

# B S R & Associates LLP

Chartered Accountants

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## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF NDTV ETHNIC RETAIL LIMITED

#### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **NDTV Ethnic Retail Limited** ("the Holding Company") and its subsidiary (collectively referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 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 consolidated financial statements are free from material misstatement.

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



## **B S R & Associates LLP**

to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

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

### **Emphasis of matter**

Without qualifying our opinion, we draw attention to Note 2.2 to the financial statements, which explains that the Group has incurred significant losses in the current year and in the previous years, as a result the net worth of the Group is substantially eroded as on 31 March 2016. Based on current business plans and projections prepared by the management and approved by the Board of Directors of the Holding Company, operational losses are expected in the subsequent year as well. In order to meet long term and short term capital requirements, the management is in discussion with new investors for fresh capital infusion. Further, NDTV Worldwide Limited (fellow subsidiary) has confirmed their intention to provide financial and operational support to the Group. These conditions as set forth in Note 2.2 indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

### **Other Matters**

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the Management.

The consolidated financial statements of the Group for the year ended 31 March 2015 were audited by Price Waterhouse, Chartered Accountants who expressed an unmodified opinion on those statements on 2 May 2015.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;



- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) The going concern matter described under the emphasis of matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act;
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'; and
- (h) 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 Group does not have any pending litigations as at 31 March 2016;
  - ii. The Group does not have long-term contracts or derivative contracts as at 31 March 2016.
  - iii. The Group does not have any dues on account of Investor Education and Protection Fund.

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



**Rakesh Dewan**  
*Partner*

Membership number: 092212

Place: Gurgaon  
Date: 5 May 2016

**Annexure A to the Independent Auditor's Report of even date on the consolidated financial statements of NDTV Ethnic Retail Limited**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of NDTV Ethnic Retail Limited ("the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

*For B S R & Associates LLP*

*Chartered Accountants*

Firm registration number: 116231W/ W-100024



**Rakesh Dewan**

*Partner*

Membership number: 092212

Place: Gurgaon  
Date: 5 May 2016

**NDTV Ethnic Retail Limited**

(Amount in Rupees million)

Consolidated Balance sheet	Notes	As at	
		March 31, 2016	March 31, 2015
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	1.42	1.34
Reserves and surplus	4	9.39	14.60
		<u>10.81</u>	<u>15.94</u>
<b>Non-current liabilities</b>			
Long-term provisions	5	0.73	0.53
		<u>0.73</u>	<u>0.53</u>
<b>Current liabilities</b>			
Trade payables	6		
- Total outstanding dues of micro enterprises and small enterprises;			
- Total outstanding dues of creditors other than micro enterprises and small enterprises		139.21	138.78
Other current liabilities	7	15.00	60.65
		<u>154.21</u>	<u>199.43</u>
<b>TOTAL</b>		<u><u>165.75</u></u>	<u><u>215.90</u></u>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	8	21.57	16.31
Intangible assets	9	0.39	1.59
Long-term loans and advances	11	9.21	146.02
Other non-current assets	14	0.24	0.21
		<u>31.41</u>	<u>164.13</u>
<b>Current assets</b>			
Inventories	12	2.87	8.51
Trade receivables	13	0.24	3.87
Cash and bank balances	15	8.48	17.90
Short-term loans and advances	11	122.72	20.64
Other current assets	14	0.03	0.85
		<u>134.34</u>	<u>51.77</u>
<b>TOTAL</b>		<u><u>165.75</u></u>	<u><u>215.90</u></u>
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.


As per our report of even date attached.

For **BSR & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration No. 116231W / W-100024

  
**Rakesh Dewan**

Partner  
Membership Number : 092212

For and on behalf of Board of Directors of  
**NDTV Ethnic Retail Limited**

  
**Saurav Banerjee**  
Director, NDTV Ethnic Retail Limited  
Director, Finance and Group CFO

  
**Shyatto Raha**  
Managing Director

  
**Vikramaditya Chandra**  
Group Chief Executive Officer

Place : New Delhi  
Date : May 4, 2016

Place : Gurgaon  
Date : May 5, 2016

**NDTV Ethnic Retail Limited**


(Amount in Rupees million, except per share data)

Consolidated Statement of Profit and Loss	Notes	Year Ended	
		March 31, 2016	March 31, 2015
<b>Income</b>			
Revenue from operations	16	144.00	195.76
Other income	17	1.67	6.20
<b>Total (I)</b>		<b>145.67</b>	<b>201.96</b>
<b>Expenses</b>			
Purchase of stock-in-trade	18	144.56	212.44
Changes in inventories of stock-in-trade	19	5.64	(3.84)
Employee benefits expense	20	35.06	31.30
Operations and administration expenses	21	156.66	129.23
Marketing, distribution and promotion expenses	22	115.87	90.91
Depreciation and amortisation expense	23	6.53	6.22
Finance costs	24	1.54	0.42
<b>Total (II)</b>		<b>465.86</b>	<b>466.68</b>
<b>Loss before tax (I)-(II)</b>		<b>(320.19)</b>	<b>(264.72)</b>
<b>Loss per equity share [nominal value of share Rs 10 (Previous Year Rs 10)] Basic and diluted</b>	<b>27</b>	<b>(2,306.29)</b>	<b>(2,203.62)</b>
Significant accounting policies	2		

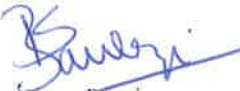
The accompanying notes are an integral part of the financial statements.

