

**NDTV Convergence Limited**  
**Statutory Audit for the financial year ended**  
**31 March 2018**

# B S R & Associates LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B  
DLF Cyber City, Phase - II  
Gurugram - 122 002, India

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## INDEPENDENT AUDITOR'S REPORT

To the Members of NDTV Convergence Limited

### Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **NDTV Convergence 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 profit (including other comprehensive loss), 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 has long-term contracts as at 31 March 2018, for which there were no material foreseeable losses. The Company has no outstanding derivative contracts as at 31 March 2018;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; 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. 39 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 Convergence Limited on the Ind AS financial statements for the year ended 31 March 2018.**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year. As informed to us the discrepancies noticed on such verification were not material and have been properly dealt with in the books of accounts. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us, the Company does not hold any immovable property in its name. Accordingly, paragraph 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) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3 (iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not given any loans to any parties specified under section 185 and 186 of the Companies Act, 2013. Further, the investments made by the Company are in compliance with section 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 provident fund, income-tax, service tax, goods and services tax, value added 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 income-tax. As explained to us, the Company did not have any dues on account of duty of excise, duty of customs and employees' state insurance.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, goods and services tax, value added tax, cess and other 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, value added tax, service tax and goods and services 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	18.85	AY 2012-13	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income tax	27.12	AY 2013-14	Commissioner of Income Tax (Appeals)
Income-tax Act, 1961	Income tax	12.52	AY 2014-15	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 and financial institutions. The Company did not have any outstanding dues to any government or debenture holders during the year.
- (ix) According to the information and explanation 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) during the year. Further, as explained to us, the term loan raised in the previous year has been utilised for the purpose it was raised.
- (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 information and explanations given to us and on the basis of our examination of the records of the Company, the managerial remuneration has been provided/ paid by the Company in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (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 standalone 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. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (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 Convergence 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 over financial reporting of NDTV Convergence 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 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 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 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 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 Convergence 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
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3	14.59	15.41	12.51
Capital work-in-progress		-	-	0.36
Intangible assets	4	10.33	17.17	24.18
<b>Financial assets</b>				
Investments	5	107.39	57.29	131.92
Loans	6(a)	143.83	128.57	66.54
Other financial assets	12(a)	-	-	10.69
Deferred tax assets (net)	41	22.10	11.15	7.69
Income tax assets (net)	7(a)	76.25	66.65	84.20
Other non-current assets	8	0.82	0.82	7.49
<b>Total non-current assets</b>		<b>375.31</b>	<b>297.06</b>	<b>345.58</b>
<b>Current assets</b>				
<b>Financial assets</b>				
Trade receivables	9	459.92	548.86	465.75
Cash and cash equivalents	10	251.06	62.90	34.40
Bank balances other than cash and cash equivalents mentioned above	11	29.83	5.10	31.67
Loans	6(b)	1.24	-	-
Other financial assets	12(b)	22.83	37.83	40.61
Income tax assets (net)	7(b)	1.61	-	-
Other current assets	13	468.18	436.53	251.14
<b>Total current assets</b>		<b>1,234.67</b>	<b>1,091.22</b>	<b>823.57</b>
<b>Total assets</b>		<b>1,609.98</b>	<b>1,388.28</b>	<b>1,169.15</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital	14	0.67	0.67	0.67
Other equity	15	690.95	484.02	486.59
<b>Total equity</b>		<b>691.62</b>	<b>484.69</b>	<b>487.26</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	16(a)	415.45	457.19	146.43
Other financial liabilities	17(a)	-	-	10.83
Provisions	20(a)	21.87	15.09	11.12
Other non-current liabilities	19(a)	39.78	-	-
<b>Total non-current liabilities</b>		<b>477.10</b>	<b>472.28</b>	<b>168.38</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	16(b)	17.79	44.78	-
Trade payables	18	190.45	243.06	263.75
Other financial liabilities	17(b)	88.29	36.80	144.31
Provisions	20(b)	1.93	0.60	0.44
Other current liabilities	19(b)	142.80	106.07	105.01
<b>Total current liabilities</b>		<b>441.26</b>	<b>431.31</b>	<b>513.51</b>
<b>Total liabilities</b>		<b>918.36</b>	<b>903.59</b>	<b>681.89</b>
<b>Total equity and liabilities</b>		<b>1,609.98</b>	<b>1,388.28</b>	<b>1,169.15</b>

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

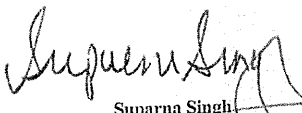


Rakesh Dewan  
Partner  
Membership Number: 092212


Place: Gurugram  
Date: 11 MAY 2018

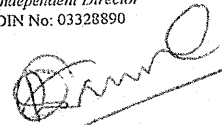
For and on behalf of the Board of Directors of  
NDTV Convergence Limited

  
Saurav Banerjee  
Co-CEO, NDTV Group & Director  
DIN No: 06719699

  
Suparna Singh  
CEO, NDTV Group

Place: New Delhi  
Date: 11 MAY 2018

  
Kaushik Dutta  
Independent Director  
DIN No: 03328890

  
Ravi Asawa  
CFO, NDTV Group

NDTV Convergence 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
<b>Income</b>			
Revenue from operations	21	1,382.25	1,213.65
Other income	22	62.49	37.61
<b>Total income</b>		<b>1,444.74</b>	<b>1,251.26</b>
<b>Expenses</b>			
Cost of services	23	314.56	266.96
Employee benefits expenses	24	372.70	325.07
Finance costs	25	75.80	68.12
Depreciation and amortisation expense	26	12.15	12.42
Operations and administration expenses	27	185.54	182.27
Marketing, distribution and promotion expenses	28	175.74	202.05
<b>Total expenses</b>		<b>1,136.49</b>	<b>1,056.89</b>
<b>Profit before exceptional items and tax</b>		<b>308.25</b>	<b>194.37</b>
Exceptional items	29	-	130.08
<b>Profit before tax</b>		<b>308.25</b>	<b>64.29</b>
<b>Income tax expense</b>			
Current tax		111.22	72.77
Deferred tax		(9.78)	(2.87)
<b>Total tax expenses</b>		<b>101.44</b>	<b>69.90</b>
<b>Profit/(loss) for the year</b>		<b>206.81</b>	<b>(5.61)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit obligations		(3.39)	(1.72)
Income tax relating to these items		1.17	0.59
<b>Other comprehensive income/(loss) for the year</b>		<b>(2.22)</b>	<b>(1.13)</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>204.59</b>	<b>(6.74)</b>
<b>Earnings/(loss) per share</b>			
Basic earnings/(loss) per share ( INR )	33	3,101.91	(84.22)
Diluted earnings/(loss) per share ( INR )	33	3,101.91	(84.22)

The accompanying notes are an integral part of these financial statements

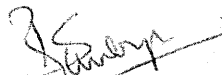
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For B S R & Associates LLP  
Chartered Accountants  
Firm registration number: 116231W /W-100024



Rakesh Dewan  
Partner  
Membership Number: 092212

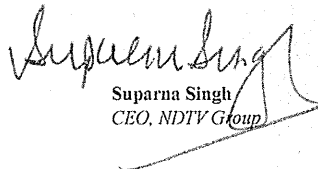
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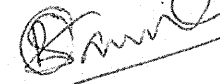
Saurav Banerjee  
Co-CEO, NDTV Group & Director  
DIN No: 06719699



Kaushik Dutta  
Independent Director  
DIN No: 03328890



Suparna Singh  
CEO, NDTV Group



Ravi Asawa  
CFO, NDTV Group

Place: Gurugram  
Date: 11 MAY 2018

Place: New Delhi  
Date: 11 MAY 2018

NDTV Convergence 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	308.25	64.29
Profit before income tax		12.42
Adjustments to reconcile profit /(loss) before tax to net cash flows:	12.15	130.08
Depreciation and amortisation expense	-	68.12
Impairment in the value of investment	75.80	0.04
Finance costs	(26.96)	0.36
(Gain)/loss on sale / disposal of property, plant and equipment	-	13.91
Capital work in progress write off	26.35	4.17
Allowance for doubtful receivables	2.34	13.56
Employee Stock option expense	5.64	(14.87)
Bad debts written off	(30.33)	(5.29)
Interest income	(9.55)	1.08
Liabilities for operating expenses written back	(0.32)	(2.82)
Unrealised foreign exchange (gain)/loss	(5.10)	-
Loss/(gain) on fair valuation of investments	-	-
Cash generated from operations before working capital changes	<u>358.27</u>	<u>285.05</u>
Working capital adjustments	57.45	(111.52)
Change in trade receivables	(0.72)	(52.22)
Change in loans	15.77	(32.27)
Change in other financial assets	(31.65)	(180.27)
Change in other assets	-	6.67
Change in other non-current assets	(43.24)	(15.53)
Change in trade payables	4.78	(19.62)
Change in other financial liabilities	76.51	1.06
Change in other liabilities	4.72	2.41
Change in provisions	441.89	(116.24)
Cash generated from / (used in) operating activities	<u>(122.44)</u>	<u>(55.31)</u>
Income taxes paid/deducted at source (net)	<u>319.45</u>	<u>(171.55)</u>
Net cash generated from / (used in) operating activities (A)		
Cash flows from investing activities	(5.07)	(6.82)
Purchase of property, plant and equipment	(45.00)	(52.64)
Purchase of investments	27.37	-
Proceeds from sale of property, plant and equipment	-	71.94
Proceeds from maturity of deposits with banks	(24.72)	-
Investment in deposits with banks	13.78	5.44
Interest received	<u>(33.64)</u>	<u>17.92</u>
Net cash used in investing activities (B)		
Cash flows from financing activities	-	550.00
Proceeds from borrowings	(27.00)	(250.00)
Repayment of borrowings	(70.65)	(117.87)
Finance cost paid	<u>(97.65)</u>	<u>182.13</u>
Net cash generated from / (used in) financing activities (C)		
Net increase in cash and cash equivalents (A+B+C)	188.16	28.50
Cash and cash equivalents at the beginning of the year (refer note 10)	<u>62.90</u>	<u>34.40</u>
Cash and cash equivalents at the end of the year (refer note 10)	<u>251.06</u>	<u>62.90</u>
Notes to the Statement of cash flows:		
(a) Cash and cash equivalents		
Components of cash and cash equivalents:	0.08	0.02
Cash on hand		
Balances with banks	44.29	20.15
- In current accounts	206.69	42.73
Deposits with banks having maturity of less than 3 months	<u>251.06</u>	<u>62.90</u>
Balances per statement of cash flows		



