, goods and services tax, value added tax, and employees' state insurance.



According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, cess and other material statutory dues were in arrears as at 31 March 2018, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, except as stated below, there are no dues of income tax and service tax which have not been deposited with the appropriate authorities on account of any dispute:

(Amount in Rs. million)

| Name of the statute | Nature of the dues | Amount | Year to which amount relates | Forum where dispute is pending |
|----------------------|--------------------|--------|------------------------------|--------------------------------------|
| Income-tax Act, 1961 | Income tax | 1.15 | Assessment year 2011-12 | Commissioner of Income Tax (Appeals) |

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company did not have any outstanding dues to any financial institutions, government or debenture holders during the year.
- (ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Further, as explained to us, the term loans raised during the year has not yet been utilized by the Company.
- (x) According to the information and explanations given to us, there has been no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not paid any managerial remuneration provision of Section 197 of the Companies Act 2013 are not applicable to the Company, Accordingly, paragraph 3 (xi) of the order is not applicable.
- (xii) According to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



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- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him covered by Section 192 of the Act. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/ W-100024



Rakesh Dewan

Partner

Membership number: 092212

Place: Gurugram
Date: 11 May 2018

Annexure B to the Independent Auditor's Report of even date on the financial statements of NDTV Networks Limited for the year ended 31 March 2018

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

We have audited the internal financial controls with reference to financial statements of **NDTV Networks Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements 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 ('ICAI'). 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statement 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.



Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 unauthorized 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements 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 ICAI.

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/ W-100024



Rakesh Dewan

Partner

Membership number: 092212

Place: Gurugram
Date: 11 May 2018

NDTV Networks Limited
Balance Sheet as at 31 March 2018


(All amounts in INR millions, unless otherwise stated)

| Note | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|--|------------------------|------------------------|-----------------------|
| Assets | | | |
| Non-current assets | | | |
| Financial assets | | | |
| Investments | 642.81 | 673.11 | 1,335.52 |
| Income tax assets (net) | 2.47 | 2.42 | 2.24 |
| Other non-current assets | 9.29 | 0.07 | - |
| Total non-current assets | 654.57 | 675.60 | 1,337.76 |
| Current assets | | | |
| Financial assets | | | |
| Cash and cash equivalents | 272.49 | 3.97 | 1.53 |
| Bank balances other than cash and cash equivalents mentioned above | 1.50 | 1.03 | 25.83 |
| Other financial assets | 0.92 | 33.86 | 37.03 |
| Income tax assets (net) | 0.28 | 0.27 | 0.19 |
| Total current assets | 275.19 | 39.13 | 64.58 |
| Total assets | 929.76 | 714.73 | 1,402.34 |
| Equity and liabilities | | | |
| Equity | | | |
| Equity share capital | 0.59 | 0.59 | 0.59 |
| Other equity | 88.64 | 177.50 | 917.60 |
| Total equity | 89.23 | 178.09 | 918.19 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 820.59 | 534.13 | 481.90 |
| Total non-current liabilities | 820.59 | 534.13 | 481.90 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 18.03 | - | - |
| Trade payables | 1.91 | 2.43 | 2.18 |
| Other current liabilities | - | 0.08 | 0.07 |
| Total current liabilities | 19.94 | 2.51 | 2.25 |
| Total liabilities | 840.53 | 536.64 | 484.15 |
| Total equity and liabilities | 929.76 | 714.73 | 1,402.34 |

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W /W-100024


Rakesh Dewan
Partner
Membership Number: 092212

For and on behalf of the Board of Directors of
NDTV Networks Limited


Suparna Singh
CEO, NDTV Group


Sauprv Banerjee
Director &
Co-CEO, NDTV Group
DIN: 06719699


Ravi Asawa
CFO, NDTV Group


Pradeep Tahliani
Company Secretary


Kaushik Dutta
Director
DIN: 03328890


Yogesh Aggrwal
CFO

Place: Gurugram
Date: 11 May 2018

Place: New Delhi
Date: 9 May 2018


NDTV Networks Limited
Statement of Profit and Loss for the year ended 31 March 2018

| (All amounts in INR millions, unless otherwise stated) | | | |
|--|------|-------------------------------------|-------------------------------------|
| | Note | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
| Income | | | |
| Other income | 14 | 4.02 | 4.38 |
| Total income | | <u>4.02</u> | <u>4.38</u> |
| Expenses | | | |
| Finance costs | 15 | 64.54 | 57.48 |
| Operations and administration expenses | 16 | 5.47 | 4.63 |
| Total expenses | | <u>70.01</u> | <u>62.11</u> |
| | | <u>(65.99)</u> | <u>(57.73)</u> |
| Loss before exceptional items | | 22.87 | 662.40 |
| Exceptional items | 17 | (88.86) | (720.13) |
| Loss for the year | | <u>(88.86)</u> | <u>(720.13)</u> |
| Other comprehensive income / (loss) for the year | | | |
| Total comprehensive loss for the year | | <u>(88.86)</u> | <u>(720.13)</u> |
| Earning / (loss) per share | | | |
| Basic earning / (loss) per share (in absolute terms) (INR) | 20 | (1,510.59) | (12,242.41) |
| Diluted earning / (loss) per share (in absolute terms) (INR) | | | |

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W /W-100024


Rakesh Dewan
Partner
Membership Number: 092212

Place: Gurugram
Date: 11 May 2018

For and on behalf of the Board of Directors of
NDTV Networks Limited

| | | |
|--|---|--|
|  Suparna Singh CEO, NDTV Group |  Saurav Banerjee Director & Co-CEO, NDTV Group DIN: 06719699 |  Ravi Asawa CFO, NDTV Group |
|  Pradeep Tahiliani Company Secretary |  Kaushik Dutta Director DIN: 03328890 |  Yogesh Aggrwal CFO |

Place: New Delhi
Date: 9 May 2018

NDTV Networks Limited
Statement of Cash Flows for the year ended 31 March 2018

| | (All amounts in INR millions, unless otherwise stated) | |
|--|--|-------------------------------------|
| | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
| Cash flow from operating activities | | |
| Loss for the year | (88.86) | (720.13) |
| Adjustments to reconcile profit / (loss) to net cash flows: | | |
| Finance cost | 64.48 | 57.46 |
| Gain of sale of investment | (3.56) | - |
| Provision for diminution in the value of investment | 22.87 | 662.40 |
| Interest income | (0.46) | (1.22) |
| Guarantee commission | - | (3.16) |
| Cash used in operations before working capital changes | <u>(5.53)</u> | <u>(4.65)</u> |
| Working capital adjustments | | |
| Change in other financial assets | 32.67 | 3.15 |
| Change in other non-current assets | (9.22) | (0.07) |
| Change in other bank balances | (0.47) | 24.80 |
| Change in other current liabilities | (0.52) | 0.26 |
| Change in trade payables | (0.08) | 0.01 |
| Cash generated from operating activities | <u>16.85</u> | <u>23.50</u> |
| Income taxes paid / deducted at source (net) | (0.06) | (0.26) |
| Net cash generated from operating activities (A) | <u>16.79</u> | <u>23.24</u> |
| Cash flows from investing activities | | |
| Proceeds from sale of investments | 11.00 | - |
| Interest received | 0.72 | 1.24 |
| Guarantee commission received | - | 3.16 |
| Net cash generated from investing activities (B) | <u>11.72</u> | <u>4.40</u> |
| Cash flows from financing activities | | |
| Proceeds from issue of non-cumulative redeemable preference shares | - | 2.80 |
| Redemption of non-cumulative redeemable preference shares | - | (28.00) |
| Proceeds from borrowings | 290.00 | - |
| Finance cost paid | (49.99) | - |
| Net cash generated from / (used in) financing activities (C) | <u>240.01</u> | <u>(25.20)</u> |
| Net increase in cash and cash equivalents (A+B+C) | 268.52 | 2.44 |
| Cash and cash equivalents at the beginning of the year | 3.97 | 1.53 |
| Cash and cash equivalents at the end of the year (refer note 6) | <u>272.49</u> | <u>3.97</u> |