As our per report of even date attached.

For **BSR & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration No. 116231W / W-100024

  
**Rakesh Dewan**  
Partner  
Membership Number : 092212

For and on behalf of Board of Directors of  
**NDTV Ethnic Retail Limited**

  
**Saurav Banerjee**  
Director, NDTV Ethnic Retail Limited  
Director, Finance and Group CFO

  
**Shyatto Raha**  
Managing Director

  
**Vikramaditya Chandra**  
Group Chief Executive Officer

Place : Gurgaon  
Date : May 5, 2016

Place : New Delhi  
Date : May 4, 2016

**NDTV Ethnic Retail Limited**

(Amount in Rupees million)


Consolidated Cash flow statement	Notes	As at	
		March 31, 2016	March 31, 2015
		(320.19)	(264.72)
<b>Loss before tax</b>			
<b>Adjustments for:</b>		6.53	6.22
Depreciation/ amortisation		1.54	0.42
Finance costs		(0.68)	(4.54)
Interest income		(312.81)	(262.63)
<b>Operating loss before working capital changes</b>			
<b>Movements in working capital :</b>		0.43	32.07
Increase/ (decrease) in trade payables		0.20	0.23
Increase / (decrease) in long-term provisions		(45.65)	34.65
Increase/ (decrease) in other current liabilities		3.63	(2.08)
Decrease / (increase) in trade receivables		5.64	(3.84)
Decrease / (increase) in inventories		138.46	(61.74)
Decrease / (increase) in long-term loans and advances		(102.50)	45.66
Decrease / (increase) in short-term loans and advances		(312.60)	(217.67)
<b>Cash used in operations</b>		(1.23)	7.41
Direct taxes paid (net of refunds)		(313.83)	(210.27)
<b>Net cash flow used in operating activities (A)</b>			
<b>Cash flows from investing activities</b>		(10.59)	(0.92)
Purchase of tangible assets		132.50	150.00
Bank deposits matured during the year with original maturity of more than 3 months		(115.00)	(140.20)
Bank deposits made during the year with original maturity of more than 3 months		1.47	4.06
Interest received		8.38	12.95
<b>Net cash flow from investing activities (B)</b>			
<b>Cash flows from financing activities</b>		315.06	163.62
Proceeds from issuance of equity share capital		(1.54)	(0.42)
Finance costs		313.53	163.20
<b>Net cash flow from financing activities (C)</b>			
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>		8.08	(34.12)
Cash and cash equivalents at the beginning of the year		0.20	34.32
<b>Cash and cash equivalents at the end of the year</b>		8.28	0.20
		As at	
		March 31, 2016	March 31, 2015
<b>Components of cash and cash equivalents</b>	15	0.15	0.20
Cash in hand		8.13	-
Cheques/ drafts in hand		8.28	0.20
<b>Total cash and cash equivalents</b>			
<b>Significant accounting policies</b>	2		

**Notes :**


- The above cash flow statement has been prepared under the indirect method set out in Accounting Standard-3 "Cash Flow Statements" as specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule 2014.
- Figures in brackets indicate cash outflow.
- Previous year figures has been reclassified to conform to current year presentation

As per our report of even date attached.


For **BSR & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration No. 116231W / W-100024

  
**Rakesh Dewan**  
Partner  
Membership Number : 092212

For and on behalf of Board of Directors of  
**NDTV Ethnic Retail Limited**

  
**Saurav Banerjee**  
Director, NDTV Ethnic Retail Limited  
Director, Finance and Group CFO

  
**Shyatto Raha**  
Managing Director

  
**Vikramaditya Chandra**  
Group Chief Executive Officer

Place : Gurgaon  
Date : May 5, 2016

Place : New Delhi  
Date : May 4, 2016



## NDTV Ethnic Retail Limited

### Notes to the Consolidated Financial Statements for the year ended March 31, 2016

#### 1. Corporate information

NDTV Ethnic Retail Limited (the Company) was incorporated on February 28, 2013 as NDTV E-Commerce Private Limited and consequent to shareholders resolution dated March 18, 2013, the name of the Company was changed to NDTV Ethnic Retail Private Limited w.e.f. March 30, 2013 on receipt of approval from the Registrar of Companies, NCT of Delhi and Haryana. Further, the shareholders have approved, vide their resolution dated April 16, 2013 to convert the status of the Company from 'Private Limited' to 'Public Limited' w.e.f. April 16, 2013. The name of the Company was changed to NDTV Ethnic Retail Limited w.e.f. July 25, 2013. The company started fulfilling exclusively to the customers outside India starting March 6, 2014. The Company has wholly owned subsidiary: Indianroots Retail Private Limited (formerly JA Ethnic Retail Private Limited), incorporated on November 14, 2013. Indianroots Retail Private Limited was acquired by the Company on November 28, 2013. The Group (refer note 26), is engaged in sale of various products on the platform [www.indianroots.in](http://www.indianroots.in) in India.