NDTV Convergence 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
<b>(b) Movement in financial liabilities*</b>		
Opening balance (including current maturities of long term debt)	501.97	244.04
Proceeds from borrowings	-	550.00
Repayment of borrowings	(27.00)	(250.00)
Processing fees	5.15	9.38
Interest expense on borrowings	69.37	55.72
Interest accrued	-	2.63
Finance cost paid	(69.37)	(58.35)
Transaction cost	-	(51.45)
Closing balance	<u>480.12</u>	<u>501.97</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

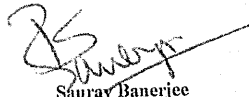
For B S R & Associates LLP  
Chartered Accountants  
Firm registration number: 116231W /W-100024



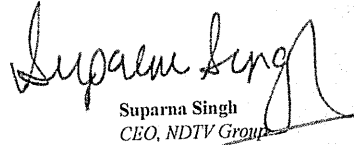
Rakesh Dewan  
Partner  
Membership Number: 092212

Place: Gurugram  
Date: 11 MAY 2018

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

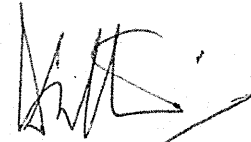


Saugav Banerjee  
Co-CEO, NDTV Group & Director  
DIN No: 06719699

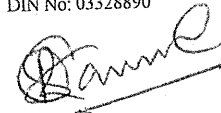


Suparna Singh  
CEO, NDTV Group

Place: New Delhi  
Date: 11 May 2018



Kaushik Dutta  
Independent Director  
DIN No: 03328890



Ravi Asawa  
CFO, NDTV Group

NDTV Convergence 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	Amounts
Balance as at 1 April 2016	0.67
Changes in equity share capital during the year	-
Balance as at 31 March 2017	0.67
Changes in equity share capital during the year	-
Balance as at 31 March 2018	0.67

II) Other equity

Particulars	Reserve and surplus			Items of OCI	Total
	Securities premium reserve	Share based payment reserve	Retained earnings	Remeasurements of defined benefit obligations	
Balance as at 1 April 2016	236.35	37.74	212.50	-	486.59
Total comprehensive income/(loss) for the year	-	-	(5.61)	-	(5.61)
Profit/(loss) for the year	-	-	-	(1.13)	(1.13)
Other comprehensive income/(loss), net of tax	-	-	(5.61)	(1.13)	(6.74)
Total comprehensive income/(loss) for the year	-	-	-	-	-
Transactions with owners, recorded directly in equity	-	-	-	-	-
Contributions by owners	-	4.17	-	-	4.17
Share-based payment	-	4.17	-	-	4.17
Total contributions by owners	-	4.17	-	-	4.17
Balance as at 31 March 2017	236.35	41.91	206.89	(1.13)	484.02
Total comprehensive income/(loss) for the year	-	-	206.81	-	206.81
Profit/(loss) for the year	-	-	-	(2.22)	(2.22)
Other comprehensive income/(loss), net of tax	-	-	206.81	(2.22)	204.59
Total comprehensive income/(loss) for the year	-	-	-	-	-
Transactions with owners, recorded directly in equity	-	-	-	-	-
Contributions by owners	-	2.34	-	-	2.34
Share-based payment	-	2.34	-	-	2.34
Total contributions by owners	-	2.34	-	-	2.34
Balance as at 31 March 2018	236.35	44.25	413.70	(3.35)	690.95

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

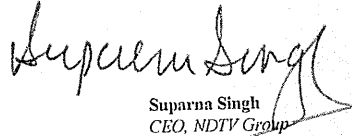
Place: Gurugram

Date: 11 MAY 2018

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



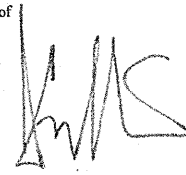
Saurav Banerjee  
Co-CEO, NDTV Group & Director  
DIN No: 06719699



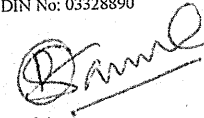
Suparna Singh  
CEO, NDTV Group

Place: New Delhi

Date: 11 May 2018



Kaushik Dutta  
Independent Director  
DIN No: 03328890



Ravi Asawa  
CFO, NDTV Group

**Reporting entity**

NDTV Convergence Limited is a public limited Company incorporated in India under the provisions of the Companies Act, 1956 with its registered office situated in New Delhi. It commenced operations on 1 January 2007 with the purchase of existing website from New Delhi Television Limited, its ultimate parent Company. The Company maintains and operates ndtv.com and other websites. The Company is also a content provider to Mobile VAS operators.

**Note 1 : Basis of preparation**

**a. Statement of compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs Pursuant to section 133 of the Companies Act, 2013 ("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), notified under Section 133 of the Act 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 is provided in Note 43.

The financial statements were authorised 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 assets	Fair value

**d. Use of estimates and judgements**

In preparing the financial statements, management has made judgements, 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 recognised 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;
- Estimation of defined benefit obligation;
- Estimated useful life of intangible assets;
- Fair value of barter transaction;
- Impairment test of non-financial assets; and
- Impairment of trade receivables and other 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.

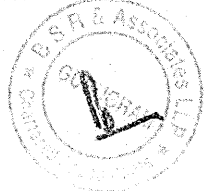
**e. Current versus non-current classification**

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 realised 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 realised 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 classify all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation 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 value 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 categorised 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 recognise transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further the information about the assumptions made in measuring fair values is included in the note for financial instruments.

**Note 2 : Significant accounting policies**

**a. Foreign currency**

**Foreign currency transactions**

Transactions in foreign currencies are translated into the functional currency of Company at the exchange rate at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

**b. 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 recognised when they are originated. All other financial assets and financial liabilities are initially recognised 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**

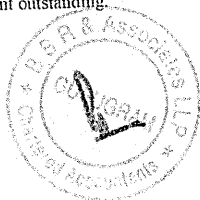
On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- fair value through other comprehensive income (FVOCI) – debt investment;
- FVOCI – equity investment; or
- 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 amortised 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 amortised 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 amortised 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 recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised 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 recognised in profit or loss. Other net gains and losses are recognised 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 recognised 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 recognised 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 amortised 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 recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. **Derecognition:**

**Financial assets**

The Company derecognises 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 recognised 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 derecognised.

**Financial liabilities**

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

The Company also derecognises 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 recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised 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 realise the asset and settle the liability simultaneously.



c. Property, plant and equipment

i. Recognition and measurement:

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

iii. Subsequent expenditure:

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv. Depreciation:

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the Statement of Profit and Loss.

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 difference useful lives have been used:

Asset Class	Useful life (in years)
Computers	3-6

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

d. Intangible assets

i. Recognition and measurement:

Intangible assets including those acquired by the Company in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure:

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on is recognised in profit or loss as incurred.

iii. Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

iv. Amortisation:

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset Class	Useful life (In years)
Website	6
Computer Software	6

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.



c. Impairment

i. *Impairment of financial instruments*

The Company recognises loss allowances for expected credit losses on:

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

At each reporting date, the Company assesses whether financial assets carried at amortised 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 reorganisation; 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 measured at an amount at least equal to the 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 amortised 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 income tax assets and 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 recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised 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 recognised 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 amortisation, if no impairment loss had been recognised.

f. **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 recognised 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 recognised 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.

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, are recognised in OCI. The Company determines the net interest expense on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the defined benefit liability during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plan is recognised 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 recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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 recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

v. *Employee share based payments*

The fair value of options granted under the Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity.

The total expenses is recognised over the vesting period, which is the period over which specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognises the impact of revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

g. **Provisions:**

A provision is recognised 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 recognised as finance cost. Expected future operating losses are not provided for.

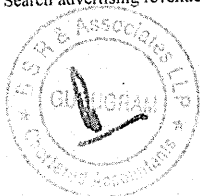
h. **Revenue:**

Revenue is measured at fair value of consideration received or receivable. Amounts disclosed as revenue are net of taxes, rebates, trade allowances and amount collected on behalf of others.

i. *Advertisement revenue:*

The Company recognises revenue from the display of graphical advertisements ("display advertising") on the website as "impressions" are delivered. An "impression" is delivered when an advertisement appears in pages viewed by users.

The Company recognizes revenue from the display of text based links to the websites of its advertisers ("search advertising") which are placed on the website. Search advertising revenue is recognized as "click through" occur. A "click-through" occurs when a user clicks on an advertiser's listing.



- ii. *Revenue from events*  
Revenue from events is recognised as the services are provided.
- iii. *Sale of License*  
Revenue from sale of licenses and services is recognized as per terms of contract when no significant uncertainty exists with respect to ultimate collection.
- iv. *Revenues from content*  
Revenue from content provided to Mobile VAS operators is recognized when services are rendered and no significant uncertainty exists with respect to ultimate collection.

i. **Barter transactions**

Barter transactions are recognised at the fair value of the consideration received or rendered. When the fair value of the transactions cannot be measured reliably, the revenue / expense is measured at the fair value of the goods / services provided or received, adjusted by the amount of cash or cash equivalent transferred.

In the normal course of business, the Company enters into a transaction in which it purchases an asset or a service for business purposes and/or makes an investment in a customer and at the same time negotiates a contract for sale of advertising to the seller of the asset or service, as the case may be. Arrangements though negotiated contemporaneously, may be documented in one or more contracts. The Company's policy for accounting for each transaction negotiated simultaneously is to record each element of the transaction based on the respective estimated fair values of the assets or services purchased or investments made and the airtime sold. Assets which are acquired in the form of investments are recorded as investments and accounted for accordingly. In determining their fair value, the Company refers to independent appraisals (where available), historical transactions or comparable cash transactions.

j. **Lease:**

i. *Determining whether an arrangement contains a lease*

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

ii. *Assets held under leases*

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

iii. *Lease payments*

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

k. **Recognition of dividend income, interest income or expense**

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

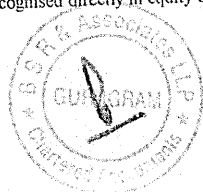
The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised 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 amortised 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 amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

l. **Income tax**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised 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 recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.
- ii **Deferred tax**  
Deferred tax is recognised 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 recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised 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 recognised 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 recognises 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 realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.
- Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised 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 realised simultaneously.
- m. **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 capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.
- n. **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.
- o. **Earnings per share**
- i. **Basic earnings per share**  
Basic earnings per share is calculated by dividing:
- the profit 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.



p. **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 recognised 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 recognised in the period in which the change occurs.

q. **Recent accounting pronouncements**

i. **Ind AS 115, Revenue from contracts with customers**

**Nature of Change**

Ind AS 115, *Revenue from contracts with customers* deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard replaces Ind AS 18 *Revenue* and Ind AS 11 *Construction contracts* and related appendices.

A new five-step process must be applied before revenue can be recognised:

1. Identify contracts with customers
2. Identify the separate performance obligation
3. Determine the transaction price of the contract
4. Allocate the transaction price to each of the separate performance obligations, and
5. Recognise the revenue as each performance obligation is satisfied.