Notes to the statement of cash flows:

(a) Cash and cash equivalents

Components of cash and cash equivalents:-

| | | |
|--|---------------|-------------|
| Cash on hand | 0.04 | - |
| Balance with banks: | | |
| - In current accounts | 272.45 | 1.90 |
| Deposits with bank having maturity of less than 3 months | - | 2.07 |
| Balances per Statement of Cash Flows | <u>272.49</u> | <u>3.97</u> |

(b) Movement in financial liabilities*

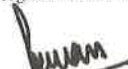
| | | |
|---|---------------|---------------|
| Opening balance | 534.13 | 481.90 |
| Interest on compound financial instruments | 64.46 | 57.46 |
| Liability component of compound financial instruments | - | (5.23) |
| Proceeds from borrowings | 290.00 | - |
| Finance cost paid | (49.97) | - |
| Closing Balance | <u>838.62</u> | <u>534.13</u> |

*Amendment to Ind AS 7: Effective 1 April 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.


(c) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W /W-100024


Rakesh Dewan
Partner
Membership Number: 092212

For and on behalf of the Board of Directors of
NDTV Networks Limited


Suparna Singh
CEO, NDTV Group


Saurav Banerjee
Director &
Co-CEO, NDTV Group
DIN: 06719699


Ravi Asawa
CFO, NDTV Group


Pradeep Tuhiliani
Company Secretary


Kaushik Dutta
Director
DIN: 03328890


Yogesh Aggrwal
CFO

Place: Gurugram
Date: 11 May 2018

Place: New Delhi
Date: 9 May 2018

NDTV Networks Limited
Statement of Changes in Equity for the year ended 31 March 2018
 (All amounts in INR millions, unless otherwise stated)

I) Equity share capital

| Particulars | Amount |
|---|-------------|
| Balance as at 1 April 2016 | 0.59 |
| Changes in equity share capital during the year | - |
| Balance as at 31 March 2017 | 0.59 |
| Changes in equity share capital during the year | - |
| Balance as at 31 March 2018 | 0.59 |


II) Other equity

| Particulars | Reserves and surplus | | Total |
|--|--|-------------------|----------------|
| | Equity component of compound financial instruments | Retained earnings | |
| Balance as at 1 April 2016 | 2,234.23 | (1,316.63) | 917.60 |
| Total comprehensive income/(loss) for the year | | | |
| Loss for the year | - | (720.13) | (720.13) |
| Total comprehensive income/(loss) for the year | - | (720.13) | (720.13) |
| Equity component of non cumulative redeemable preference shares issued | 2.22 | - | 2.22 |
| Equity component of non cumulative redeemable preference shares redeemed | (22.19) | - | (22.19) |
| Total contributions by owners | (19.97) | - | (19.97) |
| Balance as at 31 March 2017 | 2,214.26 | (2,036.76) | 177.50 |
| Total comprehensive income/(loss) for the year | | | |
| Loss for the year | - | (88.86) | (88.86) |
| Total comprehensive income/(loss) for the year | - | (88.86) | (88.86) |
| Balance as at 31 March 2018 | 2,214.26 | (2,125.62) | 88.64 |

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For B S R & Associates LLP
 Chartered Accountants
 Firm registration number: 116231W /W-100024


Rakesh Dewan
 Partner
 Membership Number: 092212

For and on behalf of the Board of Directors of
 NDTV Networks Limited

| | | |
|---|---|---|
|  Suparna Singh CEO, NDTV Group |  Saurav Banerjee Director & Co-CEO, NDTV Group DIN: 06719699 |  Ravi Asawa CFO, NDTV Group |
|  Pradeep Tahiliani Company Secretary |  Kaushik Datta Director DIN: 03328890 |  Yogesh Aggrwal CFO |

Place: Gurugram
 Date: 11 May 2018

Place: New Delhi
 Date: 9 May 2018

NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018

Reporting entity

NDTV Networks Limited (the Company) is a public limited company incorporated in India, as a subsidiary of New Delhi Television Limited ("NDTV"), the holding company, under the provisions of the Companies Act, 1956 with its registered office situated in New Delhi. The Company is the holding company of various subsidiaries which are in the business of television media, maintenance and operation of ndtv.com and other websites, content providing and into different e-commerce businesses on various platforms.

Note 1 Basis of preparation

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended 31 March 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 26.

The financial statements were authorized for issue by the Company's Board of Directors on 9 May 2018.

b. Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

c. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

| Items | Measurement basis |
|-------------------------------|-------------------|
| Certain financial liabilities | Fair value |

d. Use of estimates and judgements

In preparing the financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

(i) Judgements:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management exercises judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

(ii) Assumptions and estimation uncertainties:

The areas involving critical estimates are:

- Recognition and measurement of provisions and contingencies; and
- Impairment test of non-financial assets;

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

e. Current versus non-current classification:

The Company presents assets and liabilities in the Balance Sheet based on the current / non current classification.

An asset is treated as current when:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realized within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current assets include the current portion of non-current financial assets. The Company classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Current liabilities include current portion of non-current financial liabilities. The Company classifies all other liabilities as non-current

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.



f. Measurement of fair values

A number of accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in the respective notes:

- financial instruments

Note 2 Significant accounting policies

a. Financial instruments

Financial instrument is any contract that gives rise to a financial asset of the entity and a financial liability or equity instrument of another entity.

(i) Recognition and initial measurement:

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement:

Financial assets

On initial recognition, a financial asset is classified as measured at:

- amortized cost;
- fair value through other comprehensive income;
- FVOCI – debt investment;
- FVOCI – equity investment;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or fair value through other comprehensive income (FVOCI) as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



Financial assets: Subsequent measurement and gains and losses

| | |
|------------------------------------|---|
| Financial assets at FVTPL | These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss. |
| Financial assets at amortized cost | These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss. |
| Debt investments at FVOCI | These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. |
| Equity investments at FVOCI | These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss. |

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(iii) *Derecognition:*

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

(iv) *Offsetting:*

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

b. Impairment

(i) *Impairment of financial instruments*

The company recognizes loss allowances for expected credit losses on:

- financial assets measured at amortized cost; and
- financial assets measured at FVOCI.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 180 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

The company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.