#### 2. Summary of significant accounting policies

##### 2.1 Basis of preparation and principles of consolidation

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21, "Consolidated Financial Statements". The consolidated financial statements comprise the financial statements of the company, its controlled trusts and its subsidiaries as disclosed in Note 2.21, combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and resulting unrealised gain/loss. The consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Minority interests have been excluded. Minority interests represent that part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company.

##### 2.2 Going concern

The Group has incurred significant losses in the current year and in the previous years, as a result the net worth of the Group is substantially eroded as on March 31, 2016. Based on current business plans and projections prepared by the management and approved by the Board of Directors, operational losses are expected in the subsequent year as well. In order to meet long term and short term capital requirements, the Group is in discussion with the new investors for fresh capital infusion. Further, NDTV Worldwide Limited (fellow subsidiary) has confirmed its intention to provide financial and operational support to the Group. Accordingly, the use of going concern has been considered appropriate in the preparation of these financial statements and assets and liabilities have been recorded on the basis that the entity will be able to realise its assets and discharge its liabilities in the normal course of business.

##### 2.3 Goodwill/Capital reserve

###### Subsidiaries

Goodwill represents the difference between the cost of acquisition and the Group's share in the net worth of a subsidiary at each point of time of making the investment in the subsidiary. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of the respective acquisition. Negative goodwill is shown as Capital Reserve.

##### 2.4 Use of estimates

In the preparation of the financial statements, the management of the Company makes appropriate estimates and assumptions [in conformity with the applicable accounting principles in India] that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, and the useful lives of fixed assets and intangible assets provisions and liabilities to be transferred and written.

**Provisions:** Provisions are recognised when there is a present obligation as a result of a past event's. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there it is possible and make a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to their present value.

**Contingent Liability:** 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.



## NDTV Ethnic Retail Limited

### Notes to the Consolidated Financial Statements for the year ended March 31, 2016

#### 2.5 Tangible assets

Tangible assets are stated at the cost of acquisition, which includes taxes, duties, freight, insurance and other incidental expenses incurred for bringing the assets to the working condition required for their intended use, less depreciation and impairment.

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

Depreciation on tangible assets is provided on a pro-rata basis on the straight line method over the estimated useful lives of the assets. The useful lives as estimated for tangible assets are in accordance with the useful lives as indicated in Schedule II of the Companies Act, 2013 except for the following classes of assets where different useful lives have been used.

Asset head	Useful life (years)
Computers	5
Office equipment	3
Furniture and fixtures	8
Vehicles	5

The estimates of useful lives of the assets are based on the technical evaluation.

Individual assets costing less than Rs. 5,000 are depreciated at the rate of 100% in the year of acquisition.

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the revised remaining useful life.

Loss arising from the retirement of and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

#### 2.6 Intangible assets

Intangible assets are recognised if they are separately identifiable and the Company controls the future economic benefits arising from them. All other expenses on intangible items are charged to the Statement of Profit and Loss. Intangible assets are stated at cost less accumulated amortisation and impairment.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

Amortisation on intangible assets is provided using the Straight Line Method based on the useful lives as estimated by the management. Amortisation is charged on a pro-rata basis for assets purchased/sold during the year. Individual assets costing less than Rs. 5,000 are amortised at the rate of 100% in the year of acquisition. The management's estimates of useful lives for intangible assets are given below:

Asset head	Useful life (years)
Computer Software	6
Website	6

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

#### 2.7 Leases

Assets taken on leases where significant risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on a straight line basis over the lease term.

#### 2.8 Impairment

The carrying values of assets are reviewed at each reporting date to determine if there is indication of any impairment, using external and internal sources. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. Impairment occurs where the carrying value of the asset or its cash generating unit exceeds the present value of future cash flows expected to arise from the continuing use of the asset or its cash generating unit and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value of future cash flows from use of the assets as determined above. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Impairment loss is reversed 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 amortisation, if no impairment loss had been recognised.



## NDTV Ethnic Retail Limited

### Notes to the Consolidated Financial Statements for the year ended March 31, 2016

#### 2.9 Revenue recognition

Revenue from online sale of good is recognised when the goods have been delivered to the buyer and all the risk and rewards of ownership has been transferred. Revenue for services provided is recognized when persuasive evidence of an arrangement exists; the consideration is fixed or determinable; and it is reasonable to expect ultimate collection. Such revenues are recognised as the services are provided.

#### 2.10 Foreign currency transaction

Transactions in foreign currency are recorded at the rates of exchange in force at the time the transactions are effected. All monetary assets and liabilities denominated in foreign currency are restated at the year-end exchange rate. All non-monetary assets and liabilities are stated at the rates prevailing on the dates of Gains / (losses) arising out of fluctuations in the exchange rates are recognised as income / expense in the period in which they arise.