Ind AS 115 also introduces new guidance on, amongst other areas, combining contracts, discounts, variable consideration, modifications and require that certain costs incurred in obtaining and fulfilling customer contracts be deferred on Balance Sheet and amortized over the period and entity expects to benefit from customer relationship.

The adoption of the new standard may impact the timing of revenue recognition for revenue from digital media services. Further, what constitutes a performance obligation under the new standard maybe different than the current accounting revenue recognition principles.

The management is in the process of conducting a detailed accounting scoping analysis across the services within the Company's revenue streams.

The new standard also requires detailed disclosures regarding nature, timing and uncertainty of revenue transactions which is presently being assessed by the management.

The new standard is mandatory for financial years commencing on or after 1 April 2018 and early application is not permitted. The standard permits to apply this standard using one of the following two methods:

- (a) retrospectively to each prior reporting period presented or
- (b) retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application.

**Impact**

The Company is in the process of assessing the detailed impact of Ind AS 115. Presently, the Company is not able to reasonably estimate the impact that application of Ind AS 115 is expected to have on its financial statements, except that adoption of Ind AS 115 is not expected to significantly change the timing of the Company's revenue recognition for sale of services.

**Date of adoption**

The Company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 April 2018 and that comparatives will not be restated.

ii. **Appendix B to Ind AS 21- Foreign currency transactions and advance consideration**

**Nature of change**

The Ministry of Corporate Affairs (MCA) has notified Appendix B to Ind AS 21, *Foreign currency transactions and advance consideration*. The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

For a single payment or receipt, the date of the transaction should be the date on which the entity initially recognises the non-monetary asset or liability arising from the advance consideration (the prepayment or deferred income/contract liability). If there are multiple payments or receipts for one item, date of transaction should be determined as above for each payment or receipt.

The appendix can be applied:

- retrospectively for each period presented applying Ind AS 8;
  - prospectively to items in scope of the appendix that are initially recognised
- a. on or after the beginning of the reporting period in which the appendix is first applied (i.e. 1 April 2018 for entities with March year-end); or
  - b. from the beginning of a prior reporting period presented as comparative information (i.e. 1 April 2017 for entities with March year-end).



**Impact**

The Company is in the process of assessing the detailed impact of application of the above mentioned appendix to its foreign currency transactions.

**Date of adoption**

The Company intends to adopt the amendments prospectively to items in scope of the appendix that are initially recognised on or after the beginning of the reporting period in which the appendix is first applied (i.e. from 1 April 2018).

iii. **Amendments to Ind AS 12- Income taxes regarding recognition of deferred tax assets on unrealised 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.

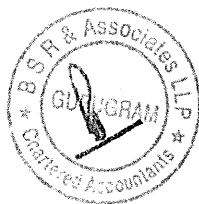
An entity shall apply the amendments to Ind AS 12 retrospectively in accordance with Ind AS 8. However, on initial application of the amendment, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), 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 recognised in opening retained earnings as at 1 April 2018, based on the relief provided by the standard.





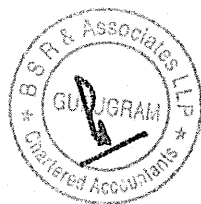
NDTV Convergence Limited  
Notes to the financial statements for the year ended 31 March 2018  
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Note 3 : Property, plant and equipment

Particulars	Plant and machinery	Computers	Office equipment	Furniture and fixtures	Vehicles	Total
<b>At cost or deemed cost (gross carrying amount)</b>						
Deemed Cost at 1 April 2016 (refer note 43)	3.01	8.01	1.06	0.03	0.40	12.51
Additions	2.73	3.99	0.90	0.06	-	7.68
Disposals	-	(0.05)	-	-	-	(0.05)
Balance at 31 March 2017	5.74	11.95	1.96	0.09	0.40	20.14
Additions	1.57	2.68	0.65	-	-	4.90
Disposals	-	(0.48)	(0.18)	-	-	(0.66)
Balance at 31 March 2018	7.31	14.15	2.43	0.09	0.40	24.38
<b>Accumulated depreciation</b>						
Particulars	Plant and machinery	Computers	Office equipment	Furniture and fixtures	Vehicles	Total
Depreciation for the year	1.00	2.90	0.65	0.06	0.13	4.74
Deletion / Adjustments	-	(0.01)	-	-	-	(0.01)
Balance at 31 March 2017	1.00	2.89	0.65	0.06	0.13	4.73
Depreciation for the year	1.37	3.12	0.69	0.00	0.13	5.31
Deletion / Adjustments	-	(0.14)	(0.11)	-	-	(0.25)
Balance at 31 March 2018	2.37	5.87	1.23	0.06	0.26	9.79
Carrying amount (net)	3.01	8.01	1.06	0.03	0.40	12.51
Deemed cost as at 1 April 2016	4.74	9.06	1.31	0.03	0.27	15.41
Balance at 31 March 2017	4.94	8.28	1.20	0.03	0.14	14.59
Balance at 31 March 2018						

Notes:

As at 31 March 2018, properties with a carrying amount of INR 14.59 million ( 31 March 2017: INR 15.41 million and 1 April 2016 : INR 12.51 million) are subject to first charge to secure financial institution / bank loans (refer note 16 and 40).



NDTV Convergence Limited  
Notes to the financial statements for the year ended 31 March 2018  
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Note 4. Intangible assets

Reconciliation of carrying amount

Particulars	Computer Software	Website	Total
At cost or deemed cost (gross carrying amount)	13.02	11.16	24.18
Deemed cost at 1 April 2016 (refer note 43)	0.67	-	0.67
Additions	13.69	11.16	24.85
Balance at 31 March 2017	-	-	-
Additions	13.69	11.16	24.85
Balance at 31 March 2018	-	-	-

Accumulated amortisation

Particulars	Computer Software	Website	Total
Amortisation for the year	4.70	2.98	7.68
Balance at 31 March 2017	4.70	2.98	7.68
Amortisation for the year	3.99	2.85	6.84
Balance at 31 March 2018	8.69	5.83	14.52
Balance at 1 April 2016	13.02	11.16	24.18
Balance at 31 March 2017	8.99	8.18	17.17
Balance at 31 March 2018	5.00	5.33	10.33

Notes:  
As at 31 March 2018, properties with a carrying amount of INR 10.33 million (31 March 2017: INR 17.17 million and 1 April 2016 : INR 24.18 million) are subject to first charge to secure financial institution / bank loans (refer note 16 and 40).



NDTV Convergence Limited  
Notes to the financial statements for the year ended 31 March 2018  
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Note 5: Non-current investments

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>Unquoted</b>			
<b>A) Investment in equity instruments - associates (At cost)</b>			
45,700 (31 March 2017: 45,700, 1 April 2016: 32,314) equity shares of Indianroots Shopping Limited of INR 10 (31 March 2017: INR 10, 1 April 2016: INR 10) each, fully paid-up, net of impairment in the value of investment of INR 130.08 million (31 March 2017: INR 130.08, 1 April 2016: INR Nil )million.	-	-	129.95
21,000 (31 March 2017: 21,000, 1 April 2016: 21,000) equity shares of Fifth Gear Ventures Limited of INR 10 each, fully paid-up	0.21	0.21	0.21
25,000 (31 March 2017: 25,000, 1 April 2016: 25,000) equity shares of On Demand Transportation Limited of INR 10 each, fully paid-up	0.25	0.25	0.25
25,000 (31 March 2017: 25,000, 1 April 2016: 25,000) equity shares of Special Occasions Limited of INR 10 each, fully paid-up	0.25	0.25	0.25
20,000 (31 March 2017: 20,000, 1 April 2016: 20,000) equity shares of Brick Buy Brick Project Limited of INR 10 each, fully paid-up	0.20	0.20	0.20
25,000 (31 March 2017: 25,000, 1 April 2016: 25,000) equity shares of Redster Digital Limited of INR 10 each, fully paid-up	0.25	0.25	0.25
21,250 (31 March 2017: 21,250, 1 April 2016: 21,250) equity shares of OnArt Quest Limited of INR 10 each, fully paid-up	0.21	0.21	0.21
<b>B) Investment in equity instruments - subsidiaries (At cost)</b>			
30,000 (31 March 2017: 30,000, 1 April 2016: 30,000) equity shares of Red Pixels Ventures Limited of INR 10 each, fully paid-up	0.30	0.30	0.30
30,000 (31 March 2017: 30,000, 1 April 2016: 30,000) equity shares of SmartCooky Internet Limited of INR 10 each, fully paid-up	0.30	0.30	0.30
<b>Quoted</b>			
<b>A) Investment in mutual funds (At fair value through profit and loss)</b>			
306,435.331 (31 March 2017: 172,540.833, 1 April 2016: Nil ) mutual fund units in Aditya Birla Sun Life Asset Management Company Limited (refer note 40 for investments pledged as securities)	105.42	55.32	-
<b>Total non-current investments</b>	<b>107.39</b>	<b>57.29</b>	<b>131.92</b>
<b>Total non-current investments</b>	<b>105.42</b>	<b>55.32</b>	<b>-</b>
Aggregate book value and market value of quoted investments	1.97	1.97	131.92
Aggregate book value of unquoted investments	130.08	130.08	-
Aggregate amount of impairment in the value of investments			



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Note 6a: Loans  
Non-Current

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Security deposits	143.83	128.57	66.54
- Considered good	0.69	0.69	0.69
- Considered doubtful	144.52	129.26	67.23
	(0.69)	(0.69)	(0.69)
Less: Loss allowance	143.83	128.57	66.54

Refer note 32 on financial risk management

Note 6b: Loans

Current

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Security deposits	1.24	-	-
	1.24	-	-

Refer note 32 on financial risk management

Note 7a: Income tax asset ( net)

Non current

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Income tax asset (net of provision of income tax INR 264.87 million (31 March 2017: INR 226.42 million, 1 April 2016: INR 153.64 million))	76.25	66.65	84.20
Total non current tax assets	76.25	66.65	84.20

Note 7b: Income tax asset ( net)

Current

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Income tax asset (net of provision of income tax INR 72.77 million (31 March 2017: INR Nil, 1 April 2016: INR Nil))	1.61	-	-
Total current tax assets	1.61	-	-

Note 8: 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
Advances recoverable	0.82	0.82	7.49
	0.82	0.82	7.49

Note 9: Trade receivables

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Considered good	459.92	548.86	465.75
Considered doubtful	54.36	34.84	32.08
	514.28	583.70	497.83
Loss allowance for trade receivable	(54.36)	(34.84)	(32.08)
	459.92	548.86	465.75

Refer note 32 for exposure to credit and currency risks and loss allowances and note 40 for debtors pledge as securities.

Of the above, trade receivables from related parties are as below:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Trade receivables from related parties*	137.89	195.12	161.47
	137.89	195.12	161.47

\*Refer note 40 for debtors pledge as securities.