12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses:

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the Balance Sheet:

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off:

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) *Impairment of non-financial assets*

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or company of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

c. **Employee benefits**

(i) *Short-term employee benefits:*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) *Defined contribution plan:*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

(iii) *Defined benefit plan:*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI. The company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit liability (asset) during the period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018

(iv) **Termination benefits:**

Termination benefits are expensed at the earlier of when the company can no longer withdraw the offer of those benefits and when the company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

d. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

e. Recognition of dividend income, interest income or expense

Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

f. Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

(i) **Current tax:**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

(ii) **Deferred tax:**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

g. Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

h. Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.



i. Earnings per share

(i) *Basic earnings per share:*

Basic earnings per share is calculated by dividing:

- the profit / (loss) attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) *Diluted earnings per share:*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

j. Contingent liabilities and contingent assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are not recognized however are disclosed in the financial statements where an inflow of economic benefit is probable. Contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

k. Recent accounting pronouncements

i. Amendments to Ind AS 12- Income taxes regarding recognition of deferred tax assets on unrealized losses

Nature of change

The amendments clarify the accounting for deferred taxes where an asset is measured at fair value and that fair value is below the asset's tax base. They also clarify certain other aspects of accounting for deferred tax assets set out below:

- a temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- the estimate of future taxable profit may include the recovery of some of an entity's assets for more than its carrying amount if it is probable that the entity will achieve this. For example, when a fixed-rate debt instrument is measured at fair value, however, the entity expects to hold and collect the contractual cash flows and it is probable that the asset will be recovered for more than its carrying amount.
- where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profit that is used to evaluate the recoverability of those assets. This is to avoid double counting the deductible temporary differences in such assessment.

An entity shall apply the amendments to Ind AS 12 retrospectively in accordance with Ind AS 8. However, on initial application of the amendment, the change in the opening equity of the earliest comparative period may be recognized in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity.

Impact

The management does not foresee any material impact on account of this amendment.

Date of adoption

The Company shall apply the amendments to Ind AS 12 retrospectively in accordance with Ind AS 8 with the corresponding impact recognized in opening retained earnings as at 1 April 2018, based on the relief provided by the standard.



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

Note 3: Non-current investments

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|--|------------------------|------------------------|-----------------------|
| Unquoted | | | |
| A) Investment in equity instruments - subsidiaries (at cost) | | | |
| 50,003 (31 March 2017: 50,003, 1 April 2016: 50,003) equity shares of NDTV Convergence Limited of INR 10 each, fully paid-up | 456.44 | 456.44 | 456.44 |
| B) Investment in equity instruments - joint venture (at cost) | | | |
| 15,204,809 (31 March 2017: 15,825,413, 1 April 2016: 15,825,413) equity shares of Lifestyle & Media Holdings Limited (formerly known as NDTV Lifestyle Holdings Limited) of INR 10 each, fully paid-up at a premium of INR 90 each (net of provision for other than temporary diminution aggregating to INR 1,415.81 million (31 March 2017: INR 1,392.95 million, 1 April 2016: INR 730.54 million.)) (Refer note 17 Exceptional items and note (a) below). | 159.29 | 189.59 | 852.00 |
| C) Investment in equity instruments - associates (at cost) | | | |
| 1,712,250 (31 March 2017: 1,712,250, 1 April 2016: 1,712,250) ordinary shares of Astro Awani Network Sdn Bhd of RM 1 (Malaysian Ringgit) each, fully paid-up | 27.08 | 27.08 | 27.08 |
| | 642.81 | 673.11 | 1,335.52 |
| Total non-current investments | | | |
| Aggregate book value of unquoted investments | 642.81 | 673.11 | 1,335.52 |
| Aggregate amount of impairment in the value of investments | 1,415.81 | 1,392.95 | 730.54 |

Note (a) : During the year, the Company has sold 2% stake in Lifestyle & Media Holdings Limited (formerly known as NDTV Lifestyle Holdings Limited) to Nameh Hotels & Resorts Private Limited for a consideration of INR 11 million. The consequent gain on sale of investment has been recognized in the Statement of Profit and Loss during the current year.

Note 4(a): Income tax assets (net)
Non current

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|-------------------------------------|------------------------|------------------------|-----------------------|
| Income tax asset | 2.47 | 2.42 | 2.24 |
| Total non current tax assets | 2.47 | 2.42 | 2.24 |

Note 4(b): Income tax assets (net)
Current

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---------------------------------|------------------------|------------------------|-----------------------|
| Income tax asset | 0.28 | 0.27 | 0.19 |
| Total current tax assets | 0.28 | 0.27 | 0.19 |

Note 5: Other non-current assets
(Unsecured, considered good unless otherwise stated)

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|----------------------------------|------------------------|------------------------|-----------------------|
| Dues recoverable from government | 9.29 | 0.07 | - |
| | 9.29 | 0.07 | - |

Note 6: Cash and cash equivalents

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|------------------------|------------------------|-----------------------|
| Cash on hand | 0.04 | - | 0.01 |
| Balances with banks | 272.45 | 1.90 | 0.49 |
| - in current accounts | - | 2.07 | 1.03 |
| Deposits with original maturity of less than 3 months | 272.49 | 3.97 | 1.53 |
| Cash and cash equivalents in balance sheet | 272.49 | 3.97 | 1.53 |
| Cash and cash equivalents in the statement of cash flows | 272.49 | 3.97 | 1.53 |



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

Note 7: Bank balances other than cash and cash equivalents

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|--|------------------------|------------------------|-----------------------|
| Deposits with banks due to mature within 12 months of the reporting date | 1.50 | 1.03 | 25.83 |
| | 1.50 | 1.03 | 25.83 |

Note 8: Current - other financial assets
(Unsecured, considered good)

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|------------------------|------------------------|-----------------------|
| Interest accrued on fixed deposits | 0.06 | 0.33 | 0.35 |
| Advance recoverable from directors (refer note (a)) | - | 29.87 | 36.14 |
| Inter corporate loan (refer note (b)) | 0.01 | - | - |
| Other receivable * | 0.85 | 3.66 | 0.54 |
| | 0.92 | 33.86 | 37.03 |

* Represents amount recoverable from related parties.

Refer note 19 on financial risk management for exposure to credit risk.

Note (a): The Company had paid managerial remuneration for the years 2011-12, 2012-13 and 2013-14 which was in excess of specified limits / existing Central Government approvals. Following the outcome of representations made to Central Government, the Company has reversed the excess remuneration paid till 31 March 2014, amounting to Rs 36.14 million which was being held in trust by the respective Directors and accordingly shown as advance recoverable from Directors. During the current year, an amount of INR 29.87 million (31 March 2017: INR 6.27 million) was paid by the Directors.

Note (b): The Company had given loan of INR 20 million (31 March 2017: Nil, 1 April 2016: Nil) to New Delhi Television Limited, the holding company, at an interest rate of 7% per annum. During the year, INR 19.99 million was repaid by the holding company.