#### 2.11 Employee benefits

##### *Short-term employee benefits*

Short-term employee benefits are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

##### *Defined contribution plans*

The Company's provident fund scheme is a defined contribution plan. The Company's contribution paid/ payable under the scheme is recognised as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

##### *Defined benefit plans*

The Company's gratuity benefit scheme is defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in current and prior periods; the benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation under the plan is performed usually by a qualified actuary using the projected unit credit method.

The Company recognises all actuarial gains and losses arising from defined benefit plans immediately in the Statement of Profit and Loss. All expenses related to defined benefit plans are recognised in the employee benefits expense in the Statement of Profit and Loss. When benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

#### 2.12 Inventories

##### *Stock in trade - trading goods*

Inventories related to stock in trade are stated at the lower of cost and net realisable value. The value of stock has been specific to the order placed by the customer. The stock in trade comprises apparels, dresses and fashion accessories. Net realisable value is estimated selling price in the ordinary course of business less the estimated cost to make the sale.

#### 2.13 Earning per share (EPS)

##### *Basic EPS*

The earnings considered in ascertaining the Company's basic EPS comprise the net profit/(loss) after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

##### *Diluted EPS*

The net profit / (loss) after tax and the weighted average number of shares outstanding during the year are adjusted for all the effects of dilutive potential equity shares for calculating the diluted EPS, except where the results are anti-dilutive.

#### 2.14 Taxes on income

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in profit or loss except that tax expense related to items recognised directly in reserves is also recognised in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

#### 2.15 Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.



**NDTV Ethnic Retail Limited**
**Notes to the Consolidated Financial Statements for the year ended March 31, 2016**
**3. Share capital**

(Amount in Rupees million except no. of shares)

	As at	
	March 31, 2016	March 31, 2015
<b>Authorised shares</b>		
3,300,000 Equity shares (Previous year 3,300,000 equity shares) of Rs.10 each	33.00	33.00
<b>Issued, subscribed and fully paid-up</b>		
141,862 Equity shares (Previous year 133,517 equity shares) of Rs.10 each	1.42	1.34
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>1.42</b>	<b>1.34</b>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the year**

(Amount in Rupees million except number of shares)

Equity Shares	As at March 31, 2016		As at March 31, 2015	
	Numbers	Rs in million	Numbers	Rs in million
Opening balance	133,517	1.34	84,910	0.85
Issued during the year	8,345	0.08	48,607	0.49
Outstanding at the end of the year	<b>141,862</b>	<b>1.42</b>	<b>133,517</b>	<b>1.34</b>

**(b) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates**

(Amount in Rupees million except number of shares)

Name of the shareholder	As at March 31, 2016		As at March 31, 2015	
	Numbers	Rs in million	Numbers	Rs in million
Equity shares of Rs. 10 each fully paid held by:				
NDTV Worldwide Limited, fellow subsidiary	20,000	0.20	20,000	0.20
NDTV Convergence Limited, fellow subsidiary	32,314	0.32	32,314	0.32
NDTV Lifestyle Holdings Limited, fellow subsidiary	61,123	0.61	61,123	0.61

**(c) Details of shareholders holding more than 5% shares in the Company**

(Amount in Rupees million except number of shares)

Name of the shareholder	As at March 31, 2016		As at March 31, 2015	
	Numbers	% holding	Numbers	% holding
Equity shares of Rupees 10 each fully paid held by:				
NDTV Worldwide Limited	20,000	14.10%	20,000	14.98%
NDTV Convergence Limited	32,314	22.78%	32,314	24.20%
NDTV Lifestyle Holdings Limited	61,123	43.09%	61,123	45.78%
Rahul Narvekar	9,000	6.34%	9,000	6.74%
Kawaljeet Singh Ahluwalia	8,345	5.88%	-	-

**(d) Rights, preferences and restriction 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 to the number of equity shares held.

**4. Reserves and surplus**

(Amount in Rupees million)

	As at	
	March 31, 2016	March 31, 2015
<b>Securities premium account</b>		
Balance as at the beginning of the year	530.38	179.75
Addition during the year	314.98	350.63
<b>Closing balance</b>	<b>845.36</b>	<b>530.38</b>
<b>Deficit in the Statement of Profit and Loss</b>		
Balance as at the beginning of the year	(515.78)	(251.06)
Loss for the year	(320.19)	(264.72)
<b>Net deficit in Statement of Profit and Loss</b>	<b>(835.97)</b>	<b>(515.78)</b>
<b>Total Reserves and surplus</b>	<b>9.39</b>	<b>14.60</b>





**NDTV Ethnic Retail Limited**

**Notes to the Consolidated Financial Statements for the year ended March 31, 2016**

5. Long-term provisions	(Amount in Rupees million)	
	As at	
	March 31, 2016	March 31, 2015
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note 28)	0.73	0.53
	<u>0.73</u>	<u>0.53</u>