NDTV Convergence Limited  
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Note 10: Cash and cash equivalents

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Cash on hand	0.08	0.02	0.07
Balances with banks			
- In current accounts	44.29	20.15	14.26
Deposits with original maturity of less than 3 months	206.69	42.73	20.07
Cash and cash equivalents in balance sheet	<u>251.06</u>	<u>62.90</u>	<u>34.40</u>
Cash and cash equivalents in the statement of cash flows	<u>251.06</u>	<u>62.90</u>	<u>34.40</u>

Note 11: 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	29.83	5.10	31.67
	<u>29.83</u>	<u>5.10</u>	<u>31.67</u>

Note 12a: Non-Current - other financial assets  
(Unsecured, considered good)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deposits with banks due to mature after 12 months of the reporting date	-	-	0.82
Margin money deposits	-	-	9.55
Interest accrued on fixed deposits	-	-	0.32
	<u>-</u>	<u>-</u>	<u>10.69</u>

Note 12b: Current - other financial assets  
(Unsecured, considered good)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unbilled revenue	21.82	37.59	5.00
Margin money deposits	-	-	35.00
Interest accrued on fixed deposits	1.01	0.24	0.61
	<u>22.83</u>	<u>37.83</u>	<u>40.61</u>

Note 13: Other current assets  
(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advances recoverable	2.01	1.75	1.85
Dues recoverable from government	6.00	25.38	16.08
Employee advances	1.27	1.25	2.06
Prepaid expenses	458.90	408.15	231.15
	<u>468.18</u>	<u>436.53</u>	<u>251.14</u>



**NDTV Convergence Limited**  
Notes to the financial statements for the year ended 31 March 2018  
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Note 14: Equity share capital

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Authorised			
3,000,000 (31 March 2017: 3,000,000, 1 April 2016: 3,000,000) Equity shares of INR 10 each	30.00	30.00	30.00
23,000,000 (31 March 2017: 23,000,000, 1 April 2016: 23,000,000) Preference shares of INR 10 each	230.00	230.00	230.00
	<u>260.00</u>	<u>260.00</u>	<u>260.00</u>
Issued, subscribed and fully paid up			
66,671 (31 March 2017: 66,671, 1 April 2016: 66,671) Equity shares of INR 10 each, fully paid up	0.67	0.67	0.67
	<u>0.67</u>	<u>0.67</u>	<u>0.67</u>

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

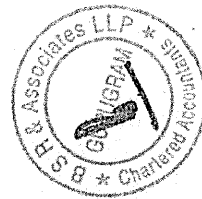
Particulars	No. of shares	Amount
As at 1 April 2016	66,671	0.67
As at 31 March 2017	66,671	0.67
As at 31 March 2018	66,671	0.67

(B) Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible to one vote per share held. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to 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
NDTV Networks Limited	50,003	75.00%	50,003	75.00%	50,003	75.00%
New Delhi Television Limited	11,334	17.00%	11,334	17.00%	11,334	17.00%



NDTV Convergence Limited  
Notes to the financial statements for the year ended 31 March 2018  
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Note 15: Other equity

Particulars	As at	As at	As at
	31 March 2018	31 March 2017	1 April 2016
Securities premium <sup>a</sup>	236.35	236.35	236.35
Share based payment reserve <sup>b</sup>	44.25	41.91	37.74
Retained earnings <sup>c</sup>	410.35	205.76	212.50
	<u>690.95</u>	<u>484.02</u>	<u>486.59</u>

a) Securities premium

Particulars	As at	As at
	31 March 2018	31 March 2017
Opening balance	236.35	236.35
Closing balance	<u>236.35</u>	<u>236.35</u>

Securities premium is used to record the premium received on issue of shares. It can be utilised in accordance with the provisions of the Companies Act, 2013.

b) Share based payment reserve

Particulars	As at	As at
	31 March 2018	31 March 2017
Opening balance	41.91	37.74
Charge for the year	2.34	4.17
Closing balance	<u>44.25</u>	<u>41.91</u>

Share based payment reserve comprises the value of equity-settled share based award provided to employees and non-employees as part of their remuneration.

c) Retained earnings

Particulars	As at	As at
	31 March 2018	31 March 2017
Opening balance	205.76	212.50
Net profit/(loss) for the year	204.59	(6.74)
Closing balance	<u>410.35</u>	<u>205.76</u>

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



Note 16a: Non-current borrowings

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>Term loans</b>			
From financial institution/bank			
Secured #			
Indian rupee loan from a financial institution/bank (refer note (a))	462.33	457.19	244.04
	462.33	457.19	244.04
Less: Current maturities of long term borrowings	(46.88)	-	(97.61)
<b>Total non-current borrowings</b>	<b>415.45</b>	<b>457.19</b>	<b>146.43</b>

Note 16b: Current borrowings

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>Secured</b>			
Working capital loan (refer note (a)) #	17.79	44.78	-
<b>Total current borrowings</b>	<b>17.79</b>	<b>44.78</b>	<b>-</b>

Note (a):

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

Nature of security	Terms of repayment
<p>The term loan from Aditya Birla Finance Limited amounting to INR 500 million and working capital loan amounting to INR 23 million (31 March 2017: term loan of INR 500 million and working capital loan of INR 50 million, 1 April 2016: term loan of INR Nil and working capital loan of INR Nil) is secured by:</p> <p>1) Charge on all trade receivables and fixed assets of Company, inter alia: - Pledge of investments of INR 97.5 million (31 March 2017: INR 52.50 million, 1 April 2016: INR Nil) in mutual funds (refer note 5).</p> <p>2) The ultimate holding company and the holding company have issued an unconditional and irrevocable guarantees in favour of the Company to the extent of INR 550 million (31 March 2017: INR 550 million, 1 April 2016: INR Nil) each. These guarantees are valid till the tenure of the loan.</p> <p>3) The ultimate holding company has created a charge in favour of lender on its properties of INR 50 million.</p>	<p>Term loan of INR 500 million is payable in 32 equal quarterly instalments amounting to INR 15.63 million each after moratorium of 24 months from the date of last disbursement.</p> <p>Effective rate of interest as on March 31, 2018 is 13% per annum (31 March 2017: 13% per annum, 1 April 2016: Nil.)</p>
<p>The term loan from Yes Bank Limited amounting to INR Nil (31 March 2017: INR Nil, 1 April 2016: INR 250 million) is secured by (this Yes Bank loan was repaid in June 2016):</p> <p>1) Charge on all current and fixed assets of the Company, inter alia: a) Fixed deposits with bank of INR Nil (31 March 2017: INR Nil, 1 April 2016: INR 35 million) under lien with bank. b) Fixed deposit with bank of INR Nil (31 March 2017: INR Nil, 1 April 2016: INR 9.45 million) equivalent to 3 months interest on term loan under lien with bank.</p> <p>2) The ultimate holding company and the holding company have issued an unconditional and irrevocable guarantees in favour of the Company to the extent of INR nil (31 March 2017: INR nil, 1 April 2016: INR 350 million and INR 300 million) respectively. These guarantees are valid till the tenure of the loan.</p> <p>3) The ultimate holding company has created a charge in favour of bank on its under construction properties of INR Nil (31 March 2017: INR Nil, 1 April 2016: INR 50 million).</p>	<p>Term loan of INR 300 million is payable in 36 equal monthly instalments amounting to INR 8.33 million each after moratorium of 12 months from the date of first disbursement.</p> <p>Rate of Interest is bank's base rate plus 1.75% per annum payable on monthly rests. Effective rate of interest as on 31 March 2018: Nil, (31 March 2017: Nil, 1 April 2016: 12% per annum.)</p>

# For assets pledge as securities refer note 40 and refer note 32 on financial risk management.

Note 17a: Non-current- other financial liabilities

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Security deposit	-	-	10.83
	-	-	10.83

Note 17b: Current- other financial liabilities

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current maturities of long term borrowings (refer note no.16a)	46.88	-	97.61
Book overdraft	-	0.37	-
Payable against purchase of fixed assets	1.81	1.98	0.46
Interest accrued on borrowings	-	-	2.63
Payable to employees	39.60	34.45	43.61
	<b>88.29</b>	<b>36.80</b>	<b>144.31</b>





NDTV Convergence Limited  
Notes to the financial statements for the year ended 31 March 2018  
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Note 18: 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)	0.10	0.13	0.11
- total outstanding dues of creditors other than micro enterprises and small enterprises	190.35	242.93	263.64
	<u>190.45</u>	<u>243.06</u>	<u>263.75</u>

Refer note 32 for Company exposure to Currency and 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

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	0.10	0.13	0.11
(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 19a: Other non-current liabilities

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deferred income	39.78	-	-
	<u>39.78</u>	<u>-</u>	<u>-</u>

Note 19b: Other current liabilities

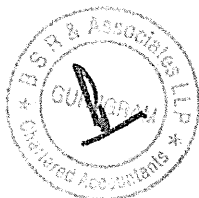
Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deferred income	119.80	87.89	92.10
Statutory dues payable	22.40	17.78	12.25
Advances from customers	0.58	0.40	0.66
Advance against sale of investment	0.02	-	-
	<u>142.80</u>	<u>106.07</u>	<u>105.01</u>

Note 20a: Provisions- non current

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Gratuity	21.87	15.09	11.12
	<u>21.87</u>	<u>15.09</u>	<u>11.12</u>

Note 20b: Provisions- current

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Gratuity	1.93	0.60	0.44
	<u>1.93</u>	<u>0.60</u>	<u>0.44</u>



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Note 21: Revenue from operations

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>Revenue from operations</b>		
Advertisement revenue	1,133.30	996.58
Mobile VAS revenue	173.66	164.82
Event revenue	22.92	18.89
Consultancy	16.49	26.73
Sale of license	25.29	1.25
Other business income	1.04	0.09
	<u>1,372.70</u>	<u>1,208.36</u>
<b>Other operating revenue</b>		
Liabilities for operating expenses written back	9.55	5.29
	<u>9.55</u>	<u>5.29</u>
<b>Total revenue from operations</b>	<u>1,382.25</u>	<u>1,213.65</u>

Note 22: Other income

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest income measured at amortised cost		
- Fixed deposits	14.55	5.06
- Others	15.78	9.81
Profit on sale of property, plant and equipment	26.96	-
Gain on fair value of mutual fund	5.10	2.82
Miscellaneous income	0.10	19.92
	<u>62.49</u>	<u>37.61</u>

Note 23: Cost of services

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Consultancy and professional fees	53.30	11.78
Hire charges	0.15	0.42
Subscription, footage and news service	43.46	51.13
Website hosting and streaming	108.42	115.06
Trade mark/License fee	14.10	12.40
Production expenses	74.54	52.87
Software expenses	16.68	16.55
Travelling	3.91	6.73
Stores and spares	-	0.02
	<u>314.56</u>	<u>266.96</u>