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

Note 9: Share capital

| Particulars | As at | As at | As at |
|---|---------------|---------------|---------------|
| | 31 March 2018 | 31 March 2017 | 1 April 2016 |
| Authorized | | | |
| 70,000 (31 March 2017: 70,000, 1 April 2016: 70,000) equity shares of INR 10 each | 0.70 | 0.70 | 0.70 |
| 37,250,000 (31 March 2017: 37,250,000, 1 April 2016: 37,250,000) non-cumulative redeemable preference shares of INR 10 each | 372.50 | 372.50 | 372.50 |
| | 373.20 | 373.20 | 373.20 |
| Issued, subscribed and fully paid up * | | | |
| 58,823 (31 March 2017: 58,823, 1 April 2016: 58,823) equity shares of INR 10 each | 0.59 | 0.59 | 0.59 |
| | 0.59 | 0.59 | 0.59 |

* 32,465,000 (31 March 2017: 32,465,000, 1 April 2016: 32,465,000) non-cumulative redeemable preference shares of INR 10 each have been classified as compound financial instruments. (Refer to note 10 (b) and 11 (b))

A. Reconciliation of shares outstanding at the beginning and at the end of the year

| Particulars | No. of shares | Amount |
|---------------------|---------------|--------|
| As at 1 April 2016 | 58,823 | 0.59 |
| As at 31 March 2017 | 58,823 | 0.59 |
| As at 31 March 2018 | 58,823 | 0.59 |

B. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company in proportion of the number of equity shares held.

C. Details of shareholders holding more than 5% shares in the Company

| Name of shareholder | As at 31 March 2018 | | As at 31 March 2017 | | As at 1 April 2016 | |
|------------------------------|---------------------|-----------|---------------------|-----------|--------------------|-----------|
| | No. of shares | % holding | No. of shares | % holding | No. of shares | % holding |
| New Delhi Television Limited | 50,000 | 85.00% | 50,000 | 85.00% | 50,000 | 85.00% |



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

Note 10: Other equity

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|------------------------|------------------------|-----------------------|
| Retained earnings ^a | (2,125.62) | (2,036.76) | (1,316.63) |
| Equity component of compound financial instruments (non cumulative redeemable preference shares) ^b | 2,214.26 | 2,214.26 | 2,234.23 |
| | <u>88.64</u> | <u>177.50</u> | <u>917.60</u> |

a) Retained earnings

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|-------------------|------------------------|------------------------|
| Opening balance | (2,036.76) | (1,316.63) |
| Loss for the year | (88.86) | (720.13) |
| Closing balance | <u>(2,125.62)</u> | <u>(2,036.76)</u> |

Retained earnings are the profits / (loss) that the Company has earned till date and it includes remeasurements of defined benefit obligations.

b) Equity component of compound financial instruments (non cumulative redeemable preference shares)

| Particulars | As at 31 March 2018 | As at 31 March 2017 |
|--------------------------|------------------------|------------------------|
| Opening balance | 2,214.26 | 2,234.23 |
| Issued during the year | - | 2.22 |
| Redeemed during the year | - | (22.19) |
| Closing balance | <u>2,214.26</u> | <u>2,214.26</u> |

(i) The Company issued non-cumulative redeemable preference shares of face value of INR 10 per share, fully paid-up to NDTV Studios Limited (merged with New Delhi Television Limited pursuant to Scheme of Arrangement on 17 December 2010, w.e.f. appointed date 1 April 2010), at a premium of INR 90 per share, for an aggregate sum of INR 2700 million.

These preference shares were redeemable at a premium in the 20th year from the date of issue i.e. 15 October 2010 at the discretion of Board of Directors in one or more tranches. These shares can also be redeemed at any time earlier than 20th year from the date of issue subject to unanimous approval from the shareholders. The shares are redeemable at a minimum premium at which they were issued, subject to the profits of the Company and adequate balance in security premium account for redemption.

(ii) The Company further issued Nil (31 March 2017: 280,000 , 1 April 2016: 2,955,000 non-cumulative redeemable preference shares of face value of INR 10 per share, fully paid to New Delhi Television Limited for an aggregate sum of INR Nil (31 March 2017: INR 2.80 million, 1 April 2016: INR 29.55 million).

(iii) The Company redeemed Nil (31 March 2017: 280,000 , 1 April 2016: 2,830,000) non-cumulative redeemable preference shares at INR 100 per share for an aggregate sum of INR Nil (31 March 2017: INR 28 million, 1 April 2016: INR 283 million).

(iv) When an instrument requires redemption by the issuer for a fixed or determinable amount, a contractual obligation to deliver cash at redemption exists and, therefore, the instrument includes, and is presented as a liability. Separation of the instrument into its liability and equity components is made upon initial recognition of the instrument and is not subsequently revised. The method used is as follows :

- Fair value of the liability component is calculated and this fair value establishes the initial carrying amount of the liability component. The fair value of the liability component on initial recognition is the present value discounted at the market rate of interest that would have been applied to an instrument of comparable credit quality with substantially the same cash flows, on the same terms, but without the conversion option; and
- The fair value of the liability component is deducted from the fair value of the instrument as a whole, with the resulting residual amount being recognized as the equity component.



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

Note 11(a): Non-current borrowings

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|------------------------|------------------------|-----------------------|
| Term loans | | | |
| From banks | | | |
| Secured # | | | |
| Indian rupee loan from a bank (refer note (a)) | 221.99 | - | - |
| Liability component of compound financial instruments (refer note 10 (b)) | 598.60 | 534.13 | 481.90 |
| Total non-current borrowings | 820.59 | 534.13 | 481.90 |

Note 11(b): Current borrowings

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|--|------------------------|------------------------|-----------------------|
| Term loans | | | |
| From banks | | | |
| Secured # | | | |
| Indian rupee loan from a bank (refer note (a)) | 18.03 | - | - |
| Total current borrowings | 18.03 | - | - |

Note (a):

Total term loan from bank (current and non-current) as at 31 March 2018 is INR 290 million (31 March 2017: INR Nil and 1 April 2016: INR Nil).

Loan (non-current) INR 221.99 million is net of prepaid processing fee of INR 41.64 million, loan (current) INR 18.03 million is net of prepaid processing fee of INR 8.33 million.

The nature of security and terms of repayment as per sanction letter are as shown below:

| Nature of security | Terms of repayment |
|--|---|
| <p>Term loan from bank amounting to INR 290 million (31 March 2017: Nil, 1 April 2016: Nil) is secured by</p> <ol style="list-style-type: none"> 1) Charge on all current and fixed assets of the Company. 2) The holding company has issued an unconditional and irrevocable guarantee in favour of the Company to the extent of INR 290 million (31 March 2017: INR Nil and 1 April 2016: INR Nil). These guarantees are valid till the tenure of the loan. 3) The holding company has created a charge in favour of lender on its properties of INR 140 million. 4) Pledge of investments of INR 30 million in fixed deposit which shall be increased to INR 110 million / INR 150 million as over the period of 3 years. 5) Pledge of 7% shareholding of investments in NDTV Convergence Limited (a subsidiary). 6) The holding company has pledged 29% shares of Red Pixels Ventures Limited (a fellow subsidiary). 7) NDTV Convergence Limited (a subsidiary) has provided non-disposable undertaking of 22% shares in Red Pixels Ventures Limited (a fellow subsidiary). | <p>22 equal quarterly installments of INR 13.18 million commencing from 30 September 2018. Rate of interest for the term loan is 12% per annum linked to one year Marginal Cost of funds based Lending Rate (MCLR). Presently applicable one year MCLR is 9.25%</p> |

Refer note 24 for assets pledged as securities and note 19 on financial risk management.