6. Trade payables	(Amount in Rupees million)	
	As at	
	March 31, 2016	March 31, 2015
<b>Trade payables</b>		
-total outstanding dues of micro enterprises and small enterprises; (refer note 30)	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	139.21	138.78
	<u>139.21</u>	<u>138.78</u>

7. Other current liabilities	(Amount in Rupees million)	
	As at	
	March 31, 2016	March 31, 2015
Book overdraft	-	19.96
Employee benefits payable	0.59	0.76
Advances from customers	11.93	34.19
Statutory dues	2.48	5.74
	<u>15.00</u>	<u>60.65</u>

8. Tangible assets	(Amount in Rupees million)					
	Plant and Machinery	Computers	Office Equipments	Furniture and fixtures	Vehicles	Total
<b>Gross block</b>						
As at April 1, 2015	7.85	6.55	3.51	4.65	-	22.56
Additions	-	1.26	0.22	-	9.11	10.59
As at March 31, 2016	7.85	7.81	3.73	4.65	9.11	33.15
<b>Depreciation</b>						
As at April 1, 2015	1.84	1.57	1.30	1.54	-	6.25
Charge for the year	1.11	1.34	0.82	0.90	1.16	5.33
As at March 31, 2016	2.95	2.91	2.12	2.44	1.16	11.58
<b>Net block</b>						
As at March 31, 2016	4.90	4.90	1.61	2.21	7.95	21.57
As at March 31, 2015	6.01	4.98	2.21	3.11	-	16.31

	Plant and Machinery	Computers	Office Equipments	Furniture and fixtures	Total
	<b>Gross block</b>				
As at April 1, 2014	7.71	5.80	3.51	4.62	21.64
Additions	0.14	0.75	-	0.03	0.92
As at March 31, 2015	7.85	6.55	3.51	4.65	22.56
<b>Depreciation</b>					
As at April 1, 2014	0.76	0.58	0.54	0.64	2.52
Charge for the year	1.08	0.99	0.76	0.90	3.73
As at March 31, 2015	1.84	1.57	1.30	1.54	6.25
<b>Net block</b>					
At March 31, 2015	6.01	4.98	2.21	3.11	16.31
At March 31, 2014	6.95	5.22	2.97	3.98	19.12



**NDTV Ethnic Retail Limited**  
**Notes to the Consolidated Financial Statements for the year ended March 31, 2016**

9. Intangible assets	(Amount in Rupees million)		
	Website	Computer software	Total
<b>Gross block</b>			
As at April 1, 2015	3.00	2.44	5.44
Additions	-	-	-
As at March 31, 2016	3.00	2.44	5.44
<b>Amortisation</b>			
As at April 1, 2015	1.59	2.26	3.85
Charge for the year	1.02	0.18	1.20
As at March 31, 2016	2.61	2.44	5.05
<b>Net block</b>			
As at March 31, 2016	0.39	0.00	0.39
As at March 31, 2015	1.41	0.18	1.59

	Website	Computer software	Total
<b>Gross block</b>			
As at April 1, 2014	3.00	2.44	5.44
Purchase	-	-	-
As at March 31, 2015	3.00	2.44	5.44
<b>Amortisation</b>			
As at April 1, 2014	0.58	0.78	1.36
Charge for the year	1.01	1.48	2.49
As at March 31, 2015	1.59	2.26	3.85
<b>Net block</b>			
As at March 31, 2015	1.41	0.18	1.59
As at March 31, 2014	2.42	1.66	4.08

10. Deferred tax asset	(Amount in Rupees million)	
	As at	
	March 31, 2016	March 31, 2015
<b>Deferred tax liability</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged as per books	(0.50)	(0.34)
<b>Deferred tax liability (A)</b>	<b>(0.50)</b>	<b>(0.34)</b>
<b>Deferred tax asset</b>		
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	0.50	0.34
<b>Deferred tax asset (B)</b>	<b>0.50</b>	<b>0.34</b>
<b>Net deferred tax Asset (A+B)*</b>	<b>-</b>	<b>-</b>

\* In view of carry forward tax loss / unabsorbed depreciation and absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised, the Company has recognised deferred tax asset only to the extent of the deferred tax liability.

11. Loans and advances	(Amount in Rupees million)			
	As at		As at	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Long-term		Short-term	
<b>Unsecured and considered good, unless otherwise stated</b>				
Security deposit	0.15	8.89	5.42	-
Advances recoverable in cash or kind	-	129.72	98.29	3.87
Advance income-tax	9.06	7.41	-	0.42
Prepaid expense	-	-	0.99	0.59
Advances and imprest to employees	-	-	0.27	0.09
Payment gateway receivables	-	-	0.76	6.24
Recoverable from logistics partners	-	-	6.72	3.54
Due from government authorities	-	-	10.27	5.89
	9.21	146.02	122.72	20.64



**NDTV Ethnic Retail Limited**
**Notes to the Consolidated Financial Statements for the year ended March 31, 2016**

12. Inventories (lower of cost and net realisable value)	(Amount in Rupees million)	
	As at	
	March 31, 2016	March 31, 2015
Stock-in-trade (includes stock in transit Rs. 0.07 million (Previous year Rs. 1.21 million)*)	2.15	6.46
Apparels	0.72	2.04
Others	2.87	8.51

\* Net off provision for inventory of Rs 4.06 million (Previous year Rs Nil).