Note 24: Employee benefits expense

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus	344.90	300.03
Expenses related to post employment defined benefit plan (refer note 35)	7.74	3.01
Contribution to provident and other funds	17.03	15.83
Staff welfare expenses	1.59	2.92
Share based payment expenses	1.44	3.28
	<u>372.70</u>	<u>325.07</u>



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Note 25: Finance costs

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expense on borrowings	69.37	55.72
Interest expenses on others	0.41	0.57
Bank charges	0.46	2.07
Guarantee charges	0.41	0.38
Processing fee	5.15	9.38
	<u>75.80</u>	<u>68.12</u>

Note 26: Depreciation and amortisation expense

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation on property, plant and equipment	5.31	4.74
Amortisation on intangible assets	6.84	7.68
	<u>12.15</u>	<u>12.42</u>

Note 27: Operations and administration expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Rent (refer note 37)	21.29	19.86
Rates and taxes	2.71	3.95
Electricity and water	5.22	5.89
Printing and stationery	0.10	0.19
Postage and courier	0.29	0.11
Local conveyance, travelling and taxi hire	15.14	16.07
Business promotion	1.33	2.08
Repairs and maintenance		
Plant and machinery	1.04	1.21
Building	0.14	0.11
Auditors' remuneration <sup>a</sup>	1.02	1.03
Insurance	8.03	6.54
Communication	4.01	7.05
Vehicle running and maintenance	9.95	13.15
Provision for doubtful debts	26.35	13.91
Bad debts written off	12.47	24.71
Less: Adjusted against provision	(6.83)	(11.15)
Legal, professional and consultancy	5.64	13.56
Foreign exchange fluctuations (net)	79.99	68.29
Loss on sale / disposal of property, plant and equipment	1.36	3.13
Capital work-in-progress written off	-	0.04
Miscellaneous expenses	-	0.36
	1.93	5.74
	<u>185.54</u>	<u>182.27</u>

(a) Auditors remuneration

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
As Auditors	0.95	0.95
Audit fee	0.07	0.08
Reimbursement of expenses	1.02	1.03

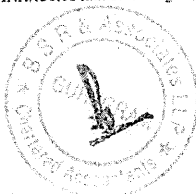
Note 28: Marketing, distribution and promotion expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Digital marketing for desktop and mobile websites	68.11	80.40
Mobile VAS	81.98	89.17
Others	25.65	32.48
	<u>175.74</u>	<u>202.05</u>

Note 29: Exceptional items (Net)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Impairment in the value of investment (refer note 5 and (a))	-	130.08
	<u>-</u>	<u>130.08</u>

During the previous year the Company has recorded an impairment loss of INR 130.08 million in the value of its investment in Indianroots Shopping Limited. The above impairment loss has been provided based on the Company's assessment of carrying value of assets over the assets recoverable amount or the value in use (whichever is higher) amounting to INR 130.08 million during the year ended 31 March 2017.



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Note: 30 Share based payment

**Description of share-based payment arrangements**

As at 31 March 2018 the Company has the following share-based payment arrangement.

**Employee Stock Option Plan - ESOP (CONVERGENCE) - 2007**

This plan entitles certain employees and non-employees of the Company to purchase the common shares of the Company at the exercise price, subject to compliance with vesting conditions. All exercised options shall be settled by allotment of shares. Upon vesting, the employees and non-employees can acquire one common share of the Company for every option.

The terms and conditions related to the grant of the share options are as follows:

Grant date	Number of options granted	Vesting conditions	Contractual life of options
Options outstanding as at 1 April 2016	3,029	Refer note below	4-12 years
Less: Options forfeited during the year ended 31 March 2017	(100)		
Options outstanding as at 31 March 2017	2,929		
Less: Options forfeited during the year ended 31 March 2018	(100)		
Options outstanding as at 31 March 2018	2,829		

**Note:**

1. For the options granted, total vesting period is 48 months. 50% of the options granted will vest after the completion of 24 months of the continuous service from the grant date and the balance 50% will vest after the completion of 48 months of the continuous service from the grant date.

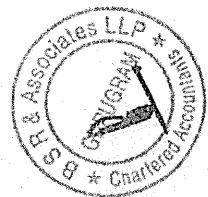
**Reconciliation of outstanding share options**

The number and weighted average exercise prices of share options under employee stock option plans are as follows:

Particulars	As at 31 March 2018		As at 31 March 2017	
	No. of options	Weighted average exercise price (Amount in Rs)	No. of options	Weighted average exercise price (Amount in Rs)
Outstanding at the beginning of the year	2,929	10	3,029	10
Granted during the year	-	-	-	-
Forfeited during the year	(100)	10	(100)	-
Outstanding at the end of the year	2,829	10	2,929	10
Exercisable at the end of the year	2,281	10	1,464	10

The options outstanding at 31 March 2018 have an exercise price of INR 10 (31 March 2017: INR 10, 1 April 2016: INR 10) and a weighted average contractual life of 8.01 years (31 March 2017: 8.98 years, 1 April 2016: 9.98 years).

During the year ended 31 March 2018 share based payment expense recognised under employee benefits expenses (refer note-24) amounted to INR 1.44 million (31 March 2017: INR 3.28) and under consultancy and professional fee amounted to INR 0.90 million (31 March 2017: INR 0.89 million)



**Note 31: Capital management**

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise 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 financial 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	As at	As at
	31 March 2018	31 March 2017	1 April 2016
Total borrowings	480.12	501.97	244.04
Less: Cash and cash equivalents	(251.06)	(62.90)	(34.40)
<b>Net debt</b>	<b>229.06</b>	<b>439.07</b>	<b>209.64</b>
Equity share capital	0.67	0.67	0.67
Other equity	690.95	484.02	486.59
<b>Total Equity</b>	<b>691.62</b>	<b>484.69</b>	<b>487.26</b>
<b>Net Debt to Total Equity ratio</b>	<b>0.33</b>	<b>0.91</b>	<b>0.43</b>

**Note 32: Financial Instruments- fair values 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	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial assets - Non current</b>								
Investments*	5				105.42	105.42	-	-
Mutual funds	6a	105.42	-	143.83	143.83	-	-	143.83
Security deposits								
<b>Financial assets - Current</b>								
Trade receivables**	9	-	-	459.92	459.92	-	-	459.92
Cash and cash equivalents**	10	-	-	251.06	251.06	-	-	251.06
Bank balances other than cash and cash equivalents mentioned above**	11	-	-	29.83	29.83	-	-	29.83
Security deposits**	6b	-	-	1.24	1.24	-	-	1.24
Other financial assets								
- Unbilled revenue**	12b	-	-	21.82	21.82	-	-	21.82
- Interest accrued on fixed deposits**	12b	-	-	1.01	1.01	-	-	1.01
<b>Total</b>		<b>105.42</b>	<b>-</b>	<b>908.71</b>	<b>1,014.13</b>	<b>105.42</b>	<b>-</b>	<b>908.71</b>
<b>Financial liabilities - Non current</b>								
Borrowings	16a	-	-	415.45	415.45	-	-	415.45
<b>Financial liabilities - Current</b>								
Borrowings	16b	-	-	17.79	17.79	-	-	17.79
Trade payables**	18	-	-	190.45	190.45	-	-	190.45
Other financial liabilities								
- Current maturities of long term borrowings*	17b	-	-	46.88	46.88	-	-	46.88
- Payable against purchase of fixed assets**	17b	-	-	1.81	1.81	-	-	1.81
- Payable to employees**	17b	-	-	39.60	39.60	-	-	39.60
<b>Total</b>		<b>-</b>	<b>-</b>	<b>711.98</b>	<b>711.98</b>	<b>-</b>	<b>-</b>	<b>711.98</b>

(ii) As on 31 March 2017

Particulars	Note	Carrying value			Fair value measurement using			
		FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial assets - Non current</b>								
Investments*	5				55.32	55.32	-	-
Mutual funds	6a	55.32	-	128.57	128.57	-	-	128.57
Security deposits								
<b>Financial assets - Current</b>								
Trade receivables**	9	-	-	548.86	548.86	-	-	548.86
Cash and cash equivalents**	10	-	-	62.90	62.90	-	-	62.90
Bank balances other than cash and cash equivalents mentioned above**	11	-	-	5.10	5.10	-	-	5.10
Other financial assets								
- Unbilled revenue**	12b	-	-	37.59	37.59	-	-	37.59
- Interest accrued on fixed deposits**	12b	-	-	0.24	0.24	-	-	0.24
<b>Total</b>		<b>55.32</b>	<b>-</b>	<b>783.26</b>	<b>838.58</b>	<b>55.32</b>	<b>-</b>	<b>783.26</b>
<b>Financial liabilities - Non current</b>								
Borrowings	16a	-	-	457.19	457.19	-	-	457.19
<b>Financial liabilities - Current</b>								
Borrowing	16b	-	-	44.78	44.78	-	-	44.78
Trade payables**	18	-	-	243.06	243.06	-	-	243.06
Other financial liabilities								
- Book overdraft**	17b	-	-	0.37	0.37	-	-	0.37
- Payable against purchase of fixed assets**	17b	-	-	1.98	1.98	-	-	1.98
- Payable to employees**	17b	-	-	34.45	34.45	-	-	34.45
<b>Total</b>		<b>-</b>	<b>-</b>	<b>781.83</b>	<b>781.83</b>	<b>-</b>	<b>-</b>	<b>781.83</b>



(ii) As on 1 April 2016

Particulars	Note	Carrying value			Total	Fair value measurement using		
		FVTPL	FVOCI	Amortised cost		Level 1	Level 2	Level 3
<b>Financial assets - Non current</b>				66.54	66.54	-	-	66.54
Security deposits	6a	-	-	-	-	-	-	-
<b>Other financial assets</b>								
- Deposits with banks due to mature after 12 months of the reporting date	12a	-	-	0.82	0.82	-	-	0.82
- Margin money deposits	12a	-	-	9.55	9.55	-	-	9.55
- Interest accrued on fixed deposits	12a	-	-	0.32	0.32	-	-	0.32
<b>Financial assets - Current</b>				465.75	465.75	-	-	465.75
Trade receivables**	9	-	-	-	-	-	-	-
Cash and cash equivalents**	10	-	-	34.40	34.40	-	-	34.40
Bank balances other than cash and cash equivalents mentioned above**	11	-	-	31.67	31.67	-	-	31.67
<b>Other financial assets</b>				5.00	5.00	-	-	5.00
- Unbilled revenue**	12b	-	-	35.00	35.00	-	-	35.00
- Margin money deposits	12b	-	-	0.61	0.61	-	-	0.61
- Interest accrued on fixed deposits**	12b	-	-	-	-	-	-	-
<b>Total</b>				<b>649.66</b>	<b>649.66</b>			<b>649.66</b>
<b>Financial liabilities - Non current</b>				146.43	146.43	-	-	146.43
Borrowings	16a	-	-	10.83	10.83	-	-	10.83
Security deposits	17a	-	-	-	-	-	-	-
<b>Financial liabilities - Current</b>				263.75	263.75	-	-	263.75
Trade payables**	18	-	-	-	-	-	-	-
<b>Other financial liabilities</b>				97.61	97.61	-	-	97.61
- Current maturities of long term borrowings*	17b	-	-	0.46	0.46	-	-	0.46
- Payable against purchase of fixed assets**	17b	-	-	2.63	2.63	-	-	2.63
- Interest accrued on borrowings**	17b	-	-	43.61	43.61	-	-	43.61
- Payable to employees**	17b	-	-	-	-	-	-	-
<b>Total</b>				<b>565.32</b>	<b>565.32</b>			<b>565.32</b>

\* It excludes investments in subsidiaries and associates which are measured at deemed cost on the date of transition to Ind AS i.e., 1 April 2016.