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

Note 12: Trade payables

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|--|------------------------|------------------------|-----------------------|
| Trade payables | - | - | - |
| - total outstanding dues of micro enterprises and small enterprises (see note below) | 1.91 | 2.43 | 2.18 |
| - total outstanding dues of creditors other than micro enterprises and small enterprises * | 1.91 | 2.43 | 2.18 |
| | 0.76 | 1.46 | 1.44 |
| * of the above, trade payables to related parties are | 0.76 | 1.46 | 1.44 |

Refer note 19 on financial risk management for Company's exposure to liquidity risk related to trade payable.

Note:

Disclosures in relation to Micro and Small enterprises "Suppliers" as defined in Micro, Small and Medium Enterprises Development Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum Number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the year end has been made based on information received and available with the Company.

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---|------------------------|------------------------|-----------------------|
| (i) the principal amount remaining unpaid to any supplier as at the end of the year | - | - | - |
| (ii) the interest due on the principal remaining outstanding as at the end of the year | - | - | - |
| (iii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year | - | - | - |
| (iv) the amount of the payment made to micro and small suppliers beyond the appointed day during each accounting year. | - | - | - |
| (v) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | - | - | - |
| (vi) the amount of interest accrued and remaining unpaid at the end of the year | - | - | - |
| (vii) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - | - |

Note 13: Other current liabilities

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|------------------------|------------------------|------------------------|-----------------------|
| Statutory dues payable | - | 0.08 | 0.07 |
| | - | 0.08 | 0.07 |



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

Note 14: Other income

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|--|-------------------------------------|-------------------------------------|
| Interest income measured at amortized cost | 0.24 | 1.22 |
| - Fixed deposits | 0.22 | - |
| Interest on inter corporate loan * | 3.56 | - |
| Profit on sale of investments ** | - | 3.16 |
| Guarantee commission | 4.02 | 4.38 |

* Represents interest on loan given to New Delhi Television Limited, related party.

** During the year, the Company has sold 2% stake in Lifestyle & Media Holdings Limited (formerly known as NDTV Lifestyle Holdings Limited) to Naneh Hotels & Resorts Private Limited for a consideration of INR 11 million. The consequent gain of INR 3.56 million on sale of investment has been recognized in the Statement of Profit and Loss during the current year.

Note 15: Finance costs

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|--|-------------------------------------|-------------------------------------|
| Interest | 64.46 | 57.46 |
| Interest expense on compound financial instruments | 0.06 | 0.02 |
| Interest expense on others | 0.02 | - |
| Loan processing fee | 64.54 | 57.48 |

Note 16: Operations and administration expenses

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|-------------------------------------|-------------------------------------|
| Rates and taxes | 0.45 | 0.02 |
| Auditors' remuneration (excluding tax) ^a | 0.65 | 0.50 |
| Legal, professional and consultancy | 3.95 | 3.12 |
| Miscellaneous expenses | 0.42 | 0.99 |
| | 5.47 | 4.63 |

a) Auditors' remuneration

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---------------------------|-------------------------------------|-------------------------------------|
| As auditors : | 0.60 | 0.45 |
| Audit fee | 0.05 | 0.05 |
| Reimbursement of expenses | 0.65 | 0.50 |

Note 17: Exceptional items

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|-------------------------------------|-------------------------------------|
| Provision for diminution in value of investment * | 22.87 | 662.40 |
| | 22.87 | 662.40 |

* Basis the independent valuation and assessment made by the management, of the carrying value of the long term investment in Lifestyle & Media Holdings Limited (formerly known as NDTV Lifestyle Holdings Limited), a provision for other than temporary diminution in the investment to the extent of INR 22.87 million (31 March 2017: INR 662.40 million) has been recognized.



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

Note 18: Capital management

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimize returns to its shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Company monitors capital using a ratio of "Net Debt" to "Total Equity". For this purpose, Net Debt is defined as total borrowings less cash and cash equivalents. Total equity comprises of equity share capital and other equity. During the year ended 31 March 2018, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

The Company's Net Debt to Total Equity ratio is as follows:

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|---------------------------------------|------------------------|------------------------|-----------------------|
| Total borrowings | 838.62 | 534.13 | 481.90 |
| Less: Cash and cash equivalents | (272.49) | (3.97) | (1.53) |
| Net debt | 566.13 | 530.16 | 480.37 |
| Equity share capital | 0.59 | 0.59 | 0.59 |
| Other equity | 88.64 | 177.50 | 917.60 |
| Total Equity | 89.23 | 178.09 | 918.19 |
| Net Debt to Total Equity ratio | 6.34 | 2.98 | 0.52 |

Note 19: Financial instruments - fair value measurements and financial risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy

(i) As on 31 March 2018

| Particulars | Note | Carrying value | | | Fair value measurement using | | | |
|---|-------|----------------|-------|----------------|------------------------------|---------|---------|---------------|
| | | FVTPL | FVOCI | Amortized cost | Total | Level 1 | Level 2 | Level 3 |
| Financial assets - Current | | | | | | | | |
| Cash and cash equivalents* | 6 | - | - | 272.49 | 272.49 | - | - | 272.49 |
| Bank balances other than cash and cash equivalents mentioned above* | 7 | - | - | 1.50 | 1.50 | - | - | 1.50 |
| Interest accrued on fixed deposits* | 8 | - | - | 0.06 | 0.06 | - | - | 0.06 |
| Inter corporate loan* | 8 | - | - | 0.01 | 0.01 | - | - | 0.01 |
| Other receivable* | 8 | - | - | 0.85 | 0.85 | - | - | 0.85 |
| Total | | - | - | 274.91 | 274.91 | - | - | 274.91 |
| Financial liabilities - Non current | | | | | | | | |
| Borrowings* | 11(a) | - | - | 820.59 | 820.59 | - | - | 820.59 |
| Financial liabilities - Current | | | | | | | | |
| Borrowings* | 11(b) | - | - | 18.03 | 18.03 | - | - | 18.03 |
| Trade payables* | 12 | - | - | 1.91 | 1.91 | - | - | 1.91 |
| Total | | - | - | 840.53 | 840.53 | - | - | 840.53 |



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

(ii) As on 31 March 2017

| Particulars | Note | Carrying value | | | Fair value measurement using | | | |
|---|-------|----------------|-------|----------------|------------------------------|---------|---------|---------------|
| | | FVTPL | FVOCI | Amortized cost | Total | Level 1 | Level 2 | Level 3 |
| Financial assets - Current | | | | | | | | |
| Cash and cash equivalents* | 6 | - | - | 3.97 | 3.97 | - | - | 3.97 |
| Bank balances other than cash and cash equivalents mentioned above* | 7 | - | - | 1.03 | 1.03 | - | - | 1.03 |
| Interest accrued on fixed deposits* | 8 | - | - | 0.33 | 0.33 | - | - | 0.33 |
| Advance recoverable from directors * | 8 | - | - | 29.87 | 29.87 | - | - | 29.87 |
| Other receivable * | 8 | - | - | 3.66 | 3.66 | - | - | 3.66 |
| Total | | - | - | 38.86 | 38.86 | - | - | 38.86 |
| Financial liabilities - Non current | | | | | | | | |
| Borrowings* | 11(a) | - | - | 534.13 | 534.13 | - | - | 534.13 |
| Financial liabilities - Current | | | | | | | | |
| Trade payables* | 12 | - | - | 2.43 | 2.43 | - | - | 2.43 |
| Total | | - | - | 536.56 | 536.56 | - | - | 536.56 |