13. Trade receivables	(Amount in Rupees million)	
	As at	
	March 31, 2016	March 31, 2015
Unsecured and considered good, unless otherwise stated	0.24	2.45
Outstanding for a period exceeding six months from the date they are due for payment	-	1.42
Other receivables	0.24	3.87

14. Other assets	(Amount in Rupees million)			
	As at		As at	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Long-term		Short-term	
Unsecured, considered good unless stated otherwise				
Bank deposit due to mature after 12 months of reporting date	0.20	0.20	-	-
Non-current bank balances (refer note 15)	0.20	0.20	-	-
Others				
Interest accrued on fixed deposits	0.04	0.01	0.03	0.85
	0.24	0.21	0.03	0.85

15. Cash and bank balances	(Amount in Rupees million)			
	As at		As at	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Long-term		Short-term	
Cash and cash equivalents				
Cash on hand	-	-	0.15	0.20
Balances with banks:				
- On current accounts	-	-	8.13	-
	-	-	8.28	0.20
Other bank balances				
- Deposits due to mature within 12 months of reporting date	0.20	0.20	0.20	17.70
Amount disclosed under non-current assets (refer note 14)	-	-	-	-
- Deposits due to mature after 12 months of reporting date	(0.20)	(0.20)	-	-
	-	-	8.48	17.90

16. Revenue from operations	(Amount in Rupees million)	
	Year ended	
	March 31, 2016	March 31, 2015
Revenue from operations	142.23	193.37
Sale of goods	0.10	1.24
Sale of services	142.33	194.61
Other operating revenue		
Shared service income	1.67	1.15
	1.67	1.15
	144.00	195.76

\* Includes prior period expense of Rs. 1.94 million (Previous year Rs. Nil)



**NDTV Ethnic Retail Limited**  
**Notes to the Consolidated Financial Statements for the year ended March 31, 2016**

17. Other income	(Amount in Rupees million)	
	Year ended	
	March 31, 2016	March 31, 2015
Interest income on		
-Bank deposits	0.65	4.54
-Others	0.03	-
Foreign exchange fluctuation	0.26	-
Rental income	0.45	1.23
Miscellaneous income	0.28	0.43
	<b>1.67</b>	<b>6.20</b>

18. Purchases of stock in trade	(Amount in Rupees million)	
	Year ended	
	March 31, 2016	March 31, 2015
Stock in trade	108.42	159.33
Apparels	36.14	53.11
Others	<b>144.56</b>	<b>212.44</b>

19. Changes in inventory of stock in trade	(Amount in Rupees million)	
	Year ended	
	March 31, 2016	March 31, 2015
Stock at the beginning of the year	8.51	4.67
Less: stock at the end of the year	2.87	8.51
	<b>5.64</b>	<b>(3.84)</b>

20. Employee benefits expense	(Amount in Rupees million)	
	Year ended	
	March 31, 2016	March 31, 2015
Salaries, wages and other benefits	31.67	28.30
Contribution to provident fund	1.77	1.71
Staff welfare	1.62	1.29
	<b>35.06</b>	<b>31.30</b>

21. Operations and administration expenses	(Amount in Rupees million)	
	Year ended	
	March 31, 2016	March 31, 2015
Rent	10.55	10.28
Rates and taxes	1.84	1.74
Electricity and water	1.89	1.58
Printing and stationery	0.22	0.60
Postage and courier	0.23	0.73
Books, periodicals and news papers	0.16	0.14
Local conveyance, travelling and taxi hire	6.91	11.55
Business promotion	0.23	0.32
Repair and maintenance		
- Plant and machinery	0.75	0.67
Office maintenance	6.46	5.89
Auditor's remuneration*	0.95	0.85
Insurance	1.41	0.43
Website hosting and streaming	16.92	10.92
Hire charges	0.15	-
Communication	2.82	2.04
Vehicle maintenance	0.68	0.83
Software expense	2.42	2.35
Generator hire and running	0.34	0.33
Personnel security	1.19	1.13
Staff Training	0.07	0.02
Legal, professional and consultancy	53.23	35.98
Manpower hire charges	32.21	24.98
Foreign exchange loss	-	2.06
Brokerage and commission	-	0.14
Bank charges	0.33	0.64
Payment gateway charges	7.59	7.59
Trade mark/Licence fee	0.46	0.90
Website maintenance charges	5.19	3.72
Miscellaneous	1.46	0.82
	<b>156.66</b>	<b>129.23</b>





**NDTV Ethnic Retail Limited**  
**Notes to the Consolidated Financial Statements for the year ended March 31, 2016**

	(Amount in Rupees million)	
	Year ended	
	March 31, 2016	March 31, 2015
<b>* Auditor's remuneration</b>		
As auditors:		
Audit fee	0.86	0.70
Reimbursement of expenses		
Out of pocket expenses	0.09	0.15
	<b>0.95</b>	<b>0.85</b>