\*\* The carrying amounts of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, margin money deposits, deposits with banks due to mature after 12 months of the reporting date, loans, security deposit, interest accrued on fixed deposit, interest payable, unbilled revenue, trade payables, payable to employees, current maturity of long term borrowings, payable against purchase of fixed assets, interest accrued on borrowings and unpaid dividend approximates the fair values due to their short-term nature.

Fair values are categorised into different level in 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.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of investment in quoted mutual funds is based on the current bid price of respective investment as at the Balance Sheet date.
- the fair value of the remaining 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 - Foreign currency
- 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 analyse 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 conditions 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	As at
	31 March 2018	31 March 2017	1 April 2016
Investments	105.42	55.32	-
Trade receivables	459.92	548.86	465.75
	251.06	62.90	34.40
Bank balances other than cash and cash equivalents mentioned above	29.83	5.10	31.67
Loans	145.07	128.57	66.54
Other financial assets	22.83	37.83	51.30

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. Investments primarily include investment in mutual funds. The loans primarily represents interest free security deposits refundable on the completion of the term as per the contract. The credit risk associated with such deposits is relatively low.

The Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience for customers. Based on the business environment in which the Company operates, management considers that the trade receivables are in default (credit impaired) if the payments are more than 180 days past due.

Trade receivables as at year end includes INR 137.89 million (31 March 2017: INR 195.12 million, 1 April 2016: INR 161.47 million) as amount recoverable from related parties and INR 376.39 million (31 March 2017: INR 388.59 million, 1 April 2016: INR 336.36 million) recoverable from others.

The Company believes that amount receivable from related parties is collectible in full, based on historical payment behaviour and hence no loss allowance has been recognized on the same. The Company based upon past trends determine an impairment allowance for loss on receivables from others.



The movement in the allowance for impairment in respect of trade receivables is as follows:

Particulars	As at 31 March 2018	As at 31 March 2017
Balance as at beginning of the year	34.84	32.08
Loss allowance created	26.35	13.91
Amounts written off during the year	(6.83)	(11.15)
Balance as at the end of the year	54.36	34.84

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(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 and other highly marketable equity investments 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 flow
Borrowings (including current maturities)	462.33	46.87	125.00	328.13	500.00
Current borrowings	17.79	23.60	-	-	23.00
Trade payables	190.45	190.45	-	-	190.45
Other financial liabilities	41.41	41.41	-	-	41.41
	711.98	301.73	125.00	328.13	754.86

As at 31 March 2017	Carrying amount	Less than one year	Between one and three years	More than three years	Contractual cash flow
Borrowings (including current maturities)	457.19	-	109.37	390.63	500.00
Current borrowings	44.78	50.00	-	-	50.00
Trade payables	243.06	243.06	-	-	243.06
Other financial liabilities	36.80	36.80	-	-	36.80
	781.83	329.86	109.37	390.63	829.86

As at 1 April 2016	Carrying amount	Less than one year	Between one and three years	More than three years	Contractual cash flow
Borrowings (including current maturities)	244.04	100.00	150.00	-	250.00
Trade payables	263.75	263.75	-	-	263.75
Other financial liabilities	57.53	57.53	-	-	57.53
	565.32	421.28	150.00	-	571.28

(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 optimising 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:

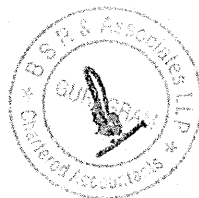
Variable rate instruments	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Term loan	462.33	457.19	244.04
Working capital loan	17.79	44.78	-
Total	480.12	501.97	244.04

Interest rate sensitivity analysis

A reasonably possible change of 0.50% in interest rates at the reporting date would have affected the profit or loss by the amounts shown below.

Particulars	Statement of Profit and Loss	
	Increase by 0.50%	Decrease by 0.50%
Increase/ (decrease) in Interest on borrowings		
For the year ended 31 March 2018	2.40	(2.40)
For the year ended 31 March 2017	2.51	(2.51)

The analysis is prepared assuming the amount of the borrowings outstanding at the end of the year was outstanding for the whole year.





(b) Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency (INR) and other currencies (USD) from the Company's operating, investing and financing activities.

Unhedged exposure to foreign currency risk

The Company's exposure in respect of foreign currency denominated financial liabilities not hedged by derivative instruments or others as follows-

Currency	As at 31 March 2018			As at 31 March 2017			As at 1 April 2016		
	Amount in foreign currency	Exchange Rate	Amount in INR	Amount in foreign currency	Exchange Rate	Amount in INR	Amount in foreign currency	Exchange Rate	Amount in INR
USD	0.15	65.04	9.63	0.34	64.84	21.94	0.83	66.33	55.20

The Company's exposure in respect of foreign currency denominated financial assets not hedged by derivative instruments or others as follows-

Currency	As at 31 March 2018			As at 31 March 2017			As at 1 April 2016		
	Amount in foreign currency	Exchange Rate	Amount in INR	Amount in foreign currency	Exchange Rate	Amount in INR	Amount in foreign currency	Exchange Rate	Amount in INR
USD	0.98	65.04	63.84	1.01	64.84	65.41	0.62	66.33	41.39

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31 March 2018 and 31 March 2017 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Statement of Profit & Loss for the year ended 31 March 2018		Statement of Profit & Loss for the year ended 31 March 2017	
	Gain/(loss) on appreciation	Gain/(loss) on depreciation	Gain/(loss) on appreciation	Gain/(loss) on depreciation
USD	0.54	(0.51)	0.43	(0.43)
	0.54	(0.54)	0.43	(0.43)

The following significant exchange rate applied during the year

Particulars	Average exchange rate per unit		Reporting date rate per unit	
	2016-17	2017-18	As at 31 March 2018	As at 31 March 2017
USD	67.09	64.45	65.04	64.84

USD: United States Dollar



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Note 33: Earnings / (loss) per share (EPS)

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

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit / (loss) for the year - (A)	206.81	(5.61)
Calculation of weighted average number of equity shares		
Number of equity shares at the beginning of the year	66,671	66,671
Number of equity shares outstanding at the end of the year	66,671	66,671
Weighted average number of shares outstanding during the year - (B)	66,671	66,671
Face value of each equity share (INR)	10	10
Basic and diluted earnings/ (loss) per equity share ( in absolute terms ) (INR) - (A)/(B)	3,101.91	(84.22)



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Part 34: Related party disclosures

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

- Ultimate Holding Company  
New Delhi Television Limited
- Holding Company  
NDTV Networks Limited
- Follow Subsidiaries  
NDTV Media Limited  
NDTV Labs Limited  
NDTV Worldwide Limited
- Subsidiaries (direct/indirect)  
Red Pixels Ventures Limited  
SmartCosby Internet Limited  
Real Pivot Gadgets Limited (till 19 June, 2017)  
SmartCosby Ventures Limited (till 27 March, 2017)
- Associate Company  
Bridghbrick Ventures Limited  
Fifth Gear Ventures Limited  
Fifth Gear Auto Limited (till 21 March, 2017)  
Special Operations Limited  
On Demand Transportation Technologies Limited  
Bridghbrick Projects Limited  
RedFox Digital United  
OxArt Quest Limited
- Joint Venture of ultimate holding Company  
Indiamore shopping Limited (Formerly NDTV Ethnic Retail Limited)  
Lifestyle & Media Holdings Limited (formerly known as NDTV Lifestyle Holdings Limited)  
Lifestyle & Media Broadcasting Limited (formerly known as NDTV Lifestyle Limited)
- Key management Personnel (KMP) and their relatives  
Late K.V.L. Narayan Rao  
Bhish Kant  
Sreeta Chandra

Group CEO & Director till: 20 November, 2017  
Relative of Director  
Relative of Director (till 27 October, 2016)

(c) Transactions with related parties

Particulars	Ultimate holding company		Holding company		Fellow subsidiaries		Subsidiaries		Associate		Joint ventures of ultimate holding Company		Relatives		KMP		Total		
	For the year ended 31 March		For the year ended 31 March		For the year ended 31 March		For the year ended 31 March		For the year ended 31 March		For the year ended 31 March		For the year ended 31 March		For the year ended 31 March		For the year ended 31 March		
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	
Rendering of services by the Company																			
Lifestyle & Media Broadcasting Limited (formerly known as NDTV Lifestyle Limited)																			
NDTV Worldwide Limited					1.25	1.25					30.04	2.40					29.64	2.40	
Real Pivot Ventures Limited							1.17											1.17	1.25
Fifth Gear Ventures Limited									0.56									0.56	1.17
Indiamore shopping Limited (Formerly NDTV Ethnic Retail Limited)	154.61	179.63										1.38						1.38	1.38
New Delhi Television Limited																		154.61	179.63
Trade mark expenses																			
New Delhi Television Limited	14.12	12.40																14.12	12.40
Services rendered to																			
Lifestyle & Media Broadcasting Limited (formerly known as NDTV Lifestyle Limited)	15.55	41.59									0.06	0.07						15.55	41.59
New Delhi Television Limited					1.45														1.45
NDTV Worldwide Limited																			
Real Pivot Ventures Limited							10.44												10.44
Fifth Gear Ventures Limited									33.54										33.54