(iii) As on 1 April 2016

| Particulars | Note | Carrying value | | | Fair value measurement using | | | |
|---|-------|----------------|-------|----------------|------------------------------|---------|---------|---------------|
| | | FVTPL | FVOCI | Amortized cost | Total | Level 1 | Level 2 | Level 3 |
| Financial assets - Current | | | | | | | | |
| Cash and cash equivalents* | 6 | - | - | 1.53 | 1.53 | - | - | 1.53 |
| Bank balances other than cash and cash equivalents mentioned above* | 7 | - | - | 25.83 | 25.83 | - | - | 25.83 |
| Interest accrued on fixed deposits* | 8 | - | - | 0.35 | 0.35 | - | - | 0.35 |
| Advance recoverable from directors* | 8 | - | - | 36.14 | 36.14 | - | - | 36.14 |
| Other receivable * | 8 | - | - | 0.54 | 0.54 | - | - | 0.54 |
| Total | | - | - | 64.39 | 64.39 | - | - | 64.39 |
| Financial liabilities - Non current | | | | | | | | |
| Borrowings* | 11(a) | - | - | 481.90 | 481.90 | - | - | 481.90 |
| Financial liabilities - Current | | | | | | | | |
| Trade payables* | 12 | - | - | 2.18 | 2.18 | - | - | 2.18 |
| Total | | - | - | 484.08 | 484.08 | - | - | 484.08 |

The Company has elected to measure its investments in subsidiaries, associates and joint ventures at deemed cost i.e., the Previous GAAP carrying amount on the date of transition to Ind AS i.e., 1 April 2016 and at cost for financial years ending 31 March 2017 and 31 March 2018, hence the aforesaid investments are not part of above schedules.

* The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents mentioned above, interest accrued on fixed deposits, advance recoverable from directors, inter corporate loan, other receivable, borrowings and trade payables approximates the fair values due to their short-term nature.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There has been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2018, 31 March 2017 and 1 April 2016.



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
 - the fair value of the financial instruments is determined using discounted cash flow method.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk ;
- Market risk - interest rate

(i) Risk management framework

The Company's key management has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company to set appropriate risks limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market condition and the Company's activities. The Company through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which employees understand their roles and obligations.

(ii) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet

| Particulars | As at | | As at | |
|--|---------------|---------------|--------------|--------------|
| | 31 March 2018 | 31 March 2017 | 1 April 2017 | 1 April 2016 |
| Cash and cash equivalents | 272.49 | 3.97 | 1.53 | 1.53 |
| Bank balances other than cash and cash equivalents mentioned above | 1.50 | 1.03 | 25.83 | 25.83 |
| Other financial assets | 0.91 | 33.86 | 37.03 | 37.03 |

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks.

Credit risk on cash and cash equivalents and bank deposits is limited as the Company generally deals with banks with high credit ratings assigned by domestic credit rating agencies.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to manage liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities over the next six months. The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted.

| As at 31 March 2018 | Carrying amount | Less than one year | Between one and three years | More than three years | Contractual cash flows |
|---|-----------------|--------------------|-----------------------------|-----------------------|------------------------|
| | | | | | |
| Bank loans (including current maturities) | 1.91 | 1.91 | - | - | 1.91 |
| Trade payables | 598.60 | - | - | 2,474.75 | 2,474.75 |
| Liability component of compound financial instruments | 840.53 | 19.94 | 88.78 | 2,607.96 | 2,716.68 |



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

| | As at 31 March 2017 | | | | |
|---|---------------------|--------------------|-----------------------------|-----------------------|------------------------|
| | Carrying amount | Less than one year | Between one and three years | More than three years | Contractual cash flows |
| Trade payables | 2.43 | 2.43 | - | - | 2.43 |
| Liability component of compound financial instruments | 534.13 | - | - | 2,474.75 | 2,474.75 |
| | <u>536.56</u> | <u>2.43</u> | <u>-</u> | <u>2,474.75</u> | <u>2,477.18</u> |

| | As at 1 April 2016 | | | | |
|---|--------------------|--------------------|-----------------------------|-----------------------|------------------------|
| | Carrying amount | Less than one year | Between one and three years | More than three years | Contractual cash flows |
| Trade payables | 2.18 | 2.18 | - | - | 2.18 |
| Liability component of compound financial instruments | 481.90 | - | - | 2,499.95 | 2,499.95 |
| | <u>484.08</u> | <u>2.18</u> | <u>-</u> | <u>2,499.95</u> | <u>2,502.13</u> |

(iv) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(a) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises majorly from borrowings carrying floating rate of interest. These borrowings exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

| | As at | | As at | |
|---------------------------|---------------|---------------|--------------|--------------|
| | 31 March 2018 | 31 March 2017 | 1 April 2017 | 1 April 2016 |
| Variable rate instruments | | | | |
| Term loan from bank | 290.00 | - | - | - |
| Total | <u>290.00</u> | <u>-</u> | <u>-</u> | <u>-</u> |

Interest rate sensitivity analysis

Since the term loan was availed on the last day of the financial year ended on 31 March 2018, interest rate sensitivity analysis is not applicable.



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

Note 20: Earnings / (loss) per equity share ('EPS')

The calculations of loss attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of loss per share calculations are as follows:

| Particulars | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|-------------------------------------|-------------------------------------|
| Loss for the year - (A) | (88.86) | (720.13) |
| Calculation of weighted average number of equity shares | | |
| Number of equity shares at the beginning of the year | 58,823 | 58,823 |
| Number of equity shares outstanding at the end of the year | 58,823 | 58,823 |
| Weighted average number of shares outstanding during the year - (B) | 58,823 | 58,823 |
| Face value of each equity share (INR) | 10 | 10 |
| Earnings / (loss) per share | | |
| Basic and diluted earning / (loss) per equity share (in absolute terms) (INR) - (A)/(B) | (1,510.59) | (12,242.41) |



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

Note 21: Related Party Disclosures

(a) List of Related Parties and nature of relationship where control exists

Holding Company

New Delhi Television Limited

Fellow subsidiaries

NDTV Labs Limited
NDTV Convergence Limited
Red Pixels Ventures Limited
SmartCooky Internet Limited

Joint venture

Lifestyle & Media Holdings Limited (formerly known as NDTV Lifestyle Holdings Limited)

Key Management Personnel

Dr. Prannoy Roy
Radhika Roy
Late K. V. L. Narayan Rao
Key Management Personnel
Key Management Personnel
Group CEO & Director (till 20 November 2017)

(b) Transactions with related parties

The following table provides the total amount of transactions that have been entered into with related parties, in the ordinary course of business:

| Particulars | Holding Company | | Subsidiary Companies | | Joint Venture | | Key Management Personnel | |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | For the year ended 31 March 2018 | For the year ended 31 March 2017 | For the year ended 31 March 2018 | For the year ended 31 March 2017 | For the year ended 31 March 2018 | For the year ended 31 March 2017 | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
| Recovery of excess remuneration from Directors paid in earlier years Dr. Prannoy Roy Radhika Roy Late K. V. L. Narayan Rao | - | - | - | - | - | - | 6.07 2.50 21.30 | 5.00 - 1.27 |
| Gain from sale of investments Lifestyle & Media Holdings Limited (formerly known as NDTV Lifestyle Holdings Limited) | - | - | - | - | 3.56 | - | - | - |
| Interest income on intercorporate loan New Delhi Television Limited | 0.22 | - | - | - | - | - | - | - |
| Loan given New Delhi Television Limited | 20.00 | - | - | - | - | - | - | - |
| Loan recovered New Delhi Television Limited | 19.99 | - | - | - | - | - | - | - |