	(Amount in Rupees million)	
	Year ended	
	March 31, 2016	March 31, 2015
<b>22. Marketing, distribution and promotion expense</b>		
Advertisement expense	43.01	26.28
Marketing expense	43.95	38.72
Shipping expense	28.91	25.91
	<b>115.87</b>	<b>90.91</b>

	(Amount in Rupees million)	
	Year ended	
	March 31, 2016	March 31, 2015
<b>23. Depreciation and amortisation expense</b>		
Depreciation of tangible assets	5.33	3.73
Amortisation of intangible assets	1.20	2.49
	<b>6.53</b>	<b>6.22</b>

	(Amount in Rupees million)	
	Year ended	
	March 31, 2016	March 31, 2015
<b>24. Finance costs</b>		
Interest on:		
-Intercompany loans*	1.46	-
-Others	0.08	0.42
	<b>1.54</b>	<b>0.42</b>

\* Interest on loan of Rs 1.46 mn (Previous year Rs Nil) taken from NDTV Worldwide Limited, related party.



**NDTV Ethnic Retail Limited**  
**Notes to the Consolidated Financial Statements for the year ended March 31, 2016**

**25. Related Party disclosure**

a) NDTV Ethnic Retail Limited "the Company" was incorporated under the laws of India on February 28, 2013. The following companies are considered in the consolidated financial statements:

Name of the Company	Country of Incorporation	Date of becoming a part of group	Shareholding as on March 31, 2015	
			(Directly or Indirectly)	
<b>Subsidiaries</b>				
Indianroots Retail Private Limited	India	28-Nov-13		100%

b) Names of related parties, where control exists or with whom transactions were carried out during each year and description of relationship as identified and certified by the Group as per the requirements of Accounting Standard-18 issued by the Institute of Chartered Accountants of India:

**Names of the related parties and nature of relationship**

New Delhi Television Limited	Ultimate Holding Company
NDTV Worldwide Limited	Fellow Subsidiary
NDTV Lifestyle Holding Limited	Fellow Subsidiary
NDTV Convergence Limited	Fellow Subsidiary
NDTV Lifestyle Limited	Fellow Subsidiary

**Key Management personnel and their relatives**

Saurav Banerjee	Director and Group Chief Financial Officer
Vikramaditya Chandra	Director and Group Chief Executive Officer
Shyatto Raha	Managing Director
Ajay Mankotia	Director of Indianroots Retail Private Limited
Ravi Asawa	Director of Indianroots Retail Private Limited



NDTV Ethnic Retail Limited  
Notes to the Consolidated Financial Statements for the year ended March 31, 2016

II. Disclosure of Related Party Transactions

The following table provides the total amount of transactions that have been entered into with related parties, in the ordinary course of business for the year ended March 31, 2016.

Nature of relationship / transaction	Ultimate Holding Company		Fellow Subsidiaries		Key Management Personnel		Total	
	Year ended		March 31, 2015		March 31, 2015		March 31, 2015	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
<b>Reimbursement of expenses</b>								
NDTV Convergence Limited	-	-	0.41	2.14	-	-	0.41	2.14
New Delhi Television Limited	0.17	0.06	-	-	-	-	0.17	0.06
<b>Services availed of</b>								
NDTV Convergence Limited	-	-	58.76	13.81	-	-	58.76	13.81
New Delhi Television Limited	0.61	8.01	0.45	-	-	-	0.61	8.01
NDTV Lifestyle Limited	-	-	-	-	-	-	0.45	-
<b>Shared service income</b>								
New Delhi Television Limited	1.67	1.15	-	-	-	-	1.67	1.15
<b>Shared service cost</b>								
New Delhi Television Limited	4.21	2.60	3.41	3.14	-	-	4.21	2.60
NDTV Worldwide Limited	-	-	-	-	-	-	3.41	3.14
<b>Rental Income</b>								
New Delhi Television Limited	0.45	1.23	-	-	-	-	0.45	1.23
<b>Trade Mark / Royalty Fees</b>								
New Delhi Television Limited	0.44	0.90	-	-	-	-	0.44	0.90
<b>Loan received</b>								
NDTV Worldwide Limited	-	-	30.00	-	-	-	30.00	-
<b>Loan paid</b>								
NDTV Worldwide Limited	-	-	30.00	-	-	-	30.00	-
<b>Interest Paid</b>								
NDTV Worldwide Limited	-	-	1.46	-	-	-	1.46	-
<b>Equity Share Capital Issued</b>								
NDTV Lifestyle Holding Limited	-	-	-	0.49	-	-	-	0.49
<b>Security Premium</b>								
NDTV Lifestyle Holding Limited	-	-	-	350.63	-	-	-	350.63
<b>Sale of Goods</b>								
Shyatto Raha	-	-	-	-	-	0.03	-	0.03
Ravi Asawa	-	-	-	-	-	0.03	-	0.03
<b>Remuneration to key managerial personnel</b>								
Shyatto Raha	-	-	-	-	-	0.04	-	-
<b>Balance at the year end</b>								
		<b>As At</b>	<b>As At</b>	<b>As At</b>	<b>As At</b>	<b>As At</b>	<b>As At</b>	<b>As At</b>
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Trade Payable	41.71	31.42	34.47	29.12	-	-	76.18	60.54
Other Receivables/Loans and advances	-	-	89.48	130.95	-	-	89.48	130.95