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Particulars	Ultimate holding company		Holding company		Fellow subsidiaries		Subsidiaries		Associate		Joint venture of ultimate holding Company		Relatives		KMP		Total	
	For the year ended 31 March		For the year ended 31 March		For the year ended 31 March		For the year ended 31 March		For the year ended 31 March		For the year ended 31 March		For the year ended 31 March		For the year ended 31 March		For the year ended 31 March	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Reimbursement of expenses (incurred by Related Parties on Company's behalf)																		
Lifestyle & Media Broadcasting Limited (formerly known as NDTV Lifestyle Limited)					0.06						0.06						0.02	0.06
NDTV Media Ltd																	0.05	0.05
Red Peaks Ventures Limited							0.00	0.57									0.00	0.57
Red Peaks Ventures Limited							0.00	0.67									0.00	0.67
Red Peaks Ventures Limited									0.00								0.00	0.01
Red Peaks Ventures Limited																	10.75	6.86
Reimbursement of expenses (incurred by Company on behalf of related parties)																		
Red Peaks Ventures Limited							10.27	12.95									10.27	12.95
SmartCosky Internet Limited								0.53										0.53
SmartCosky Internet Limited									16.16									16.07
SmartCosky Internet Limited									0.69									0.65
Special Occasions Limited																		0.26
Smart Cosky Internet Limited																		1.30
Smart Cosky Internet Limited																		19.47
Smart Cosky Internet Limited																		19.01
Smart Cosky Internet Limited																		55.64
Programs purchased																		13.33
Sale of fixed asset																		12.70
Lifestyle & Media Broadcasting Limited (formerly known as NDTV Lifestyle Limited)																		0.04
New Delhi Television Limited																		0.01
Red Peaks Ventures Limited																		0.31
Red Peaks Ventures Limited																		0.23
Red Peaks Ventures Limited																		1.07
Red Peaks Ventures Limited																		0.33
Corporate guarantee received from																		0.13
New Delhi Television Limited																		550.00
NDTV Networks Limited																		550.00
Guarantee commission Expenses																		2.76
New Delhi Television Limited																		50.00
Pledge of under construction property (ii)																		50.00
New Delhi Television Limited																		50.00
Investment																		0.13
Indhamanis Shipping Limited (Formerly NDTV Ethnic Retail Limited)																		0.13
Security deposit paid																		250.00
New Delhi Television Limited																		50.00
Security deposit returned																		50.00
New Delhi Television Limited																		1.56
Professional consultancy fees																		8.87
Secara Chandra																		0.19
Late Mr. K. V. L. Sarayan Rao																		0.18
Subscription News Pex																		0.19
Bridges Kent																		0.18





Note 35: Employee benefits

(i) Gratuity

Gratuity is payable to all eligible employees of the Company on retirement or separation from the Company. The following table sets out the status of the defined benefit plan as required under IND AS 19 - Employee Benefits:

(a) Movement in defined benefit obligation:

Particulars	Defined benefit obligation
Balance as at 1 April 2016	11.56
Current service cost	2.13
Interest expense	0.88
Total amount recognised in profit or loss	<u>3.01</u>
<i>Remeasurements</i>	
Loss from change in financial assumptions	1.52
Experience losses	0.20
Total amount recognised in other comprehensive income	<u>1.72</u>
Benefit payments	(0.60)
Balance as at 31 March 2017	<u>15.69</u>
Balance as at 1 April 2017	15.69
Current service cost	2.92
Interest expense	1.18
Past service cost	3.64
Total amount recognised in profit or loss	<u>7.74</u>
<i>Remeasurements</i>	
Loss from change in demographic assumptions	1.42
Loss from change in financial assumptions	1.13
Experience losses	0.84
Total amount recognised in other comprehensive income	<u>3.39</u>
Benefit payments	(3.02)
Balance as at 31 March 2018	<u>23.80</u>

The net liability disclosed above relates to unfunded plans are as follows:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Present value of funded obligations	23.80	15.69	11.56
Deficit of funded plan	23.80	15.69	11.56
Unfunded plans	-	-	-
Deficit of gratuity plan	<u>23.80</u>	<u>15.69</u>	<u>11.56</u>

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.



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(b) Assumptions:

1. Economic assumptions			
Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Discount rate	7.80%	7.50%	7.70%
Salary growth rate	20% for 1st year, 15% for 2nd year, 10% for 3rd year, 7.5% for 4th year and 5% thereafter.	20% for 1st year, 15% for 2nd year, 10% for 3rd year, 7.5% for 4th year and 5% thereafter.	20% for 1st year, 15% for 2nd year, 10% for 3rd year, 7.5% for 4th year and 5% thereafter.

The discount rate is based on the prevailing market yields of government bonds as at the balance sheet date for the estimated term of the obligations.  
The salary escalation rate is based on estimates of salary increases, which takes into account inflation, promotion and other relevant factors.

2. Demographic assumptions:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Withdrawal rate, based on completed year of services			
upto 5 years	30.00%	30.00%	30.00%
Above 5 years	3.00%	3.00%	3.00%
Mortality rate (% of IALM 06-08)	100.00%	100.00%	100.00%
Retirement age (years)	58	62	62

(c) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	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
Discount rate	1%	1%	(2.55)	(1.79)	3.03	2.17
Salary growth rate	1%	1%	2.20	1.10	(2.06)	(1.13)
Attrition rate	50%	50%	1.26	0.63	(1.54)	(0.93)
Mortality rate	10%	10%	0.03	0.04	(0.03)	(0.04)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.



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Note 36: Contingent liabilities

A. Contingent liabilities

Bank guarantees for INR.0.10 million (31 March 2017: INR.0.10 million, 1 April 2016: INR.0.10 million) in favour of government authorities towards registration under sales tax authorities.

Note 37: Lease commitments

A. Non-cancellable operating leases

The Company has taken various commercial premises under cancellable operating leases. The rental expense for the current year, in respect of operating leases is INR 21.29 million (31 March 2017: INR 19.86 million). The Company has also taken commercial premises on lease which have non-cancellable periods. The future minimum lease payments in respect of such leases are as follows:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Within less than one year	0.48	-	0.73
<b>Total minimum lease payments</b>	<b>0.48</b>	<b>-</b>	<b>0.73</b>

Note 38: 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 principal activities of the Company comprises of online/digital broadcast media. Accordingly, the Company has one reportable segments consisting of online/digital broadcast media.

Note 39: Disclosure of Specific Bank Notes (SBNs)

The disclosure regarding details of specific 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. Corresponding amounts as appearing in the audited financial statements for the year ended 31 March 2017 have been disclosed as given below.

Particulars	SBNs*	Other denomination Notes	Total
Closing Cash in hand as on November 08, 2016	0.01	0.01	0.02
(+) Permitted receipts	-	0.09	0.09
(-) Permitted payments	-	0.05	0.05
(-) Amount deposited in Banks	0.01	-	0.01
<b>Closing Cash in hand as on December 30, 2016</b>	<b>-</b>	<b>0.05</b>	<b>0.05</b>

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407 (E), dated the 8th November, 2016.

Note 40 : Assets pledged as security

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

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
<b>Current assets</b>				
Trade receivables	9	459.92	548.86	465.75
Cash and cash equivalents	10	-	-	34.40
Bank balances other than cash and cash equivalents mentioned above	11	-	-	31.67
Other financial assets	12(b)	-	-	40.61
Other current assets	14	-	-	251.14
Investments	5	105.42	55.32	-
<b>Total current assets</b>		<b>565.34</b>	<b>604.18</b>	<b>823.57</b>
<b>Non-current assets</b>				
Property, plant and equipment	3	14.59	15.41	12.51
Capital work-in-progress		-	-	0.36
Intangible assets	4	10.33	17.17	24.18
Other financial assets	12(a)	-	-	-
<b>Total non-current assets</b>		<b>24.92</b>	<b>32.58</b>	<b>37.05</b>
<b>Total assets pledged as security</b>		<b>590.26</b>	<b>636.76</b>	<b>860.62</b>





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Note 41 : 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	
Profit / (Loss) before taxes	308.25		64.29	
Tax using the Company's applicable tax rate	106.68		22.25	
Effect of:				
- Non-deductible expenses	6.59	34.61%	3.11	4.84%
- Changes in temporary differences	(11.83)	-3.84%	44.54	69.29%
Income tax expense reported	101.44		69.90	

B) Recognised deferred tax assets and liabilities

Particulars	As at	As at	As at
	31 March 2018	31 March 2017	1 April 2016
<b>Deferred tax liabilities</b>			
- Property, plant and equipment and intangible assets	3.35	5.92	7.04
- Investments in mutual fund	1.83	0.66	-
<b>Total deferred tax liabilities</b>	<b>5.18</b>	<b>6.58</b>	<b>7.04</b>
<b>Deferred tax assets</b>			
- Expenditure allowed for tax purposes on payment basis	8.23	5.43	3.82
- Loss allowances on trade receivables	19.05	12.30	10.91
<b>Total deferred tax assets</b>	<b>27.28</b>	<b>17.73</b>	<b>14.73</b>
<b>Net deferred tax asset recognised</b>	<b>22.10</b>	<b>11.15</b>	<b>7.69</b>

C) Movement in deferred tax assets / (liabilities) during the year :

Particulars	Balance as at	Recognised	Recognised in other	Balance as at	Recognised in other	Balance as at
	1 April 2016	in profit or loss	comprehensive income	31 March 2017	comprehensive income	31 March 2018
-Property, plant and equipment and intangible assets	(7.04)	1.12	-	(5.92)	2.57	(3.35)
- Investments in mutual fund	-	(0.65)	-	(0.65)	(1.18)	(1.83)
- Expenditure allowed for tax purposes on payment basis	3.82	1.01	0.59	5.42	1.64	8.23
- Loss allowances on trade receivables	10.91	1.39	-	12.30	6.75	19.05
<b>Total</b>	<b>7.69</b>	<b>2.87</b>	<b>0.59</b>	<b>11.15</b>	<b>1.17</b>	<b>22.10</b>



**Note 42: Corporate Social Responsibility (CSR)**

During the current year, the CSR Committee reviewed the CSR policy and decided to not spend towards the CSR activities due to financial commitments of the Company. Thus, pursuant to Section 135 introduced by Companies Act, 2013 pertaining to Corporate Social Responsibility, the Company has contributed INR Nil (31 March 2017: INR Nil) towards the CSR activities.

**Note 43: 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 an opening Ind AS Statement of Financial Position 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 exemptions and mandatory exceptions have been applied in the transition from previous GAAP to Ind AS.

**Ind AS optional exemptions availed**

**(1) Deemed cost for property, plant and equipment and intangible assets**

As per Ind AS 101, an entity may elect to use carrying values of all property, plant and equipment and other intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous Indian GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

**(2) 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.

**(3) Investment in subsidiaries 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 and associates as recognised 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 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 AS 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.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Fair valuation of financial instruments carried at Fair value through profit and loss.
- Impairment of financial assets based on expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortised 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 amortised 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 amortised cost has been done retrospectively, except where the same is impracticable.



NDTV Convergence Limited  
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**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.