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

| Particulars | Holding Company | | Subsidiary Companies | | Joint Venture | | Key Management Personnel | |
|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | For the year ended 31 March 2018 | For the year ended 31 March 2017 | For the year ended 31 March 2018 | For the year ended 31 March 2017 | For the year ended 31 March 2018 | For the year ended 31 March 2017 | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
| Commission on corporate guarantee NDTV Convergence Limited | - | - | - | 3.16 | - | - | - | - |
| Corporate guarantee (refer note i below) NDTV Convergence Limited | - | - | 550.00 | 550.00 | - | - | - | - |
| Redemption of non cumulative redeemable preference shares (refer note ii below) New Delhi Television Limited | - | 28.00 | - | - | - | - | - | - |
| Issue of non cumulative redeemable preference shares (refer note ii below) New Delhi Television Limited | - | 2.80 | - | - | - | - | - | - |
| Shared service cost New Delhi Television Limited | 1.86 | 2.66 | - | - | - | - | - | - |

Notes:

- The Company along with the holding company has given a corporate guarantee of INR 550 million (31 March 2017: INR 550 million) towards a term loan obtained by its subsidiary, NDTV Convergence Limited. During the year ended 31 March 2018 NDTV Convergence Limited has drawn INR Nil of this loan (31 March 2017: INR 550 million) and the outstanding amount as on 31 March 2018 is INR 523 million (31 March 2017: INR 550 million).
- During the year ended on 31 March 2017, the Company had redeemed 2,80,000 non-cumulative redeemable preference shares of face value of INR 10 per share at a premium of INR 90 per share. Further, the Company had issued 2,80,000 non-cumulative redeemable preference shares at face value of INR 10 per share.

(c) Outstanding balances

| Particulars | Holding Company | | Subsidiary Companies | | Joint Venture | | Key Management Personnel | |
|----------------------|---------------------|---------------------|----------------------|---------------------|---------------------|---------------------|--------------------------|---------------------|
| | As at 31 March 2018 | As at 31 March 2017 | As at 31 March 2018 | As at 31 March 2017 | As at 31 March 2018 | As at 31 March 2017 | As at 31 March 2018 | As at 31 March 2017 |
| Trade payable | 0.76 | 1.46 | - | - | - | - | - | - |
| Advance recoverable | - | - | - | - | - | - | - | 29.87 |
| Inter corporate loan | 0.01 | - | - | - | - | - | - | - |
| Other Receivables | 0.20 | - | 0.65 | 3.66 | - | - | - | - |



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

Note 22: Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") as required under Ind AS 108. The CODM is considered to be Board of directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments. The Company is the holding company of various subsidiaries which are in the business of television media, maintenance and operation of ndtv.com and other websites, content providing and into different e-commerce businesses on various platforms. No business has been conducted by the Company during the financial year. Accordingly, there is no reportable segment.

Note 23: Disclosure on Specified Bank Notes (SBNs)

The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018. Further, the Company did not have any holdings or dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016.

Note 24 : Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

| Particulars | Note | As at 31 March 2018 |
|--|------|------------------------|
| Current assets | | |
| Cash and cash equivalents | 6 | 272.49 |
| Bank balances other than cash and cash equivalents mentioned above | 7 | 1.50 |
| Other financial assets | 8 | 0.92 |
| Total current assets | | 274.91 |
| Non-current assets | | |
| Investments | 3 | 352.98 |
| Other non-current assets | 5 | 9.29 |
| Total non-current assets | | 362.27 |
| Total assets pledged as security | | 637.18 |

Note 25 : Taxation

A) The reconciliation of estimated income tax to income tax expense is as follows:

| Particulars | For the year ended 31 March 2018 | | For the year ended 31 March 2017 | |
|--|----------------------------------|---------|----------------------------------|----------|
| | | | | |
| Loss before taxes | | (88.86) | | (720.13) |
| Tax using the Company's applicable tax rate | 25.75% | (22.88) | 29.87% | (215.10) |
| Effect of: | | | | |
| Non deductible expenses | -17.83% | 15.84 | -2.39% | 17.19 |
| Change in temporary differences | -6.63% | 5.89 | -27.48% | 197.86 |
| Current year losses for which no deferred tax asset was recognized | -1.29% | 1.15 | -0.01% | 0.05 |
| Effective tax rate | | | | |

B) Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of following items:

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 1 April 2016 |
|----------------------------------|------------------------|------------------------|-----------------------|
| Tax loss carry forwards | 125.84 | 129.39 | 133.79 |
| Deductible temporary differences | 350.51 | 416.07 | 225.74 |
| Total deferred tax assets | 476.35 | 545.46 | 359.53 |

As at 31 March 2018, 31 March 2017 and 1 April 2016, the Company did not recognize deferred tax assets on tax losses and other temporary differences because a trend of future profitability is not yet clearly discernible. Further, deferred tax assets have been recognized only to the extent of deferred tax liabilities. The above tax losses expire at various dates ranging from 2020 to 2026.



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

Note 26: First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standard (Ind AS) as notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, with effect from 1 April 2016, with transition date of 1 April 2016, pursuant to the notification issued by Ministry of Corporate Affairs dated 16 February 2015. Accordingly, the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and the opening Ind AS balance sheet as at 1 April 2016 have been prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of opening Ind AS Statement of Financial Position as at 1 April 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

A. Optional exemptions availed and mandatory exceptions

Following applicable Ind AS 101 optional and mandatory exceptions have been applied in the transition from previous GAAP to Ind AS

Ind AS optional exemptions availed

(1) Determining whether an arrangement contains a lease

Ind AS 101 includes an optional exemption that permits an entity to apply the relevant requirements in Appendix C of Ind AS 17 for determining whether a contract or an arrangement existing at the date of transition contains a lease. If the entity elects the optional exemption, then it assesses whether the lease contracts / arrangements existing at the date of transition contain lease are based on the facts and circumstances existing at that date except where the effect is expected not to be material. The Company has elected to apply this exemption on the basis of facts and circumstances existing as at the transition date.

(2) Investment in subsidiaries, joint ventures and associates

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its investment in subsidiaries, joint ventures and associates as recognized in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its investments in subsidiaries, joint ventures and associates at their Previous GAAP carrying value.

Ind AS mandatory exceptions

(1) Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

The Company's estimate under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at fair value through profit and loss.
- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortized cost.