26. Segment information

The Company has considered "business segment" as the primary segment. The Company is primarily involved in the business of sale activities to the customer in India and outside India on the platform www.indianroots.com. The other activities of the Company comprise promotion of various brands and interest income. The income from these activities, which are incidental to the Company's business, is not material in financial terms but contribute significantly in generating the demand for the products of the Company. Accordingly, the Company has considered "Business Segment" as the primary segment and thus no business segment information is required to be disclosed. The "Geographical Segments" have been considered for disclosure as the secondary segment, under which the domestic segment includes sales to customers located in India and the overseas segment includes sales to customers located outside India.

	(Amount in Rupees million)					
	Domestic		Overseas		Total	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Revenue from External customers	68.44	70.74	73.89	123.87	142.33	194.61
Segment assets	146.10	205.48	-	9.50	146.10	214.98
Capital expenditure during the year	10.59	(0.92)	-	-	10.59	0.92

Notes:-

- Domestic segment includes delivery of goods sold in India.
- Overseas segment includes delivery of goods sold outside India.
- Unallocated revenue includes shared service income, promotion income and interest income.
- Segment assets includes fixed assets, inventories, sundry debtors, cash and bank balances, other current assets, loans and advances.
- Capital expenditure during the year includes purchase of fixed assets.

27. Loss per equity share (LPS)

The following reflects the profit and share data used in the basic and diluted LPS computations: (Amount in Rupees million, except per share data)

	Year ended	
	March 31, 2016	March 31, 2015
Loss attributable to equity shareholders	(320.19)	(264.72)
Number of equity shares outstanding as at the beginning of the year (Nos)	133,517	84,910
Add: Equity shares issued during the year (Nos)	8,345	48,607
Number of equity shares outstanding at year end (Nos)	141,862	133,517
Weighted average number of equity shares outstanding during the year for basic LPS (Nos.)	138,834	120,130
Adjustment for dilutive effect of share options granted	-	-
Weighted average number of equity shares outstanding during the year for diluted LPS (Nos.)	138,834	120,130
Basic and diluted earnings per equity share (Rs.)	(2,306.29)	(2,203.62)
Diluted Earnings per Equity Share (Rs.)	(2,306.29)	(2,203.62)
Nominal value per share (Rs)	10	10





**NDTV Ethnic Retail Limited**

**Notes to the Consolidated Financial Statements for the year ended March 31, 2016**

**30. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

(Amount in Rupees million)

Particulars	As at	
	March 31, 2016	March 31, 2015
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the		
- Principal	Nil	Nil
- Interest	Nil	Nil
(b) The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises	Nil	Nil
(c) The amounts of the payments made to micro and small suppliers beyond the appointed day	Nil	Nil
(d) The amount of interest due and payable for the period of delay in making payment (which have	Nil	Nil
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
(f) The amount of further interest remaining due and payable even in the succeeding years, until	Nil	Nil

**31. Previous year figures**

The previous years figures have been reclassified to conform to the current year's classification.

As per our report of even date attached.

For **BSR & Associates LLP**

Chartered Accountants

ICAI Firm Registration No. 116231W / W-100024



**Rakesh Dewan**

Partner

Membership Number : 092212

For and on behalf of Board of Directors of  
**NDTV Ethnic Retail Limited**



**Saurav Banerjee**

Director, NDTV Ethnic Retail Limited

Director, Finance and Group CFO



**Shyatto Raha**

Managing Director



**Vikramaditya Chandra**

Group Chief Executive Officer

Place : Gurgaon

Date : May 5, 2016

Place : New Delhi

Date : May 4, 2016

**Form AOC-I**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of subsidiaries of NDTV Ethnic Retail Limited**

**Part "A": Subsidiaries**

S. No	Name of the subsidiary	Indianroots Retail Private Limited (Formerly JA Ethnic Retail Private Limited)
1	Capital	0.10
2	Reserves	(291.05)
3	Total Assets	10.53
4	Total Liabilities	10.53
5	Investments	-
6	Turnover	68.44
7	Profit before Taxation	(179.81)
8	Provision for Taxation	-
9	Profit after Taxation	(179.81)
10	Dividend	-
11	% of Shareholding	100.00%

For and on behalf of Board



**Saurav Banerjee**  
*Director, NDTV Ethnic Retail Limited*  
*Director, Finance and Group CFO*



**Shyatto Raha**  
*Managing Director*



**Vikramaditya Chandra**  
*Group Chief Executive Officer*

Place of Signing : New Delhi

Date: May 4 ,2016