(i) Reconciliation of equity as at date of transition (1 April 2016)				
	Notes to first-time adoption	Previous GAAP*	Adjustments	Ind AS
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment		12.51	-	12.51
Capital work-in-progress		0.36	-	0.36
Intangible assets		24.18	-	24.18
<b>Financial assets</b>				
Investments		131.92	-	131.92
Loans	2	301.57	(235.03)	66.54
Other financial assets		10.69	-	10.69
Income tax assets (net)		84.20	-	84.20
Deferred tax assets (net)	4	6.08	1.62	7.69
Other non-current assets		7.49	-	7.49
<b>Total non-current assets</b>		<b>579.00</b>	<b>(233.41)</b>	<b>345.59</b>
<b>Current assets</b>				
<b>Financial assets</b>				
Trade receivables	5	470.42	(4.67)	465.75
Cash and cash equivalents		34.40	-	34.40
Bank balances other than cash and cash equivalents mentioned above		31.67	-	31.67
Other financial assets	2	40.61	-	40.61
Other current assets		26.80	224.34	251.14
<b>Total current assets</b>		<b>603.90</b>	<b>219.67</b>	<b>823.57</b>
<b>Total assets</b>		<b>1,182.90</b>	<b>(13.74)</b>	<b>1,169.15</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital		0.67	-	0.67
Other equity		497.93	(11.34)	486.59
<b>Total equity</b>		<b>498.60</b>	<b>(11.34)</b>	<b>487.26</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings		146.43	-	146.43
Other financial liabilities	3	50.00	(39.17)	10.83
Provisions		11.12	-	11.12
<b>Total non-current liabilities</b>		<b>207.55</b>	<b>(39.17)</b>	<b>168.38</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Trade payables		263.75	-	263.75
Other financial liabilities		141.22	-	141.22
Provisions		0.44	-	0.44
Other current liabilities	3	71.33	36.77	108.10
<b>Total current liabilities</b>		<b>476.74</b>	<b>36.77</b>	<b>513.51</b>
<b>Total liabilities</b>		<b>684.29</b>	<b>(2.40)</b>	<b>681.89</b>
<b>Total equity and liabilities</b>		<b>1,182.89</b>	<b>(13.74)</b>	<b>1,169.15</b>



NDTV Convergence 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
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment		15.41	-	15.41
Intangible assets		17.17	-	17.17
<b>Financial assets</b>				
Investments	1	54.47	2.82	57.29
Loans	2	551.57	(423.00)	128.57
Income tax assets (net)		66.65	-	66.65
Deferred tax assets (net)	4	8.85	2.30	11.15
Other non-current assets		0.82	-	0.82
<b>Total non-current assets</b>		<b>714.94</b>	<b>(417.88)</b>	<b>297.06</b>
<b>Current assets</b>				
<b>Financial assets</b>				
Trade receivables	5	557.41	(8.54)	548.87
Cash and cash equivalents		62.90	-	62.90
Bank balances other than cash and cash equivalents mentioned above		5.10	-	5.10
Other financial assets		37.83	-	37.83
Other current assets	2,7	30.76	405.77	436.53
<b>Total current assets</b>		<b>694.00</b>	<b>397.23</b>	<b>1,091.23</b>
<b>Total assets</b>		<b>1,408.94</b>	<b>(20.65)</b>	<b>1,388.29</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital		0.67	-	0.67
Other equity		504.68	(20.65)	484.03
<b>Total equity</b>		<b>505.35</b>	<b>(20.65)</b>	<b>484.70</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings		457.19	-	457.19
Provisions		15.09	-	15.09
<b>Total non-current liabilities</b>		<b>472.28</b>	<b>-</b>	<b>472.28</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings		44.78	-	44.78
Trade payables		243.06	-	243.06
Other financial liabilities		36.80	-	36.80
Provisions		0.60	-	0.60
Other current liabilities		106.07	-	106.07
<b>Total current liabilities</b>		<b>431.31</b>	<b>-</b>	<b>431.31</b>
<b>Total liabilities</b>		<b>903.59</b>	<b>-</b>	<b>903.59</b>
<b>Total equity and liabilities</b>		<b>1,408.94</b>	<b>(20.65)</b>	<b>1,388.29</b>



NDTV Convergence Limited  
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(All amounts in INR millions, unless otherwise stated)

(iii) Reconciliation of total comprehensive income for the year ended 31 March 2017				
	Notes to first time adoption	Previous GAAP*	Adjustments	Ind AS
<b>Income</b>				1,213.65
Revenue from operations	3	1,217.93	(4.28)	37.61
Other income	1,2	24.98	12.63	1,251.26
<b>Total income</b>		<u>1,242.91</u>	<u>8.35</u>	
<b>Expenses</b>				266.96
Production expenses	2	256.22	10.74	325.07
Employee benefit expense	6	326.79	(1.72)	68.12
Finance costs	3	67.68	0.44	12.42
Depreciation and amortisation expense		12.42	-	182.27
Operations and administration expenses	5,7	183.52	(1.25)	202.05
Marketing, distribution and promotion expenses	2,3	193.65	8.40	1,056.89
<b>Total expenses</b>		<u>1,040.28</u>	<u>16.61</u>	
<b>Profit before tax</b>		<u>202.63</u>	<u>(8.26)</u>	194.37
Exceptional items		130.08	-	130.08
<b>Profit before tax</b>		<u>72.55</u>	<u>(8.26)</u>	64.29
<b>Income tax expense</b>				72.77
Current tax		72.77	-	(2.87)
Deferred tax	4	(2.78)	(0.09)	69.90
<b>Total tax expenses</b>		<u>69.99</u>	<u>(0.09)</u>	
<b>Profit/(loss) for the year</b>		<u>2.57</u>	<u>(8.18)</u>	(5.61)
<b>Other comprehensive income</b>				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit obligations	6	-	(1.72)	(1.72)
Income tax relating to these items	4	-	0.60	0.60
<b>Other comprehensive income / (loss) for the year</b>			<u>(1.12)</u>	(1.12)
<b>Total comprehensive income / (loss) for the year</b>		<u>2.57</u>	<u>(9.29)</u>	(6.73)
<b>Earnings per equity share</b>				(84.22)
Basic earnings / (loss) per share ( INR)		38.48		(84.22)
Diluted earnings / (loss) per share (INR)		38.48		

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

(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		505.35	498.60
<b>Adjustments:</b>			
Effect of measuring financial instruments at fair value/amortised cost	1,2,3	(19.53)	(8.29)
Expected credit loss	5	(8.54)	(4.67)
Effect of amortisation of guarantee commission expense	7	5.12	-
Deferred tax on above	4	2.30	1.62
<b>Total equity as per Ind AS</b>		<u>484.70</u>	<u>487.26</u>
<b>As per Financials</b>		<u>484.70</u>	<u>487.26</u>



(v) Notes to reconciliation between Previous GAAP to IND AS:

1) Non current investments

Under the previous GAAP, investments in mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value.

The resulting fair value changes of these investments have been recognised in the statement of profit and loss account for the year ended 31 March 2017. This increased the profit by INR 2.82 million for the year ended 31 March 2017.

2) Security deposits paid

Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the contract) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS.

Consequent to this change, the amount of security deposits decreased by INR 235.03 million as at 1 April 2016 and INR 423.00 million as at 31 March 2017. The prepaid expenses has been increased by INR 224.34 million and by INR 400.64 million as at 1 April 2016 and 31 March 2017 respectively. Total equity decreased by INR 10.69 million as on 1 April 2016. The profit for the year ended 31 March 2017 has decreased by INR 11.67 million due to amortisation of the prepaid expense of INR 21.48 million which is partially off-set by the notional interest income of INR 9.81 million recognised on security deposits.

3) Security deposits received

Under the previous GAAP, interest free security deposits (that are payable in cash on completion of the contract) are recorded at their transaction value. Under Ind AS, all financial liabilities are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS.

Consequent to this change, the amount of security deposits decreased by INR 39.17 million as at 1 April 2016. The deferred credit has increased by INR 36.77 million as at 1 April 2016 and total equity has increased by INR 2.40 million as at 1 April 2016. The profit for the year ended 31 March 2017 has been decreased by INR 2.39 million due to interest expense on security deposit of INR 0.44 million and reversal of amortisation of deferred income of INR 2.91 million, which is partially off-set by amortisation of deferred income of INR 0.96 million.

Further, under the previous GAAP cash discount of INR 2.34 million offered is disclosed as an expense under the head "Marketing, distribution and promotion expenses", however, under Ind AS the same has been adjusted against revenue for the year ended 31 March 2017. There is no impact on profit for the year ended 31 March 2017.

4) Deferred tax

Under the previous GAAP, deferred taxes were recognised for the tax effect of timing difference between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above differences together with the consequential tax impact of the other Ind AS transitional adjustments lead to setting up of deferred tax asset of INR 1.62 million as at 1 April 2016 and INR 2.30 million as at 31 March 2017.

5) Trade receivable

Under the previous GAAP, allowance for doubtful debts is recognized based on the specific assessment of individual customers. Under Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts or for impairment of financial assets. As a result, the retained earnings has decreased by INR 4.67 million as at 1 April 2016 and the profit has decreased by INR 3.87 million for the year ended 31 March 2017.

Consequently, the allowance for doubtful debts has increased by INR 4.67 million as at 1 April 2016 and by INR 8.54 million as at 31 March 2017.

6) Remeasurement of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit obligation are recognised in other comprehensive income instead of statement of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended 31 March 2017 increased by INR 1.72 million and simultaneously decreased the other comprehensive income by INR 1.72 million. There is no impact on the total equity as at 31 March 2017.

7) Guarantee commission

Under the previous GAAP, guarantee commission expenses was charged to profit or loss in the year in which guarantee received. Under Ind AS, Guarantee commission expense is amortised on straight line basis over the period of guarantee received. As a result of this, prepaid expense has been increased by INR 5.12 million as at 31 March 2017 and also the profit for the year ended 31 March has increased by the same amount.

8) Retained earnings

Retained earnings as at 1 April 2016 has been adjusted consequent to the above Ind AS transition adjustments.



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9) Other comprehensive income  
Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

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

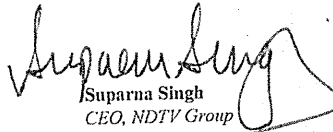


Rakesh Dewan  
Partner  
Membership Number: 092212

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



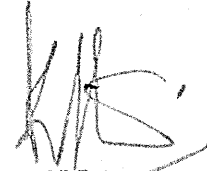
Saurav Banerjee  
Co-CEO, NDTV Group & Director  
DIN No: 06719699



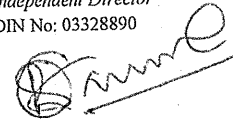
Suparna Singh  
CEO, NDTV Group

Place: New Delhi

Date: 11 May 2018



Kaushik Dutta  
Independent Director  
DIN No: 03328890



Ravi Asawa  
CFO, NDTV Group

Place: Gurugram

Date: 11 MAY 2018