(2) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition, if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively, except where the same is impracticable.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

| (i) Reconciliation of equity as at date of transition (1 April 2016) | | | | |
|--|------------------------------|-----------------|-----------------|-----------------|
| | Notes to first-time adoption | Previous GAAP * | Adjustments | Ind AS |
| Assets | | | | |
| Non-current assets | | | | |
| Financial assets | | 1,335.52 | - | 1,335.52 |
| Investments | | 2.24 | - | 2.24 |
| Income tax assets (net) | | <u>1,337.76</u> | - | <u>1,337.76</u> |
| Total non-current assets | | | | |
| Current assets | | | | |
| Financial assets | | 1.53 | - | 1.53 |
| Cash and cash equivalents | | 25.83 | - | 25.83 |
| Bank balances other than cash and cash equivalents mentioned above | | 37.03 | - | 37.03 |
| Other financial assets | | 0.19 | - | 0.19 |
| Income tax assets (net) | | <u>64.58</u> | - | <u>64.58</u> |
| Total current assets | | | | |
| | | <u>1,402.34</u> | - | <u>1,402.34</u> |
| Total assets | | | | |
| Equity and liabilities | | | | |
| Equity | | 325.24 | (324.65) | 0.59 |
| Equity share capital | 1 | 1,074.85 | (157.25) | 917.60 |
| Other equity | 1 | <u>1,400.09</u> | <u>(481.90)</u> | <u>918.19</u> |
| Total equity | | | | |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| Borrowings | 1 | - | 481.90 | 481.90 |
| | | <u>-</u> | <u>481.90</u> | <u>481.90</u> |
| Total non-current liabilities | | | | |
| Current liabilities | | | | |
| Financial liabilities | | 2.18 | - | 2.18 |
| Trade payables | | 0.07 | - | 0.07 |
| Other current liabilities | | <u>2.25</u> | - | <u>2.25</u> |
| Total current liabilities | | | | |
| | | <u>2.25</u> | <u>481.90</u> | <u>484.15</u> |
| Total liabilities | | | | |
| | | <u>1,402.34</u> | - | <u>1,402.34</u> |
| Total equity and liabilities | | | | |



NDTV Networks Limited
Notes to the financial statements for the year ended 31 March 2018
(All amounts in INR millions, unless otherwise stated)

| (ii) Reconciliation of equity as at 31 March 2017 | | | | |
|--|------------------------------|-----------------|-----------------|---------------|
| | Notes to first-time adoption | Previous GAAP * | Adjustments | Ind AS |
| Assets | | | | |
| Non-current assets | | | | |
| Financial assets | | 673.11 | - | 673.11 |
| Investments | | 2.42 | - | 2.42 |
| Income tax assets (net) | | 0.07 | - | 0.07 |
| Other non-current assets | | | | |
| Total non-current assets | | 675.60 | - | 675.60 |
| Current assets | | | | |
| Financial assets | | 3.97 | - | 3.97 |
| Cash and cash equivalents | | 1.03 | - | 1.03 |
| Bank balances other than cash and cash equivalents mentioned above | | 33.86 | - | 33.86 |
| Other financial assets | | 0.27 | - | 0.27 |
| Income tax assets (net) | | 39.13 | - | 39.13 |
| Total current assets | | 39.13 | - | 39.13 |
| Total assets | | 714.73 | - | 714.73 |
| Equity and liabilities | | | | |
| Equity | | | | |
| Equity share capital | 1 | 325.24 | (324.65) | 0.59 |
| Other equity | 1 | 386.98 | (209.48) | 177.50 |
| Total equity | | 712.22 | (534.13) | 178.09 |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| Borrowings | 1 | - | 534.13 | 534.13 |
| Total non-current liabilities | | - | 534.13 | 534.13 |
| Current liabilities | | | | |
| Financial liabilities | | 2.43 | - | 2.43 |
| Trade payables | | 0.08 | - | 0.08 |
| Other current liabilities | | 2.51 | - | 2.51 |
| Total current liabilities | | 2.51 | - | 2.51 |
| Total liabilities | | 2.51 | 534.13 | 536.64 |
| Total equity and liabilities | | 714.73 | - | 714.73 |

| (iii) Reconciliation of total comprehensive income for the year ended 31 March 2017 | | | | |
|---|------------------------------|-----------------|----------------|-----------------|
| | Notes to first-time adoption | Previous GAAP * | Adjustments | Ind AS |
| Income | | | | |
| Other income | | 4.38 | - | 4.38 |
| Total income | | 4.38 | - | 4.38 |
| Expenses | | | | |
| Finance costs | 1 | 0.02 | 57.46 | 57.48 |
| Operations and administration expenses | | 4.63 | - | 4.63 |
| Total expenses | | 4.65 | 57.46 | 62.11 |
| Loss before exceptional items | | (0.27) | (57.46) | (57.73) |
| Exceptional items | | 662.40 | - | 662.40 |
| Loss for the year | | (662.67) | (57.46) | (720.13) |
| Other comprehensive income | | | | |
| Items that will not be reclassified subsequently to profit or loss | | | | |
| Remeasurement of defined benefit obligations | | - | - | - |
| Other comprehensive income / (loss) for the year | | - | - | - |
| Total comprehensive income / (loss) for the year | | (662.67) | (57.46) | (720.13) |
| Earnings / (loss) per share | | | | |
| Basic earning / (loss) per share (in absolute terms) (INR) | | (11,265.55) | | (12,242.41) |
| Diluted earning / (loss) per share (in absolute terms) (INR) | | (11,265.55) | | (12,242.41) |



NDTV Networks Limited
 Notes to the financial statements for the year ended 31 March 2018
 (All amounts in INR millions, unless otherwise stated)

| (iv) Reconciliation of total equity as at 31 March 2017 and 1 April 2016 | | | |
|--|------------------------------|---------------------|--------------------|
| | Notes to first-time adoption | As at 31 March 2017 | As at 1 April 2016 |
| Total equity (shareholder's funds) as per previous GAAP | | 712.22 | 1,400.09 |
| Adjustments: | | | |
| Effect of measuring financial instruments at fair value / amortized cost | 1 | (534.13) | (481.90) |
| Total equity as per Ind AS | | 178.09 | 918.19 |

* The previous GAAP figures have been reclassified to conform to presentation requirements for the purpose of this note.

Notes to first time adoption

(1) Non-cumulative redeemable preference shares

Under the previous GAAP, the non-cumulative redeemable preference shares was classified as preference share capital under the head "Share Capital". Under Ind AS, all financial liabilities are required to be recognized at fair value at initial recognition. Accordingly, the Company has fair valued these preference shares at initial recognition. The difference between the initial fair value and the transaction amount has been considered as equity component of compound financials instruments. The remaining amount has been considered as liability component of compound financial instruments and carried at amortized cost in the financial statements. Finance cost amounting to INR 57.46 million for the year ended 31 March 2017 and INR 216.18 million as at 1 April 2016 has been recognized resulting in corresponding increase in the liability.

As per our report of even date attached

For B S R & Associates LLP
 Chartered Accountants
 Firm registration number: 116231W /W-100024



Rakesh Dewan
 Partner
 Membership Number: 092212

For and on behalf of the Board of Directors of
 NDTV Networks Limited



Suparna Singh
 CFO, NDTV Group



Saurav Banerjee
 Director &
 Co-CEO, NDTV Group
 DIN: 06719699



Ravi Asawa
 CFO, NDTV Group



Pradeep Tahliani
 Company Secretary



Manshik Ojha
 Director
 DIN: 03328890



Yogesh Aggrwal
 CFO

Place: Gurugram
 Date: 11 May 2018

Place: New Delhi
 Date: 9 May 2018